

SIHAYO GOLD LIMITED
ACN 009 241 374

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata non-renounceable entitlement issue of one (1) New Share for every Share held by those Shareholders registered on the Record Date at an issue price of \$0.002 per Share to raise \$12,204,256 (before costs and subject to the application of the Debt Conversion Facility) based on the number of Shares on issue as at the date of this Prospectus (**Offer**).

The Offer is fully underwritten by Provident Minerals Pte Ltd (**Underwriter**). Refer to Section 6.4.1 for a summary of the terms and conditions of the Underwriting Agreement.

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 professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

Not for release to US wire services or distribution in the United States except by the Company to Eligible Shareholders.

IMPORTANT NOTICE

This Prospectus is dated 24 May 2023 and was lodged with ASIC on that date. ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and 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.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your

financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

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 the Company's management.

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or

to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

For further information on overseas Shareholders please refer to Section 2.10.

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 Securities.

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 securities 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 3 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 securities exchange conducted by ASX.

Please refer to Section 6.2 for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at <http://www.sihayogold.com>. A copy of this Prospectus is available in electronic format only to Eligible Shareholders in Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on + 61 3 9935 9161 during office hours or by emailing the Company at sihayogold@sihayogold.com.

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.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

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.

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

The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued 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 CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. 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.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 7.

All references to time in this Prospectus are references to Australian Eastern Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

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

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (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 Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offer please call the Company Secretary on + 61 3 9935 9161.

CORPORATE DIRECTORY

Directors

Colin Moorhead (*Executive Chairman*)

Misha Collins (*Non-Executive Director*)

Gavin Caudle (*Non-Executive Director*)

Daryl Corp (*Non-Executive Director*)

Key Management Personnel

Roderick Crowther (*Chief Financial Officer*)

Company Secretary

Susan Park

Registered Office

Suite 1, 245-249 Bay Street
Brighton VIC 3186

Telephone: + 61 3 9935 9161

Email: sihayogold@sihayogold.com

Website: <http://www.sihayogold.com>

Australian Legal Advisers

Steinepreis Paganin
Lawyers and Consultants
Level 4, 99 William Street
Melbourne VIC 3000

Share Registry*

Automic Group
5/126 Phillip Street
Sydney NSW 2000

Telephone: 1300 288 664
Facsimile: +61 2 8583 3040

Auditor

Stantons International Audit and
Consulting Pty Ltd
40 Kings Park
West Perth WA 6005

Underwriter

Provident Minerals Pte Ltd
80 Raffles Place
#54-01/02 UOB Plaza 1
Singapore 048624

*This entity 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.

TABLE OF CONTENTS

1.	KEY OFFER INFORMATION.....	5
2.	DETAILS OF THE OFFER.....	17
3.	PURPOSE AND EFFECT OF THE OFFER.....	29
4.	RIGHTS AND LIABILITIES ATTACHING TO SECURITIES	33
5.	RISK FACTORS	39
6.	ADDITIONAL INFORMATION	50
7.	GLOSSARY	60

1. KEY OFFER INFORMATION

1.1 Timetable

Lodgement of Prospectus with ASIC	Wednesday, 24 May 2023
Lodgement of Prospectus and Appendix 3B with ASX	Wednesday, 24 May 2023
Ex-date	Monday, 29 May 2023
Record Date for determining Entitlements	Tuesday, 30 May 2023
Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Friday, 2 June 2023
Last day to extend the Closing Date	Thursday, 8 June 2023
Closing Date (as at 5:00pm)*	Wednesday, 14 June 2023
Shares quoted on a deferred settlement basis	Thursday, 15 June 2023
ASX and Underwriter notified of under subscriptions	Monday, 19 June 2023
Underwriter subscribes for Shortfall under terms of Underwriting Agreement	Tuesday, 20 June 2023
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares	Wednesday, 21 June 2023
Quotation of Shares issued under the Offer	Thursday, 22 June 2023

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Shares are expected to commence trading on ASX may vary.

1.2 Key statistics of the Offer

Shares

	Full Subscription
Offer Price per New Share	\$0.002
Entitlement Ratio (based on existing Shares)	1:1
Shares currently on issue	6,102,128,090
New Shares to be issued pursuant to the Offer ¹	6,102,128,090
Gross proceeds of the issue of Shares	\$12,204,256
Shares on issue post-Offer	12,204,256,180

Notes:

1. Refer to Section 4.1 for the terms of the Shares.

Options

	Full Subscription
Options currently on issue ¹	104,000,000
Options to be issued under the Offer	NIL
Options on issue post-Offer	104,000,000

Notes:

1. Unquoted Options which are exercisable at \$0.03624 on or before 9 December 2026.

1.3 Key Risk Factors

Prospective investors should be aware that subscribing for Securities involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

The predominant risks relating to the Company and the Offer are summarised below:

Risk	Description	Further Information
Potential for Dilution	Upon implementation of the Offer, assuming all Entitlements are accepted and no other Shares are issued prior to the Record Date, the number of Shares in the Company will increase from 6,102,128,090 currently on issue to 12,204,256,180. This would mean that immediately after the Offer each Share will represent a significantly lower proportion of the ownership of the Company.	Section 5.2
Control risk	Provident is the largest Shareholder of the Company and holds a relevant interest in approximately 30.93% of the Shares in the Company. Provident is the underwriter of the Offer. Assuming Provident takes up its full Entitlement and underwrites a portion of the Offer, Provident's voting power in the Company could increase significantly. Refer to Section 1.7 for further information.	Section 5.2

	<p>Provident's voting power in the Company means that it has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution).</p> <p>Provident's voting power means that it is in a position to potentially influence decisions of the Company, and its interests may not align with those of all other Shareholders.</p>	
Additional requirements for capital	The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.	Section 5.2
Going Concern	<p>The Company's Annual Report for the period ended 30 June 2022 (Annual Report) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>In the event that the Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern.</p>	Section 5.2
Commodity price and volatility and exchange rate risks	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 commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company (including exchange rate fluctuations).	Section 5.3

Permits	The Company's proposed operations are subject to receiving and maintaining licences and permits (including forestry permits) from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of licences/permits or additional permits.	Section 5.3
Market conditions	Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance.	Section 5.4

1.4 Debt Conversion

As announced to ASX on 21 October 2022, 21 February 2023 and 28 April 2023, the Company has received shareholder loans from Provident as follows (**Shareholder Loans**):

- (a) US\$1,500,000 (A\$2,238,806) (accruing interest at 10% per annum);
- (b) US\$1,500,000 (A\$2,238,806) (accruing interest at 12% per annum); and
- (c) US\$2,500,000 (A\$3,731,343) (accruing interest at 12% per annum).

The Company owes a total amount of approximately A\$8,564,363 (based on an exchange rate of A\$1:US\$0.67) to Provident based on the face value of the Shareholder Loans of A\$8,208,955 and interest of A\$355,408 accrued up to 19 June 2023 (being the indicative issue date of Shares under the Offer).

Provident's Entitlement is 1,887,399,938 Shares for a subscription amount of \$3,774,800. It is proposed that Provident will subscribe for Shares under its Entitlement in conversion of part of the Shareholder Loans and accrued interest (**Debt Conversion**). Post-Debt Conversion, the outstanding amount payable under the Shareholder Loans will be \$4,789,563, which the Company intends to repay from the proceeds of the Offer. Refer to Section 2.6 for further information.

1.5 Details of Substantial Shareholders

Based on publicly available information as at the date of this Prospectus, those persons which have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Provident Minerals Pte Ltd ¹	1,887,399,938	30.93%
PT Saratoga Investama Sedaya Tbk (Saratoga)	684,047,735	11.21%

Asian Metal Mining Developments Limited (Asian Metal)	500,520,811	8.20%
Goldstar Mining Asia Resources (L) BHD (Goldstar)	431,657,624	7.07%
Eastern Field Developments Ltd (Eastern Field)	376,949,794	6.18%

Notes:

1. Gavin Caudle, a Director, is also a director and shareholder of Provident Minerals Pte Ltd.

In the event that all Entitlements are accepted there will be no change to the substantial Shareholders on completion of the Offer.

The Company notes the following:

- (a) Mr Gavin Caudle is a common director of the Company, Provident and PT Merdeka Copper Gold Tbk (the parent company of Eastern Field) **(Merdeka)**;
- (b) as set out in Section 1.5, Provident is a substantial Shareholder of the Company;
- (c) Provident holds an approximate 22.25% interest in the shares of Eastern Field; and
- (d) Merdeka and the Company share common services and functions:
 - (i) Merdeka and PT Sorikmas Mining, a subsidiary of the Company **(Sorikmas)**, share common office space in Jakarta, Indonesia;
 - (ii) Merdeka provides accounting, tax and back office services to the Company and Sorikmas through one of its subsidiaries in the same office as Merdeka and Sorikmas; and
 - (iii) a senior manager within Merdeka (Boyke P. Abidin, Chief of External Affairs) is a director of Sorikmas.

On this basis, the Company is of the view that Eastern Field and Provident are associates for the purposes of the Corporations Act and Eastern Field's voting power in the Company will include the Shares in which Provident holds a relevant interest.

The voting power of Provident and Eastern Field may increase as a result of the Debt Conversion and the underwriting. Refer to Section 1.7 for further information.

1.6 Underwriting by Provident

The Offer is fully underwritten by Provident Minerals Pte Ltd **(Provident** or the **Underwriter)**. Refer to Section 6.4.1 for a summary of the terms and conditions of the Underwriting Agreement.

The Company has considered relevant Takeovers Panel Guidance Note 17 **(GN 17)** in seeking to put in place appropriate strategies to mitigate the potential control effects of the Offer.

Prior to entering into the Underwriting Agreement, the Company considered alternative options to mitigate against any potential control effects. This included exploring several funding alternatives, and meeting with third party underwriters with no existing shareholding in the Company. The Company was not able to reach agreement in relation to any of these alternatives.

In the Board's opinion, in the current commercial environment and having explored all options, the underwriting by the Underwriter of a non-renounceable entitlement issue was the only feasible underwriting option that was available to the Company in the context of an urgent need for funding by the Company.

In accordance with the guidance in paragraph 7(b)(i) of GN 17, in order to further mitigate the potential control effects of the underwriting:

- (a) the Company included a shortfall facility for Eligible Shareholders to subscribe for extra Shares (the **Shortfall Offer**), as described in Section 2.7; and
- (b) the Underwriter has agreed with the Company that Eligible Shareholders who participate in the Shortfall Offer will be given priority over the Underwriter in respect of any Shortfall.

If the Offer is oversubscribed (by take up of Entitlements and applications for Shortfall Shares by Eligible Shareholders), scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Shareholders. This is consistent with paragraph 7(b)(ii) of GN 17.

Allocation of the Shortfall Shares will be at the discretion of the Board in conjunction with the Underwriter. No Shares will be issued to an applicant under the Prospectus or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. To that end, in exercising their discretion regarding the Shortfall, the Board will not do so in a manner which is likely to exacerbate a potential unacceptable control effect on the Company (having regard to paragraph 7(b)(iii) of GN 17).

By reference to paragraphs 8 and 9 of GN 17:

- (a) the Underwriter has and will continue to seek out sub-underwriters which will reduce the control impact;
- (b) the Underwriter (and any sub-underwriter) will only receive Shares under the dispersion facility after all other requests have been satisfied;
- (c) sufficient time and detailed disclosure has been given to Shareholders and other investors to assess the Shares being offered;
- (d) the Company will make available the Shortfall Offer to external investors (having regard to its allocation policy and given the prohibition in section 606 of the Corporations Act); and
- (e) the acquisition of Shares by the Underwriter is in its capacity as such pursuant to a negotiated Underwriting Agreement (i.e. it is not facilitation of a capital raising by a contract to subscribe for Shortfall before the Offer is made).

The Company has a clear need for funds which has not been contrived (noting paragraph 9 of GN 17), and having regard to all available options, the

Company has considered that entering into the Underwriting Agreement with Provident provides the Company with the highest degree of certainty in the time available that the Offer will be successful.

The Company did consider the issue of renounceability of the Offer. Having regard to paragraphs 19-22 of GN 17, the fact that the Offer is non-renounceable should not be considered a significant factor given the Company considers that a market for rights is unlikely (given low liquidity in trading of the Shares) and the additional costs to make the Offer renounceable.

In light of the above, the Company considers that the structure of the Offer should not give rise to unacceptable circumstances.

Provident and related party considerations

Provident, the underwriter of the Offer, is a related party of the Company for the purposes of the Corporations Act by virtue of being controlled by Gavin Caudle, a Director. Notwithstanding this relationship between the Company and Provident, the Board (other than Gavin Caudle) considered prior Shareholder approval for the entry into the Underwriting Agreement (which is deemed under the Corporations Act to be the giving of a financial benefit to Provident) was not required on the basis that the terms of the agreement are considered to be 'arm's length'.

Having regard to ASIC Regulatory Guide 6: *Takeovers: Exceptions to the general prohibition* and Regulatory Guide 76: *Related party transactions* at section C, the Board considered the terms of the Underwriting Agreement to be on an arm's length basis for the following reasons:

- (a) an underwriting agreement on customary commercial terms (in similar circumstances) would provide for an underwriting fee payable to the underwriter, whereas no fee is payable to Provident and accordingly is considered less favourable than arm's length terms;
- (b) the remaining terms of the Underwriting Agreement (a detailed summary of which is included in Section 6.4.1 of the Prospectus) are considered arm's length including in particular the Termination Events;
- (c) the purpose of the underwriting is not to confer control on the Underwriter, but rather to provide a degree of certainty in raising funds under the Offer (on the basis that all Eligible Shareholders will have (in priority) a pro-rata entitlement to subscribe for Shares under the Offer if they choose to participate);
- (d) there are no undisclosed fees payable to the Underwriter;
- (e) the Underwriter will not receive any benefits from the Company's proposed use of capital raised (other than as a Shareholder); and
- (f) before negotiating the terms of the Underwriting Agreement, the Company sought to engage with other non-related underwriters to no avail.

The Company followed robust protocols to ensure conflicts of interest were appropriately managed in negotiating and structuring the underwriting, including ensuring that Gavin Caudle was recused from Board considerations and abstained from voting on the matter.

1.7 Effect on Control

The Underwriter is a substantial shareholder in the Company, holding approximately 30.93% and the extent to which Shares are issued pursuant to the Underwriting Agreement (depending on the level of any Shortfall) will increase the Underwriter's voting power in the Company. The changes in the Underwriter's relevant interest following the Offer under various scenarios are set out in the following tables.

Table 1 – Provident and other Substantial Shareholders subscribe in full¹

The table below assumes that Provident and the other Substantial Shareholders subscribe for their full Entitlements under the Offer, and the remaining Eligible Shareholders subscribe at different threshold levels with the Shortfall Shares (if any) placed to the Underwriter:

Substantial Shareholder	Event	Shares held	Relevant Interest %
Provident	Date of Prospectus	1,887,399,938	30.93%
	Post completion of Offer		
	Fully subscribed ²	3,774,799,876	30.93%
	75% subscribed ³	4,330,187,923	35.48%
	50% subscribed ⁴	4,885,575,970	40.03%
	25% subscribed ⁵	5,440,964,017	44.58%
Saratoga	Date of Prospectus	684,047,735	11.21%
	Post completion of Offer	1,368,095,470	11.21%
Asian Metal	Date of Prospectus	500,520,811	8.20%
	Post completion of Offer	1,001,041,622	8.20%
Goldstar	Date of Prospectus	431,657,624	7.07%
	Post completion of Offer	863,315,248	7.07%
Eastern Field	Date of Prospectus	376,949,794	6.18%
	Post completion of Offer	753,899,588	6.18%

Notes:

1. This is based on an issued share capital of 6,102,128,090 Shares as at the date of the Prospectus and assumes no other Shares are issued including on exercise or conversion of Options. The maximum potential holding of shares relevant in the table are estimates only, however is subject to the allocation policy as detailed in Section 2.7 and the restrictions on increasing voting power under section 606 of the Corporations Act.
2. Assumes that the substantial shareholders (**Substantial Shareholders**) subscribe for their full Entitlements under the Offer and 100% of the other Eligible Shareholders (**Other Eligible Shareholders**) subscribe for their Entitlements.

3. Assumes that only Provident and the other Substantial Shareholders subscribe for their full Entitlements under the Offer and the remaining Eligible Shareholders subscribe for 75% of their Entitlements, with the Shortfall Shares placed to the Underwriter.
4. Assumes that only Provident and the other Substantial Shareholders subscribe for their full Entitlements under the Offer and the remaining Eligible Shareholders subscribe for 50% of their Entitlements, with the Shortfall Shares placed to the Underwriter.
5. Assumes that only Provident and the other Substantial Shareholders subscribe for their full Entitlements under the Offer and the remaining Eligible Shareholders subscribe for 25% of their Entitlements, with the Shortfall Shares placed to the Underwriter.

Table 2 – Provident subscribes in full¹

The table below assumes that Provident subscribes for its full Entitlements under the Offer, and the remaining Eligible Shareholders including the other Substantial Shareholders subscribe at different threshold levels with the Shortfall Shares (if any) placed to the Underwriter:

Substantial Shareholder	Event	Shares held	Relevant Interest %
Provident	Date of Prospectus	1,887,399,938	30.93%
	Post completion of Offer		
	Fully subscribed ²	3,774,799,876	30.93%
	75% subscribed ³	6,715,881,852	55.03%
	50% subscribed ⁴	7,769,563,890	63.66%
	25% subscribed ⁵	8,823,245,928	72.30%
Saratoga	Date of Prospectus	684,047,735	11.21%
	Post completion of Offer		
	Fully subscribed ²	1,368,095,470	11.21%
	75% subscribed ³	1,197,083,536	9.81%
	50% subscribed ⁴	1,026,071,603	8.41%
	25% subscribed ⁵	855,059,669	7.01%
Asian Metal	Date of Prospectus	500,520,811	8.20%
	Post completion of Offer		
	Fully subscribed ²	1,001,041,622	8.20%
	75% subscribed ³	875,911,419	7.18%
	50% subscribed ⁴	750,781,217	6.15%
	25% subscribed ⁵	625,651,014	5.13%

Goldstar	Date of Prospectus	431,657,624	7.07%
	Post completion of Offer		
	Fully subscribed ²	863,315,248	7.07%
	75% subscribed ³	755,400,842	6.19%
	50% subscribed ⁴	647,486,436	5.31%
	25% subscribed ⁵	539,572,030	4.42%
Eastern Field	Date of Prospectus	376,949,794	6.18%
	Post completion of Offer		
	Fully subscribed ²	753,899,588	6.18%
	75% subscribed ³	659,662,140	5.41%
	50% subscribed ⁴	565,424,691	4.63%
	25% subscribed ⁵	471,187,243	3.86%

Notes:

1. This is based on an issued share capital of 6,102,128,090 Shares as at the date of the Prospectus and assumes no other Shares are issued including on exercise or conversion of Options. The maximum potential holding of shares relevant in the table are estimates only, however is subject to the allocation policy as detailed in Section 2.7 and the restrictions on increasing voting power under section 606 of the Corporations Act.
2. Assumes that the substantial shareholders (**Substantial Shareholders**) subscribe for their full Entitlements under the Offer and 100% of the other Eligible Shareholders (**Other Eligible Shareholders**) subscribe for their Entitlements.
3. Assumes that only Provident subscribes for its full Entitlements under the Offer and the remaining Eligible Shareholders subscribe for 75% of their Entitlements, with the Shortfall Shares placed to the Underwriter.
4. Assumes that only Provident subscribes for its full Entitlements under the Offer and the remaining Eligible Shareholders subscribe for 50% of their Entitlements, with the Shortfall Shares placed to the Underwriter.
5. Assumes that only Provident subscribes for its full Entitlements under the Offer and the remaining Eligible Shareholders subscribe for 25% of their Entitlements, with the Shortfall Shares placed to the Underwriter.

The number of Shares held by the Underwriter and its relevant interests in the tables above show the potential effect of the underwriting of the Offer. However, it is unlikely that no Shareholders, other than Provident and the other substantial Shareholders will take up Entitlements under the Offer. The underwriting obligation and resulting voting power of the Underwriter will reduce by a corresponding amount for the amount of Entitlements under the Offer subscribed for by the other Shareholders.

Based on the number of Shares on issue as at the date of the Prospectus, Mr Caudle holds a direct relevant interest in 193,280,651 Shares (excluding Shares held indirectly through Provident, of which Mr Caudle is a director and shareholder) representing approximately 3.2% of the total Shares on issue.

Mr Caudle's relevant interest and voting power will also include the relevant interest and voting power of Provident, an entity that is controlled by Mr Caudle by virtue of his position as a director and shareholder.

In addition, for the reasons set out in Section 1.5 the Company is of the view that:

- (a) Provident's voting power in the Company will include the Shares in which Eastern Field holds a relevant interest; and
- (b) Eastern Field's voting power in the Company will include the Shares in which Provident holds a relevant interest.

Notwithstanding the potential control effect of the Underwriter underwriting the Offer, the Company understands that, other than as disclosed in this Prospectus and previously announced by the Company, the Underwriter has no present intention of making any significant changes to the business of the Company. These intentions are based on information concerning the Company, its business and the business environment which is known to the Underwriter at the date of this Prospectus. These present intentions may change as new information becomes available, as circumstances change or in the light of all material information, facts and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time.

1.8 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 1.7, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holding if Offer not taken Up	% post Offer
Shareholder 1	50,000,000	0.819%	50,000,000	50,000,000	0.410%
Shareholder 2	10,000,000	0.164%	10,000,000	10,000,000	0.082%
Shareholder 3	5,000,000	0.082%	5,000,000	5,000,000	0.041%
Shareholder 4	1,500,000	0.025%	1,500,000	1,500,000	0.012%
Shareholder 5	500,000	0.008%	500,000	500,000	0.004%

Notes:

1. This is based on an issued share capital of 6,102,128,090 Shares as at the date of the Prospectus and assumes no Options currently on issue are exercised.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Underwriting and Shortfall Offer.

1.9 Directors' Interests in Securities

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:

Director	Shares	Options	Entitlement ⁶	A\$
Colin Moorhead	3,600,000 ¹	70,000,000 ²	3,600,000	\$7,200
Gavin Caudle	2,080,680,589 ³	Nil	2,080,680,589	\$4,161,361 ⁴
Misha Collins	6,823,547 ⁵	Nil	6,823,547	\$13,647
Daryl Corp	5,000,000	Nil	5,000,000	\$10,000

Notes:

1. Held indirectly by Invia Custodian Pty Ltd <CF & AC Moorhead S/F A/C>.
2. Unquoted Options which are exercisable at \$0.03624 on or before 9 December 2026.
3. Of these Shares:
 - (a) 193,280,651 are held directly by Mr Caudle; and
 - (b) 1,887,399,938 Shares are held indirectly through Provident Minerals Pte Ltd, of which Mr Caudle is a director and shareholder. Provident Minerals Pte Ltd is the underwriter of the Offer.
4. Subject to the application of the Debt Conversion Facility.
5. Of these Shares:
 - (a) 2,329,749 are held by Misha Collins ATF the <Collins Super Fund>; and
 - (b) 4,493,798 are held by Insight Capital Management (an entity in which Mr Collins has an ability to influence how shares are voted / disposed).
6. All Entitlement amounts have been rounded to the nearest whole number.

The Board recommends that all Shareholders take up their Entitlements.

The Directors have each indicated their intention to subscribe for their respective Entitlements (which together will reduce the amount of any potential Shortfall, further mitigating against the potential control effects of the Offer).

2. DETAILS OF THE OFFER

2.1 The Offer

The Offer is a pro-rata non-renounceable entitlement issue of one (1) New Share for every Share held by Shareholders registered on the Record Date at an issue price of \$0.002 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no Shares are issued prior to the Record Date including on exercise or conversion of Options on issue) approximately 6,102,128,090 Shares will be issued under the Offer to raise \$12,204,256 (before costs and subject to the application of the Debt Conversion Facility).

As at the date of this Prospectus, the Company has 104,000,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 4.2 for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in Section 3.

Each Eligible Shareholder participating in the Offer represents and warrants that it (and any person for whom it is acting):

- (a) is in Australia, or, if not in Australia, is in another Permitted Jurisdiction;
- (b) if in China, is a (i) "qualified domestic institutional investor" as approved by the relevant PRC regulatory authorities to invest in overseas capital markets; (ii) sovereign wealth fund or quasi-government investment fund that has the authorization to make overseas investment; or (iii) other type of qualified investor that has obtained all necessary PRC governmental approvals, registrations and/or filings (whether statutorily or otherwise);
- (c) if in the United States, is an Accredited Investor and has delivered to the Company a form of US investor certificate;
- (d) understands that the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States;
- (e) has not and will not send this Prospectus or the Entitlement and Acceptance Form, or copies thereof, or any other material relating to the Offer to any person in the United States or elsewhere outside Australia;
- (f) if it is acting as a nominee or custodian, each beneficial holder on whose behalf it is submitting the Entitlement and Acceptance Form is resident in Australia, British Virgin Islands, Canada, Malaysia, New Zealand, Philippines or Singapore and is not in the United States or any other country and is not acting for the account or benefit of a person in the United States, and it has not sent this Prospectus, the Entitlement and

Acceptance Form or any information relating to the Offer to any person other than beneficial shareholders of the Company who are resident in Australia, British Virgin Islands, Canada, Malaysia, New Zealand, Philippines and Singapore; and

- (g) acknowledges that, if it decides to sell or otherwise transfer any Securities, it will only do so in regular way transactions on the ASX where neither it nor any person acting on its behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States.

2.2 What Eligible Shareholders may do

The number of Shares to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form (which accompanies this Prospectus) and will be available through the Automic Investor Portal at <https://investor.automic.com.au/#/home>. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	<ul style="list-style-type: none"> Should you wish to accept all of your Entitlement, then your application for Shares under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au/#/home. Please read the instructions carefully. Payment can be made by the methods set out in Section 2.3. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. 	Section 2.3 and Section 2.4
Take up all of your Entitlement and also apply for Shortfall Shares	<ul style="list-style-type: none"> Should you wish to accept all of your Entitlement and apply for Shortfall Shares, then your application for your Entitlement and additional Shortfall Shares under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which can be accessed at https://investor.automic.com.au/#/home. Please read the instructions carefully. Payment can be made by the methods set out in Section 2.3. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying. If you apply for Shortfall Shares beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Shares is at the Company's discretion as 	Sections 2.3, 2.4 and 2.7

Option	Key Considerations	For more information
	<p>per the allocation policy set out in Section 2.7. Accordingly, your application for additional Shortfall Shares may be scaled-back.</p> <ul style="list-style-type: none"> The Company's decision on the number of Shortfall Shares to be allocated to you will be final. 	
Take up a proportion of your Entitlement and allow the balance to lapse	<ul style="list-style-type: none"> If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be for the number of Shares you wish to take up and making payment using the methods set out in Section 2.3. 	Section 2.3 and Section 2.4
Allow all of your Entitlement to lapse	<ul style="list-style-type: none"> If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse. 	N/A

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

2.3 Payment options

(a) By BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance 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®:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) 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 Shares which is covered in full by your application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00 pm (AEST) on the Closing Date. The Company and the Share Registry shall not be responsible for any delay in the receipt of the BPAY® payment.**

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any application in respect of your remaining Shareholdings will not be valid).

(b) By Electronic Funds Transfer

For payment by Electronic Funds Transfer (**EFT**), please follow the instructions on the Entitlement and Acceptance 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:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) 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 Shares which is covered in full by your application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

(c) By Cheque

Payment by cheque or cash will not be accepted.

2.4 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any application monies, the application may not be varied or withdrawn except as required by law.

2.5 Minimum subscription

There is no minimum subscription.

2.6 Debt Conversion Facility

As detailed in Section 1.4, the Company owes approximately A\$8,564,363 (based on an exchange rate of A\$1:US\$0.67) to Provident based on the face value of the Shareholder Loans of A\$8,208,955 and interest of A\$355,408 accrued up to 19 June 2023 (being just prior to the indicative issue date of Shares under the Offer). Refer to Section 6.4.2 for a summary of the Provident Loan Agreement.

It is proposed that Provident will subscribe for Shares under its Entitlement in conversion of the Shareholder Loans (**Debt Conversion**).

Subject to foreign exchange rates, the amount owed by the Company pursuant to the Shareholder Loans and accrued interest may vary.

The Debt Conversion will be undertaken on a dollar-for-dollar basis (subject to foreign exchange conversion) at the issue price of the Offer (being A\$0.002 per Share), and in the case of any fractional entitlements, the number of Shares arising from the conversion of the debt shall be rounded up to the nearest whole number.

The Debt Conversion Facility does not enable Provident to take up more Shares under the Offer than if the facility was not available. Provident's Entitlement is less than the amount owed to Provident by the Company such that Provident may only convert part of the debt (including interest accrued) through subscribing for their Entitlement. The amount owing to Provident will be reduced by the equivalent amount of Provident's Entitlement.

2.7 Shortfall Offer and Allocation Policy

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer. The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.002 being the price at which Shares have been offered under the Offer.

Entitlements not subscribed for will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders, other third parties or the Underwriter. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Offer.

Eligible Shareholders who wish to subscribe for Shares in excess of their Entitlement are invited to apply for Shortfall Shares under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Shares in accordance with Section 2.3. Eligible Shareholders who wish to apply for Shortfall Shares will be given priority allocation of the Shortfall Shares over other applicants.

Allocation of the Shortfall Shares will be at the discretion of the Board and will otherwise be subject to the terms of the Underwriting Agreement, the details of which are set out in Section 6.4.1. If the Offer is oversubscribed (by take up of Entitlements and applications for Shortfall Shares by Eligible Shareholders), scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Shareholders. There is no guarantee that Eligible Shareholders will receive Shares applied for under the Shortfall Offer and the Company accepts no liability to any applicant who receives less than the number of Shortfall Shares they applied for under the Shortfall Offer.

The Company set about structuring the Offer in the most fair, equitable and transparent way seeking to ensure that all Eligible Shareholders (including those in all foreign jurisdictions) were given the opportunity to subscribe for new Shares both through their pro rata entitlement and under the Shortfall Offer, however also seeking to ensure some certainty in funding recognising the Company's urgent need to raise capital.

In seeking this balance, the Company has carefully considered its allocation policy and dispersion strategy in relation to the Shortfall Offer.

The Board intends to allocation Shortfall Shares in priority as follows:

- (a) to Eligible Shareholders who apply for Shares in excess of their Entitlement, provided the issue of Shortfall Shares to that Eligible Shareholder would not take their voting power to in excess of 19.99%;
- (b) to other external investors with no existing shareholding in the Company as identified by the Directors; and
- (c) to the Underwriter, however subject to any agreed sub-underwriting arrangements.

The Underwriter notes that no Shares will be issued to an applicant under this Prospectus or via the Shortfall Offer if the issue of Securities would contravene the takeover prohibition in section 606 of the Corporations Act. Except as disclosed in this Prospectus, no Shares will be issued via the Shortfall Offer to any related parties of the Company.

Eligible Shareholders resident in jurisdictions outside Australia should note that their participation in the Shortfall Offer may be restricted by Australia's foreign investment laws. The Company reserves the right to not issue Shortfall Shares to an Eligible Shareholder where it reasonably believes that doing so may infringe on Australia's foreign investment laws.

2.8 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 1.1. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

2.9 Issue of Shares

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out in Section 1.1.

Shares issued pursuant to the Shortfall Offer may be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made surplus application monies will be refunded without any interest to the applicant as soon as practicable after the closing date of the Shortfall Offer.

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

Holding statements for Shares issued under the Offer will be mailed as soon as practicable after the issue of Shares and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

2.10 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. In particular, this Prospectus may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

British Virgin Islands

The New Shares may not be offered in the British Virgin Islands unless the Company or the person offering the New Shares on its behalf is licensed to carry on business in the British Virgin Islands. While the Company is not licensed to carry on business in the British Virgin Islands, the New Shares may be offered to existing shareholders of the Company in the British Virgin Islands from outside the British Virgin Islands.

Canada

This Prospectus constitutes an offering of the New Shares in the Canadian province of British Columbia (the **Province**) where existing shareholders of the Company are resident. This Prospectus is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Province.

No securities commission or other authority in the Province has reviewed or in any way passed upon this Prospectus, the merits of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Province with respect to the offering of New Shares or the resale of such securities. Any person in the Province lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province.

Any resale of the New Shares in Canada must be made in accordance with applicable Canadian securities laws, which may require resales to be made in accordance with an exemption from prospectus requirements. Such resale restrictions do not apply to a first trade in a security (such as New Shares) of a foreign issuer (such as the Company) that is not a reporting issuer in Canada and that is made through an exchange or market outside of Canada (such as ASX).

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a

judgment obtained in Canadian courts against the Company or such persons outside Canada.

China

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

The New Shares may not be offered to legal or natural persons in the PRC other than to: (i) "qualified domestic institutional investors" as approved by a relevant PRC regulatory authority to invest in overseas capital markets; (ii) sovereign wealth funds or quasi-government investment funds that have the authorization to make overseas investments; or (iii) other types of qualified investors that have obtained all necessary PRC governmental approvals, registrations and/or filings (whether statutorily or otherwise).

European Union

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Prospectus may not be made available, nor may the New Shares be offered for sale, in any member state of the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4) of the Prospectus Regulation, an offer of New Shares in each member state of the European Union is limited:

- to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation);
- to fewer than 150 natural or legal persons (other than qualified investors); or
- in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

Hong Kong

WARNING: The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

Indonesia

A registration statement with respect to the New Shares has not been, and will not be, filed with Otoritas Jasa Keuangan in the Republic of Indonesia. Therefore, the New Shares may not be offered or sold to the public in Indonesia. Neither this Prospectus nor any other document relating to the offer or sale, or invitation for subscription or purchase, of the New Shares may be circulated or distributed, whether directly or indirectly, in the Republic of Indonesia or to

Indonesian citizens, corporations or residents, except in a manner that will not be considered as a "public offer" under the law of the Republic of Indonesia.

Malaysia

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to the offer of New Shares. The New Shares under the entitlement offer may not be offered, sold or issued in Malaysia except to existing shareholders of the Company. Any New Shares not taken up under the entitlement offer may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, pursuant to Part I of Schedule 6 and Schedule 7 of the Malaysian Capital Markets and Services Act 2007.

New Zealand

The offer of Shares to New Zealand investors is a regulated offer made under Australian and New Zealand law. 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 Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 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.

Philippines

THE NEW SHARES BEING OFFERED OR SOLD HAVE NOT BEEN REGISTERED WITH THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION ("SEC") UNDER THE PHILIPPINE SECURITIES REGULATION CODE (THE "CODE"). ANY FUTURE OFFER OR SALE THEREOF IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE CODE UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.

The New Shares are being offered or sold to existing shareholders of the Company in an exempt transaction under Section 10.1(e) of the Code. The Company has not sought confirmation, and the SEC has not confirmed, whether the Offer qualifies as an exempt transaction under the Code.

Singapore

This Prospectus and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document relating to the New Shares may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the **SFA**) or another exemption under the SFA.

This Prospectus has been given to you on the basis that you are an existing holder of the Company's shares. If you are not such a shareholder, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice as such terms are understood pursuant to art. 35 of the Swiss Financial Services Act (FinSA) or the listing rules of any stock exchange or regulated trading facility in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the New Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Prospectus nor any other offering or marketing material relating to the offering, the Company or the New Shares have been or will be filed with or approved by any Swiss regulatory authority or authorized review body. In particular, this Prospectus will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This Prospectus may be distributed in Switzerland only to existing shareholders of the Company and is not for general circulation in Switzerland.

United Kingdom

Neither this Prospectus nor any other Prospectus relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing shareholders of the Company. This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons").

The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

United States

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

Nominees and custodians

Nominees and custodians may not distribute the Prospectus, and may not submit an Entitlement and Acceptance Form on behalf of any Shareholder (including any beneficial shareholder) resident outside Australia, British Virgin Islands, Canada, Malaysia, New Zealand, Philippines and Singapore without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will

be taken by the Company to constitute a representation that there has been no breach of those regulations.

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the offer

The purpose of the Offer is to raise \$12,204,256 before costs.

The funds raised from the Offer are intended to be applied in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%
1.	Exploration and evaluation	1,254,316	10.28%
2.	Shareholder Loan repayments ¹	8,564,363	70.18%
3.	Working capital	2,277,542	18.66%
4.	Expenses of the Offer ²	108,035	0.89%
	Total	\$12,204,256	100.00%

Notes:

1. The Company owes approximately A\$8,564,363 to Provident under the Shareholder Loans and accrued interest (based on an exchange rate of A\$1:US\$0.67). Refer to Section 1.4 for further information. Provident's Entitlement is 1,887,399,938 Shares for a subscription amount of \$3,774,800. It is proposed that Provident will subscribe for Shares under its Entitlement in conversion of part of the Shareholder Loans and accrued interest (**Debt Conversion**). Post-Debt Conversion, the outstanding amount payable under the Shareholder Loans will be \$4,789,563, which the Company intends repay from the proceeds of the Offer. Refer to Section 2.6 for further information.
2. Refer to Section 6.8 for further details relating to the estimated expenses of the Offer.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives. The Company anticipates that the working capital allocation will provide funding for a minimum of 6 months in relation to budgeted overheads, administration and operational expenses.

In addition, it should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

3.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by \$3,531,858 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer, taking into account the Debt Conversion and repayment of the residual amount of the Shareholder Loans; and

- (a) increase the number of Shares on issue from 6,102,128,090 as at the date of this Prospectus to 12,204,256,180 Shares.

3.3 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue ¹	6,102,128,090
New Shares to be issued pursuant to the Offer	6,102,128,090
Total Shares on issue after completion of the Offer	12,204,256,180

Notes:

1. Refer to Section 4.1 for the terms of the Shares.

Options

	Number
Options currently on issue ¹	104,000,000
Options to be issued pursuant to the Offer	Nil
Total Options on issue after completion of the Offer	104,000,000

Notes:

1. Unquoted Options which are exercisable at \$0.03624 on or before 9 December 2026.

3.4 Pro-forma balance sheet

The audit reviewed half year financial report for the period ended 31 December 2022 and the unaudited pro-forma balance sheet as at 30 April 2023 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted (or the Offer is otherwise fully underwritten by the Underwriter), no Options or convertible securities are exercised prior to the Record Date, and takes into account the Debt Conversion and repayment of the residual amount of the Shareholder Loans and payment of the estimated expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	REVIEWED 31 December 2022 \$	UNAUDITED 30 April 2023 \$	PROFORMA 30 April 2023 \$
CURRENT ASSETS			
CURRENT ASSETS			
Cash	512,990	3,879,284	7,411,142
Other current assets	77,574	64,252	64,252
TOTAL CURRENT ASSETS	590,564	3,943,536	7,475,394
NON-CURRENT ASSETS			
Plant and equipment	3,930,762	4,142,265	4,142,265
Capitalised exploration	9,324,020	12,877,958	12,877,958
Other non-current assets	418,420	477,265	477,265
TOTAL NON-CURRENT ASSETS	13,673,202	17,497,488	17,497,488
TOTAL ASSETS	14,263,766	21,441,024	24,972,882
CURRENT LIABILITIES			
Borrowings	2,214,022	8,320,726	-
Other creditors	1,947,329	3,073,728	2,905,936
TOTAL CURRENT LIABILITIES	4,161,351	11,394,454	2,905,936
NON-CURRENT LIABILITIES			
Other non-current liabilities	765,300	872,213	872,213
TOTAL NON-CURRENT LIABILITIES	765,300	872,213	872,213

	REVIEWED 31 December 2022	UNAUDITED 30 April 2023	PROFORMA 30 April 2023
	\$	\$	\$
TOTAL LIABILITIES	4,926,651	12,266,667	3,778,149
NET ASSETS (LIABILITIES)	9,337,115	9,174,357	21,194,733
EQUITY			
Share capital	158,654,770	158,654,769	170,750,990
Options Reserve	21,594,187	23,657,949	23,657,949
Retained loss	(146,822,046)	(148,309,249)	(148,385,094)
Non-controlling interest	(24,089,796)	(24,829,112)	(24,829,112)
TOTAL EQUITY	9,337,115	9,174,357	21,194,733

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered 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 website or at the 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. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

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

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

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

(e) **Shareholder liability**

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

(f) **Transfer of shares**

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

(g) **Future increase in capital**

The 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 (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(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.

4.2 Terms of Options currently on issue

(a) **Entitlement**

The Options entitle the holder to subscribe for one Share upon exercise of each Option.

(b) **Exercise Price and Expiry Date**

The Options have the exercise price (**Exercise Price**) and expiry date (**Expiry Date**) as set out for each tranche of Options below:

- (i) **Tranche 3:** 34,000,000 Options have an exercise price of \$0.03624 and an expiry date of 9 December 2026; and
- (ii) **Tranche 4:** 70,000,000 Options have an exercise price of \$0.03624 and an expiry date of 9 December 2026.

(c) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date. If an Option is not exercised before the Expiry Date it will automatically lapse (and thereafter be incapable of exercise).

(d) **Notice of Exercise**

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised.

(e) **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 by the Company as cleared funds of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(f) **Shares issued on exercise**

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

(g) **Quotation of Shares on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(h) **Timing of issue of Shares**

Within 5 Business Days after the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (iii) allot and issue the Shares pursuant to the exercise of the Options;
- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; and
- (v) apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the Options.

(i) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least five Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(j) **Adjustment for bonus issue of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(k) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Option.

(l) **Adjustment for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the Options may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(m) **Quotation of Options**

The Company will not apply for Official Quotation of the Options on ASX.

(n) **Options transferable**

The Options are transferable provided that the transfer of the Options complies with section 707(3) of the Corporations Act and with prior written consent of the Board.

(o) **Vesting**

The Options will vest as follows:

(i) **Tranche 3:** The Tranche 3 Options will vest when the Company makes full repayment of all outstanding debt from free-cashflow.

(ii) **Tranche 4:** The Tranche 4 Options will vest on the first to occur of:

(A) If, as a result of new exploration discoveries, the existing project near mine measured and indicated reserves increase such that the overall project NPV (discounted at 8% above treasuries) increases by at least US\$100,000,000, then:

(I) 20% of the Tranche 4 Options will vest upon the publication of an ASX announcement to that effect; and

(II) an additional 20% will vest for every additional US\$100,000,000 NPV (discounted at 8% above treasuries) increase beyond the initial US\$100,000,000 increase, as a result of new exploration discoveries, until 100% have vested; or

(B) If a discovery is made and the Board formally approves the development of a project, separate to the existing Sihayo Starter Project, with an NPV of at least US\$300,000,000 (discounted at 8% above treasuries) based on measured and indicated reserves, then:

- (I) 20% will vest upon the publication of an ASX announcement to that effect; and
- (II) an additional 20% will vest for every additional US\$100,000,000 NPV (discounted at 8% above treasuries) calculated for the new project approval above the initial threshold project value of US\$300,000,000, until 100% have vested.

5. RISK FACTORS

5.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Company specific

Risk Category	Risk
Potential dilution for	<p>Upon implementation of the Offer, assuming all Entitlements are accepted and no other Shares are issued prior to the Record Date the number of Shares on issue will increase from 6,102,128,090 currently on issue to 12,204,256,180. This means that immediately after the Offer each Share will represent a significantly lower proportion of the ownership of the Company.</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.002 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.</p>

Risk Category	Risk
Control risk	<p>Provident is currently the largest Shareholder of the Company and has a relevant interest in approximately 30.93% of the Shares in the Company. Assuming Provident takes up its full Entitlement and underwrites a portion of the Offer, Provident's voting power in the Company could increase significantly (further details of which are set out in Section 1.7).</p> <p>Provident's significant interest in the capital of the Company means that it is in a position to potentially influence the financial decisions of the Company, and its interests may not align with those of all other Shareholders.</p> <p>Provident currently holds a relevant interest in more than 25% of the voting shares in Company which means that it has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution). Special resolutions are required in relation to approving certain Company matters including potentially seeking the delisting of the Company, amending the Constitution, approving the voluntary winding up of the Company and, if at any time the share capital of the Company is divided into different classes of Shares, approving the variation of the rights attached to any such class.</p>
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. 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 exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
Going Concern	<p>The Company's Annual Report for the period ended 30 June 2022 (Annual Report) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' qualification included in the Financial Report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the</p>

Risk Category	Risk
	<p>Company. Please refer to Section 3.1 for further details.</p> <p>In the event that the Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material adverse effect on the Company's activities.</p>
Climate Risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>
Coronavirus (COVID-19) and other public health risks	<p>The outbreak of the coronavirus disease (COVID-19) continues to impact global economic markets. The Company may be adversely affected 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.</p> <p>As described in the Company's quarterly reports, the Company has implemented a wide range of strategies to mitigate the risks posed by COVID-19 including mandatory testing prior to travel and quarantining at the project site prior to recommencing work as well as strict COVID-19 workplace protocols and established standard operating procedures to help prevent the occurrence and transmission of the COVID-19 virus in the workplace.</p> <p>The effects of COVID-19 and any possible future</p>

Risk Category	Risk
	<p>outbreaks of diseases or viruses on the Company's financial performance and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholder. The COVID-19 pandemic and any other possible future outbreaks may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects. While the impact of any disease outbreak or pandemic are difficult to assess, it is possible that such events may have an adverse effect on the economies where the Company operates and the Company's overall financial and operating position.</p>
<p>Related Party Risk</p>	<p>The Company has a number of key contractual relationships with related parties. If these relationships breakdown and the related party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement.</p> <p>Further, the operations of the Company will require involvement of related parties and other third parties including suppliers, manufacturers and consultants. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:</p> <ul style="list-style-type: none"> (a) financial failure or default by a participant in any agreement to which the Company may become a party; and/or (b) insolvency, default on performance or delivery by any operators, contractors or service providers. <p>There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor and impact the Company's position, performance and reputation.</p>
<p>Feasibility Study</p>	<p>The Company completed and published a Feasibility Study Update in February 2022. There is no assurance that the cost estimates and underlying assumptions in the Feasibility Study will be realised in practice, which may materially and adversely affect the Company's viability.</p> <p>In the event the cost estimates and the underlying assumptions are unachievable in practice, the Company may be required to do more work, including, amongst other things, attempting to increase the amount of gold in the known resource by expanding the boundaries of the ore body as currently defined, investigate additional opportunities to improve metallurgical recoveries and investigate ways to reduce upfront capital costs and</p>

Risk Category	Risk
	<p>project critical path lead times. This would require the Company to expend significantly more funds than would be available to the Company, even accounting for the funds provided by the Offer. There is no guarantee this extra work would produce a financially viable project, which would materially affect the viability of the Company.</p>
<p>Resource Estimates</p>	<p>Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when made, may change significantly when new information becomes available. In addition, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past sampling and drilling, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could have either a positive or negative effect on the Company's operations.</p>
<p>Sovereign Risk</p>	<p>The Company's Sihayo Starter Project is located in Indonesia. As such its operations are subject to regulation by the Indonesian Central Government and local government bodies in relation to mining operations, environment, community relations and manpower.</p> <p>Possible sovereign risks associated with operating in Indonesia include, without limitation, changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares.</p> <p>No assurance can be given regarding future stability in Indonesia or any other country in which the Company may, in the future, have an interest.</p>
<p>Gold Price</p>	<p>Changes in the market price of gold, which in the past have fluctuated widely, will affect the profitability of the Company's projected operations and its financial condition. The viability of the Company's Sihayo Starter Project also depends on the future market price of gold. The price of gold is set in the world market and is affected by numerous industry factors beyond the Company's control including the demand for precious metals, expectations with respect to the rate of inflation, interest rates, currency exchange rates, demand for jewellery and industrial products containing gold, gold production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks, other holders and speculators, and global and regional political and economic factors.</p> <p>A decline in the market price of gold below the</p>

Risk Category	Risk
	<p>Company's projected production costs for a sustained period may have a material adverse impact on the viability of the Company's Sihayo Starter Project. Such a decline also could have a material adverse impact on the ability of the Company to finance the development of the Sihayo Starter Project. A decline in the market price of gold may also require the Company to write-down the carrying value of assets which may have a material adverse effect on the value of the Company's Shares.</p> <p>The Company notes that there the market price of gold has been volatile during the course of the COVID-19 pandemic.</p>
<p>Gold – Operating and Development Risks</p>	<p>The Company's ability to achieve production, development, operating cost and capital expenditure estimates on a timely basis cannot be assured. The business of gold mining involves many risks and may be impacted by factors including ore tonnes, yield, input prices (some of which are unpredictable and outside the control of the Company), overall availability of free cash to fund continuing development activities, labour force disruptions, cost overruns, changes in the regulatory environment and other unforeseen contingencies. Other risks also exist such as environmental hazards (including discharge of pollutants or hazardous chemicals), industrial accidents and occupational and health hazards. Such occurrences could result in damage to, or destruction of, production facilities, personal injury or death, environmental damage, delays in mining, increased production costs and other monetary losses and possible legal liability to the owner or operator of the mine. The Company may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities for which it was not responsible.</p> <p>In addition, the Company's profitability could be adversely affected if for any reason its production and processing of gold or mine development is unexpectedly interrupted or slowed. Examples of events which could have such an impact include unscheduled plant shutdowns or other processing problems, mechanical failures, the unavailability of materials and equipment, pit slope failures, unusual or unexpected rock formations, poor or unexpected geological or metallurgical conditions, poor or inadequate ventilation, failure of mine communication systems, poor water condition, interruptions to gas and electricity supplies, human error and adverse weather conditions.</p> <p>The risks outlined above also mean that there can be no assurances as to the future development of a mining operation in relation to the Company's Sihayo Starter Project or any projects which the Company may acquire in the future.</p>

Risk Category	Risk
Seismic Risk	<p>The Sihayo Contract of Work is proximal to the Trans Sumatra Fault Zone a known active area of seismicity. Seismic events including large scale earthquakes can occur. This risk is well understood and in part mitigated by locating the Tailings Storage Facility (TSF) at the bottom of the Nias Valley in a location that minimised the length of the TSF wall, with near surface soils within the embankment abutments excavated and replaced with engineered fill in order to improve stability of the TSF wall in a large seismic event. An independent consultant also completed a seismic slip analysis of the entire project including all infrastructure locations. The processing plant was relocated to a lower risk location as part of that analysis and additional hold down design of tall and critical foundations added to the design. Notwithstanding these mitigations a major event does have the potential to disrupt operations/construction and to cause damage.</p>
US Tax Law Risk	<p>The Company may be a passive “foreign investment company” under US tax law, which would subject US investors to adverse tax rules.</p> <p>Holders of Shares who are US taxpayers could face US income tax risks if the Company is a “passive foreign investment company” (“PFIC”, as defined in the US Internal Revenue Code), which could result in a reduction in the after-tax return to a US holder of Shares. For US federal income tax purposes, the Company will be classified as a PFIC for any taxable year in which (i) 75% or more of its gross income is passive income or (ii) at least 50% of the average value of all of the Company’s assets for the taxable year produce or are held for the production of passive income. For this purpose, cash is considered to be an asset that produces passive income. US investors should consult their own tax advisors about the application of the PFIC rules and certain elections that may help to minimize adverse US federal income tax consequences in their particular circumstances.</p>

5.3 Industry specific

Risk Category	Risk
Exploration	<p>The mineral tenements of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be</p>

Risk Category	Risk
	<p>affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the tenements, a reduction in the cash reserves of the Company and possible relinquishment of the tenements.</p> <p>The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.</p>
Operational Risks	<p>The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, insufficient or unreliable infrastructure such as power, water and transport, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.</p> <p>In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p>
Commodity price volatility and exchange rate risks	<p>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 commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for</p>

Risk Category	Risk
	<p>precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p> <p>Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.</p>
Permits	<p>The Company's proposed operations are subject to receiving and maintaining licences and permits (including forestry permits) from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of licences/permits for any existing operations, additional licences/permits for any possible future changes to operations, or additional permits associated with new legislation.</p>

5.4 General risks

Risk Category	Risk
Economic	<p>General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p>
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market 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 and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p> <p>In addition, the extent of the effects of COVID-19 is at this stage uncertain and continuing to evolve. The COVID-19</p>

Risk Category	Risk
	pandemic is having, and is expected to continue to have, a significant influence on the volatility of equity markets generally and may continue to impact and influence the value of the Company's quoted securities.
Litigation risks	The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.
Dividends	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.
Data loss, theft or corruption	The Company stores data in its own systems and networks and also with a variety of third party service providers. Corruption, theft or loss of the data as a result of misuse, exploitation or hacking of any of these systems or networks could lead to corruption, theft or loss of the data which could have a material adverse effect on the Company's business, financial condition and results.
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

Risk Category	Risk
	<p>(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.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p> <p>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 Shares remains unknown. The 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.</p>

5.5 Speculative investment

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 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.

6.2 Continuous disclosure obligations

As set out in the Important Notice Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, 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 between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with ASIC;
 - (ii) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with 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 ASIC.

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

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

Date	Description of Announcement
23 May 2023	<i>Ore Reserve and Economic Update for Sihayo Starter Project</i>
9 May 2023	<i>Further Exciting Intercepts from Sihayo Drilling</i>
9 May 2023	<i>Mineralised Gold-Copper Skarn Confirmed at Tambang Ubi</i>

Date	Description of Announcement
28 April 2023	Quarterly Activities Report
28 April 2023	Quarterly Cashflow Report
28 April 2023	Additional Loan from Provident
24 March 2023	Significant Au Intercepts 50 Metres at 7.75 g/t Au at Sihayo
10 March 2023	Half Year Financial Statements 31 December 2022
9 March 2023	Exciting Gold Results from Latest Drilling Program at Sihayo
21 February 2023	Additional Loan From Provident
1 February 2023	Quarterly Cashflow Report – Amended
31 January 2023	Quarterly Activities Report
31 January 2023	Quarterly Cashflow Report
22 November 2022	Results of Annual General Meeting
22 November 2022	Annual General Meeting Presentation – 22 November 2022
22 November 2022	2022 Annual General Meeting Chairman's Address
27 October 2022	Quarterly Activities Report
27 October 2022	Quarterly Cashflow Report
25 October 2022	High-Grade Gold Intercepts from Sihayo Drilling Program

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 <http://www.sihayogold.com>.

6.3 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 ASIC and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.003	27 March 2023, 24 April 2023, 5 May 2023, 8 May 2023
Lowest	\$0.001	6 March 2023, 8 March 2023, 16 March 2023, 17 March 2023, 20 March 2023, 21 March 2023, 28 March 2023

6.4 Material Contracts

6.4.1 Underwriting Agreement

The Company has entered into an underwriting agreement (**Underwriting Agreement**) with Provident, pursuant to which the Underwriter has agreed to fully underwrite the Offer.

The Underwriter may appoint sub-underwriters to sub-underwrite the Offer. The appointment of any sub-underwriter and the allocation of any underwritten Shares is at the sole discretion of the Underwriter.

The material terms and conditions of the Underwriting Agreement are summarised below:

Underwriting	<p>(a) The Underwriter has agreed to fully underwrite the Offer in respect of \$12,204,256.</p> <p>(b) The Company has authorised the Underwriter to engage sub-underwriters to offset some of the underwriting commitment.</p>
Conditions Precedent	<p>(a) The underwriting is conditional upon:</p> <ul style="list-style-type: none"> (i) the Company lodging a prospectus in relation to the Offer with ASIC in accordance with the Offer timetable; (ii) the Underwriter confirming it agrees to the content of the Prospectus; and (iii) no Termination Event (as defined below) occurring, <p>(together, the Conditions Precedent).</p> <p>(b) If the Conditions Precedent are not satisfied or waived by the date of lodgement of the Prospectus, the Underwriting Agreement shall immediately terminate.</p>
Shortfall Offer and Subscription	<p>(a) The Company will notify the Underwriter of the number of Shortfall Shares required to have valid applications for by the Underwriter (Underwritten Shortfall Shares).</p> <p>(b) If the Underwriter fails to lodge valid applications within the prescribed time period, the Company may as an irrevocable agent and attorney of the Underwriter apply for the Underwritten Shortfall Shares on behalf of each Underwriter.</p>
Termination Events	<p>The Underwriter may terminate the Underwriting Agreement if any of the following events occur prior to the Closing Date:</p> <p>(a) ASIC makes an order under section 739 of the Corporations Act and such order is not lifted</p>

within 30 days;

- (b) ASX does not give approval for the Shares to be listed on the ASX;
- (c) the All Ordinaries or S&P/ASX Small Ordinaries Index is 20% or more below its respective level on any three (3) consecutive days of trading prior to the date of this Agreement;
- (d) the Company takes any steps for a proposal contemplated under sections 257A or 260B of the Corporations Act without the consent of the Underwriter;
- (e) except as described in the Prospectus, the Company alters its capital structure or its Constitution without the prior written consent of the Underwriter;
- (f) the Company is in material default of any of the terms and conditions of the Underwriting Agreement;
- (g) the Company becomes insolvent;
- (h) the Company increases or consolidates its share capital, enters into a buy-back agreement, agrees to dispose of the whole or substantial part of its business or property or is wound up;
- (i) the Company suspends payment of its debts;
- (j) a takeover offer or scheme of arrangement is announced and recommended by a majority of the independent directors;
- (k) the results of the due diligence investigation are false or misleading;
- (l) any adverse change occurs which materially impacts the assets or financial position of the Company;
- (m) the Company's bankers terminate or issue any demand or penalty notice in relation to an existing facility;
- (n) the Underwriter reasonably forms the view that a supplementary/replacement document must be lodged with ASIC and the Company does not lodge such a document as requested; or
- (o) there is an international outbreak of hostilities or material escalation.

The Underwriting Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

6.4.2 Shareholder Loan Agreements – Provident

The Company has entered into working capital loan facility agreements with Provident pursuant to which Provident has provided loans to the Company (**Provident Loan Agreement**), as follows:

Date (Drawdown)	Loan Amount (US\$)	Interest Rate (p.a.)	Maturity Date
21 October 2022	\$1.5m	10%	30 September 2023
15 February 2023	\$1.5m	12%	30 September 2023
25 April 2023	\$2.5m	12%	30 September 2023

The material terms and conditions of each Provident Loan Agreement are summarised below:

Loan facility	<p>(a) Provident has agreed to provide the Company with a loan facility in respect of the Loan Amount (Loan Facility) for the purpose of funding the Company's working capital costs.</p> <p>(b) The Company has drawn down the full Loan Amounts under the Loan Facility.</p>
Repayment	<p>(a) The Company must repay the amount of the Loan Facility that is outstanding by the Maturity Date or such other date as agreed between the parties (Maturity Date).</p> <p>(b) If the Company successfully completes a rights issue before the Maturity Date, then the Company must repay the amount of the Loan Facility that is outstanding within 5 business days of the Company's receipt of proceeds from the rights issue.</p>
Interest	Interest will accrue on the Loan Facility at the Interest Rate per annum.
Security	The Loan Facility is unsecured.
Default	<p>(a) It is an event of default if:</p> <p>(i) the Company fails to pay an amount under the Provident Loan Agreement within 2 business days of when it is due;</p> <p>(ii) the Company breaches a term of the Provident Loan Agreement;</p> <p>(iii) a change occurs in respect of the business, assets or liabilities of the Company which would materially affect its ability to perform its obligations or the rights of Provident under the Provident Loan Agreement;</p>

	<ul style="list-style-type: none"> (iv) the Company commences a substantive business activity (outside of mineral exploration or mining) without the consent of Provident; (v) the Shares are suspended from trading on ASX for more than 15 trading days; (vi) the Company is removed from the Official List; (vii) the Company becomes insolvent; or (viii) it becomes unlawful for the Company to perform its obligations under the Provident Loan Agreement. <p>(b) If an event of default occurs, the amount of the Loan Facility that is outstanding must be repaid within 5 business days of Provident issuing written notice to the Company requiring payment.</p>
Confidentiality	<p>(a) The Company and Provident have agreed that any information, documents and records concerning a party which has been disclosed by that party to the other will be kept confidential (Confidential Information) and will not be used for any purpose other than as contemplated by the Provident Loan Agreement.</p> <p>(b) The Company and Provident have agreed not to disclose the Confidential Information without the prior written consent of the other party except as required by law or the Listing Rules.</p>

The Provident Loan Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and undertakings).

6.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

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

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 1.9.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2022 Annual Report.

Director	FY 2023¹	FY 2022¹	FY 2021¹
Colin Moorhead	\$250,000	\$250,000 ²	\$257,917 ²
Misha Collins	\$45,000	\$45,000	\$51,667
Gavin Caudle	\$45,000	\$45,000	\$45,000
Daryl Corp	\$54,800	\$54,400	\$4,566

Notes:

1. These amounts are exclusive of superannuation.
2. In addition to these director fees, Mr Moorhead received \$101,487 in Share-based payments from the Company in FY2021 in the form of share options. The value of these options was written down to zero during FY2022.

6.6 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 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.

Provident Minerals Pte Ltd is underwriting the Offer. The Company will not pay the Underwriter a fee for these services.

Steinepreis Paganin has acted as the Australian legal advisers to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$40,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Steinepreis Paganin has been paid fees totalling \$90,083 (excluding GST and disbursements) for legal services provided to the Company.

Stantons International Audit and Consulting Pty Ltd provides audit services to the Company. The Company has not paid Stantons International Audit and Consulting Pty Ltd any fees in connection with the Offer. During the 24 months preceding lodgement of this Prospectus with ASIC, Stantons International Audit and Consulting Pty Ltd has received \$132,882 (excluding GST) in fees from the Company for audit services.

6.7 Consents

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

Each of the parties referred to in this Section:

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

The Underwriter has given its written consent to being named as the Underwriter to the Offer in this Prospectus.

The Underwriter holds a relevant interest in the Shares specified in Section 1.7. The Underwriter has indicated that it is its current intention to subscribe for its full Entitlement under the Offer in respect of all of the Shares in which it has a relevant interest.

Steinepreis Paganin has given its written consent to being named as the Australian legal advisers to the Company in this Prospectus.

Stantons International Audit and Consulting Pty Ltd has given its written consent to being named as auditor to the Company in this Prospectus. Stantons International Audit and Consulting Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

6.8 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$108,035 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	\$3,206
ASX fees	\$24,829
Legal fees	\$40,000
Registry, printing and distribution	\$35,000
Miscellaneous	\$5,000
Total	\$108,035

6.9 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 ASIC.



Colin Moorhead
Executive Chairman
SIHAYO GOLD LIMITED

7. GLOSSARY

\$ or **A\$** means Australian dollars.

Accredited Investor means "accredited investor" as defined in Rule 501(a) under the US Securities Act of 1933.

AEST means Australian Eastern Standard Time.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

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 CHES.

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

Business Day means Monday to Friday inclusive, except recognised national public holidays in Australia and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out in Section 1.1 (unless extended).

Company means Sihayo Gold Limited (ACN 009 241 374).

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

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

CRN means Customer Reference Number in relation to BPAY®.

Debt Conversion Facility means the facility described in Section 2.6 under which Provident may elect to take up its Entitlement by means of conversion of some or all of the Shareholder Loans.

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

Eligible Shareholder means a Shareholder as at the Record Date who is eligible to participate in the Offer that is resident in Australia, British Virgin Islands, Canada, China, European Union (Belgium, Hungary, Poland), Hong Kong, Indonesia, Malaysia, New Zealand, Philippines, Singapore, Switzerland, the United Kingdom and the United States, and in particular:

- (a) If in **China**, it (and any person for whom it is acting) is a (i) "qualified domestic institutional investor" as approved by the relevant PRC regulatory authorities to invest in overseas capital markets; (ii) sovereign wealth fund or quasi-government investment fund that has the authorization to make overseas investment; or (iii) other type of qualified

investor that has obtained all necessary PRC governmental approvals, registrations and/or filings (whether statutorily or otherwise); and

- (b) If in the **United States**, it (and any person for whom it is acting) is an Accredited Investor.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Underwriter means Provident Minerals Pte Ltd.

New Shares means new Shares being offered under the Offer.

NPV means Net Present Value.

Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Permitted Jurisdictions means Australia, British Virgin Islands, Canada, China, European Union (Belgium, Hungary, Poland), Hong Kong, Indonesia, Malaysia, New Zealand, Philippines, Singapore, Switzerland, the United Kingdom and the United States.

Prospectus means this prospectus.

Provident Loan Agreement means the working capital loan facility agreements between the Company and Provident Minerals Pte Ltd, as defined in Section 6.4.2.

Record Date means the date specified in the timetable set out in Section 1.1.

Section means a section of this Prospectus.

Securities means Shares and/or Options as the context requires.

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

Share Registry means the Company's share registry, Automic Group.

Shareholder means a holder of a Share.

Shareholder Lender means each of the Shareholders who have provided the Company with a Shareholder Loan, as detailed in Section 1.4.

Shareholder Loan or **Shareholder Loans** has the meaning given in Section 1.4.

Shortfall means the Securities not applied for under the Offer (if any).

Shortfall Application Form means the Shortfall Offer application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall Shares on the terms and conditions set out in Section 2.7.

Shortfall Shares means those Securities not applied for under the Offer (if any) and offered pursuant to the Shortfall Offer.

Sihayo Starter Project means the Company's gold project located in North Sumatra, Indonesia, for which a Definitive Feasibility Study was completed in June 2020 and a Feasibility Study Update was announced on 17 February 2022.

US\$ means United States Dollars.

Underwriter or **Provident** means Provident Minerals Pte Ltd.

Underwriting Agreement has the meaning set out in Section 6.4.1.