

EVION GROUP NL

ACN 610 168 191

OPTIONS PROSPECTUS

For the offers of:

- (a) 31,481,483 Options, exercisable at \$0.075 each on or before that date that is 12 months from the date of issue (**Placement Options**) to participants under the Placement (**Placement Options Offer**); and
- (b) 12,000,000 Options, exercisable at \$0.125 each on or before the date that is three years from the date of issue (**Lead Manager Options**) to the lead manager to the Placement (or its nominee/s) (**Lead Manager Options Offer**),

(together, the **Offers**).

No funds will be raised under the Offers.

IMPORTANT NOTICE

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

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

The Offers are being made such that relief provided under ASIC Corporations (Sale Offers that Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

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1. CORPORATE DIRECTORY

Directors

George Bauk
Non-Executive Chairman

Tom Revy
Managing Director

David Round
Finance Director

Heather Zampatti
Non-Executive Director

Company Secretary

David Round

ASX Code

EVG

Registered Office

Level 3
1138 Hay Street
WEST PERTH WA 6005

Telephone: + 61 8 6158 9916

Email: info@eviongroup.com

Website: <https://eviongroup.com/>

Share Registry*

Automic Pty Ltd
Level 5, 191 St Georges Terrace
Perth WA 6000

Telephone: +1300 288 664

Email: hello@automic.com.au

Lawyers

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

Auditors*

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

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. They have been included for information purposes only.

2. TIMETABLE AND IMPORTANT NOTES

2.1 Timetable

Action	Date
General Meeting held seeking shareholder approval for the issue of Placement Options and Lead Manager Options	26 May 2023
Lodgment of Prospectus with ASIC and ASX	30 May 2023
Opening Date of the Offers	30 May 2023
Closing Date of the Offers*	7 June 2023
Issue of Placement Options and Lead Manager Options	8 June 2023
Quotation of Placement Options	9 June 2023

* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the Placement Options are expected to commence trading on ASX may vary with any change in the Closing Date.

2.2 Important Notes

This Prospectus is dated 30 May 2023 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus or the merits of the investment to which this Prospectus relates.

No Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

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

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. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

A target market determination statement is not included for the offer of options under this Prospectus due to the fact that the design and distribution obligations do not apply to an offer of options to investors who fall within the exception set out in section 708 of the Corporations Act.

2.3 Website – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at <https://eviongroup.com//>. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +61 8 6158 9916 and the

Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

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. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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.

2.4 Risk factors

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

2.5 Overseas Investors

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

2.6 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 our Company, the Directors and our management.

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

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new

information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6 of this Prospectus.

3. DETAILS OF THE OFFER

3.1 Background to the Offers

On 3 April 2023, and as updated on 13 April 2023, the Company announced a capital raising of 62,037,040 Shares under a placement to unrelated sophisticated and professional investors at an issue price of \$0.054 per Share (**Placement Shares**) to raise approximately \$3,350,000 (before costs) (**Placement**). As approved in the general meeting held on 26 May 2023, Company directors Thomas Revy, Heather Zampatti and David Round participated in the Placement and were issued a further 925,925 Placement Shares.

The Company also announced that, subject to obtaining Shareholder approval, participants in the Placement would be issued one (1) free-attaching Option for every two (2) Share subscribed for and issued to them pursuant to the Placement (**Placement Options**). The Placement Options are exercisable at \$0.075 on or before the date that is 12 months from the date of issue.

The Company engaged the services of Euroz Hartleys Limited (ACN 104 195 057) (**Euroz Hartleys**) to act as sole lead manager and bookrunner to the Placement (**Lead Manager**) pursuant to the capital raising mandate dated 8 February 2023. In consideration for the services provided to the Company, the Company agreed to:

- (a) pay Euroz Hartleys a fee of 6% of the gross proceeds of the Placement (excluding GST); and
- (b) issue Euroz Hartleys (or their nominee/s) 12,000,000 Options exercisable at \$0.125 each on or before the date that is three years from the date of issue (**Lead Manager Options**).

On 26 May 2023, the Company obtained shareholder approval to issue the Placement Options and Lead Manager Options.

The total funds raised under the Placement will be used to fund a number of strategic development plans as follows:

- (a) completion of the Environmental and Social Impact Assessment (ESIA) for the advanced Maniry Graphite Project, Madagascar;
- (b) finalise statutory licensing and permitting in respect of the Maniry Project;
- (c) pre-feasibility costs in relation to the down stream Battery Anode Materials (BAM) plant proposed for development in Europe in joint venture with its collaborative partner, leading US-based Battery Anode Material Developer, Urbix Inc; and
- (d) general working capital purposes.

The Placement Options and Lead Manager Options are being offered pursuant to this Prospectus so that the Options (and any Shares issued on conversion of the Options) are freely tradable from their date of issue, having been issued with disclosure for the purposes of section 707 of the Corporations Act.

3.2 Objective

This Prospectus contains an offer to issue Options for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of any Options issued by the Company under this Prospectus.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body;
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

Further details of the Options are set out in Section 3.3 and Section 3.4 below.

3.3 Placement Options Offer

The Placement Options Offer is an offer of one (1) free attaching Option for every two (2) Shares applied for and issued under the Placement. Based on the number of Placement Shares issued, up to 31,481,483 Placement Options may be issued.

No funds will be raised from the issue of the Placement Options as they are being issued free attaching with the Shares under the Placement.

The Placement Options Offer will only be extended to the participants (or their nominee) in the Placement. Only participants in the Placement will be eligible to apply for the Placement Options under the Placement Options Offer. Accordingly, the Placement Options Offer will only be extended to specific parties on invitation from the Directors and the Placement Options Offer Application Form will be provided by the Company to these parties only.

By completing a Placement Options Offer Application Form, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have personally received the Placement Options Offer Application Form together with a complete and unaltered copy of the Prospectus.

The Placement Options will be exercisable at \$0.075 each on or before that date which is 12 months from the date of issue, and otherwise on the terms and conditions set out in Section 5.2. Shares issued upon exercise of the Options will rank equally with the Shares on issue at the date of this Prospectus.

Application for Official Quotation of the Placement Options offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 2.1. If ASX does not grant Official Quotation of the Placement Options offered

pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue the Placement Options offered under this Prospectus within the time prescribed under the Corporations Act.

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

3.4 Lead Manager Options Offer

On 8 February 2023, the Company entered into a lead manager mandate with the Lead Manager, pursuant to which the Company has agreed to issue a total of 12,000,000 Lead Manager Options, exercisable at \$0.125 each on or before the date that is three years from the date of issue, to the Lead Manager (or its nominee/s).

The Company has obtained Shareholder approval for the issue of the Lead Manager Options at the Company's general meeting held on 26 May 2023.

No funds will be raised from the issue of Lead Manager Options pursuant to the Lead Manager Options Offer as the Lead Manager Options are being issued for nil cash consideration in part consideration for services provided by the Lead Manager to the Company (refer to Section 3.1 for further detail).

Only the Lead Manager (or its nominee/s) will be eligible to apply for Lead Manager Options under the Lead Manager Options Offer. Accordingly, the Lead Manager Options Offer will only be extended to specific parties on invitation from the Directors and the Lead Manager Options Offer Application Form will be provided by the Company to these parties only.

By completing a Lead Manager Options Offer Application Form, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have personally received the Lead Manager Options Offer Application Form together with a complete and unaltered copy of the Prospectus.

The Lead Manager Options will be exercisable at \$0.125 each on or before the date that is three years from the date of issue and otherwise, will be issued on the terms and conditions set out in Section 5.3. All of the Shares issued upon exercise of the Lead Manager Options will rank equally with the Shares on issue at the date of this Prospectus.

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

3.5 Minimum subscription

There is no minimum subscription. No funds will be raised under the Offers.

3.6 ASX listing

Application for Official Quotation of the Placement Options offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 2.1. If ASX does not grant Official Quotation of the Placement Options 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 the ASIC), the Placement Options will not be issued under this Prospectus.

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

3.7 Issue of Options

Options issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at Section 2.1.

Holding statements for Options issued under the Offers will be mailed as soon as practicable after the issue of Options.

3.8 Enquiries

Any questions concerning the Offers should be directed to the Company Secretary, David Round, on +61 411 160 445.

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offers

The primary purpose of this Prospectus is to remove any trading restrictions in relation to any Options issued by the Company under this Prospectus.

In addition, the Company notes that ASIC Corporations (Sale Offers that Do Not Need Disclosure) Instrument 2016/80 provides that if the Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Options can also be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised under the Offers (other than funds raised if the Placement Options are subsequently exercised). The Placement Options are being issued, with respect to the Placement Offers, free attaching to Shares issued under the Placement. For this reason, the Offers have no effect on the Company's financial position.

4.2 Effect of the Offers

The principal effect of the Offers will be to:

- (a) increase the number of Options on issue from 4,500,000 as at the date of this Prospectus to 47,981,483 Options; and
- (b) enable the Options issued (and any Shares issued on exercise of the Options) to be freely tradable from their date of issue, having been issued with disclosure for the purposes of section 707 of the Corporations Act.

4.3 Effect on capital structure

The principal effect of the Offers on the capital structure of the Company, assuming all Options offered under the Prospectus are issued and no existing Options are exercised is set out below.

Shares

Shares	Number
Shares currently on issue ^{1,2}	346,755,373
Shares offered pursuant to the Offers	Nil
Total Shares on issue on completion of the Offers	346,755,373

Notes:

- 1. Comprising:
 - (a) 342,359,187 fully paid ordinary shares (quoted); and
 - (b) 4,396,186 partly paid shares (unquoted),in the capital of the Company.
- 2. The rights and liabilities attaching to the Shares are summarised in Section 5.1 of this Prospectus.

Options

Options	Number
Options currently on issue:	
Unquoted options exercisable at \$0.15 each on before 9 February 2025	4,500,000
Total Options on issue as at the date of this Prospectus	4,500,000
Options to be issued under the Placement Options Offer ²	31,481,483
Options to be issued under the Lead Manager Options Offer ³	12,000,000
Total Options on issue on completion of the Offers	47,518,520

Notes

- As announced by the Company on 3 April 2023 and in the Appendix 2A lodged by the Company on 13 April 2023, the Company has received firm commitments for a placement to raise \$3,350,000 through the issue of 62,037,040 Shares at an issue price of \$0.054 per Share, together with 31,018,520 Options on the basis of one (1) free attaching Option for every two (2) Shares subscribed for and issued subject to Shareholder approval. As further approved by Company shareholders on 26 May 2023, the Company has agreed to issue a further 462,963 Placement Options to Thomas Revy, Heather Zampatti and David Round.
- The rights and liabilities attaching to the Placement Options are summarised in Section 5.2 of this Prospectus.
- The rights and liabilities attaching to the Lead Manager Options are summarised in Section 5.3 of this Prospectus.

Performance Rights

Performance Rights	Number
EVGAK: Performance Rights expiring 30 November 2023	2,100,000
EVGAM: Performance Rights expiring on 20 January 2026	19,075,000
EVGAG: Performance Rights as approved by shareholders on 30 November 2018	5,000,000
Total Performance Rights on issue on completion of the Offers	26,175,000

4.4 Details of Substantial Holders

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

No existing Shareholder will increase its Shareholding to above 19.9% as a result of the Offers.

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

5.1 Rights and liabilities attaching to Shares

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

(g) **Future increase in capital**

The 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.

5.2 **Terms and Conditions of the Placement Options**

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

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.075 (**Exercise Price**).

(c) **Expiry Date**

The Placement Options will expire at 5:00pm (AEDT) on or before the date that is 12 months from the date of issue (**Expiry Date**). An Option not exercised before the respective Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

(m) **Quotation**

The Company will apply for quotation of the Options on ASX.

5.3 Terms and Conditions of the Lead Manager Options

The terms and conditions of the Lead Manager Options are as follows:

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.125 (**Exercise Price**).

(c) **Expiry Date**

The Lead Manager Options will expire on or before three years from the date of issue (**Expiry Date**). An Option not exercised before the respective Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

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

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

(m) **Quotation**

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

6. RISK FACTORS

6.1 General

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

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

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

6.2 Company specific

Category of Risk	Risk
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 business viability. 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>

Category of Risk	Risk
Exploration Costs	<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 differ materially 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 operating and financial performance and the value of the Securities.</p>
Additional Requirements for Capital	<p>The Company's capital requirements depend on numerous factors. Subject to the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offers. Any additional equity financing will dilute existing shareholdings, and debt financing (if available) may involve restrictions on future financing and operating activities. If the Company is unable to obtain additional financing as needed, or unable to obtain it on acceptable terms (whether or not due to the Company's circumstances or economic and share market conditions or both), it may be required to reduce the scope of its operations and scale back its exploration programmes. This could have a material adverse effect on the Company's activities and the value of the Securities.</p>
Sovereign and Political Risk	<p>The Company's Projects are located in the Republic of Madagascar. Mineral exploration tenure in the Republic of Madagascar is governed by Madagascan legislation. As such, the Company is exposed to the risks associated with operating in a foreign country.</p> <p>These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability, and changes of law affecting foreign ownership, exchange control, exploration and mining permit licensing, export duties, investment into a foreign country and repatriation of income or return of capital, environmental protection, land access and environmental regulation, mine safety and labour relations, as well as government control over mineral properties or government regulations which require the employment of local staff or contractors or that other benefits be provided to local residents.</p> <p>The Company may also be hindered or prevented from enforcing its rights with respect to government instrumentalities because of the doctrine of sovereign immunity.</p> <p>Any future material adverse changes in government policies or legislation in the Republic of Madagascar that affect ownership, mineral exploration, development or mining activities may affect the viability and profitability of the Company.</p> <p>The legal system operating in the Republic of Madagascar is different to that in Australia and this may result in risks such as:</p> <p>(a) different forms of legal redress in the courts, whether in respect of a breach of law or regulation, or an ownership dispute;</p>

Category of Risk	Risk
	<p>(b) a higher degree of discretion on the part of governmental agencies;</p> <p>(c) differences in political and administrative guidance on implementing applicable rules and regulations, including, in particular, as regards local taxation and property rights;</p> <p>(d) different attitudes of the judiciary and court; and</p> <p>(e) difficulty in enforcing judgments.</p> <p>The commitment by local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence approvals, authorisations, applications or other legal arrangements will not be adversely affected by the actions of government authorities or others, and the effectiveness and enforcement of such arrangements cannot be assured.</p> <p>The Company cannot guarantee that the tenements in which it may acquire an interest if it completes the acquisition pursuant to the Madagascar Acquisition Agreement, or any other tenements in which it has or may acquire an interest in the future, will be renewed beyond their current expiry date and there is a material risk that, in the event the holder of those tenements is unable to renew any of them beyond their current expiry date, all or part of the Company's interests in the corresponding projects may be relinquished.</p> <p>Further, there is no guarantee that any applications for mining or environmental tenements or other approvals or authorisations will be granted, or granted on conditions satisfactory to the Company.</p> <p>The Company's future operations in the Republic of Madagascar may be affected by changing political conditions and changes to laws and mining policies. The effects of these factors cannot be accurately predicted and developments may impede the operation or development of a project or even render it uneconomic.</p> <p>The Company's joint venture operations in India may also be affected by changing political conditions and changes to laws and mining policies. The effects of these factors cannot be accurately predicted and developments may impede the operation or development of a project or even render it uneconomic. Further details about our joint venture risk are outlined below.</p>
Development Risks	<p>You should be aware that mineral exploration and development are high-risk undertakings, due to the high level of inherent uncertainty. There can be no assurance that exploration of the Tenements, or of any other tenements that may be acquired by the Company in the future, will result in the discovery of economic mineralisation. Even if economic mineralisation is discovered, there is no guarantee that it can be commercially exploited.</p>

Category of Risk	Risk
	<p>The future development activities of the Company may be affected by a range of factors, including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, 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 on the Company having access to sufficient development capital, being able to maintain title to the Projects 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 Projects, a reduction in the cash reserves of the Company and possible relinquishment of part or all of the Projects.</p>
Joint Venture Risk	<p>The Company is subject to the risk that changes in the status of any of the Company's joint ventures, which currently includes the Company's 50% joint venture interest in Panthera Graphite Technologies Pvt Limited, a company currently operating in India, may adversely affect the operations and performance of the Company.</p> <p>There is also a risk of financial failure or default under the joint venture arrangements by a participant in any joint venture to which the Company is, or may become, a party. Any withdrawal by a joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have a material adverse impact on the financial position of the Company. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in the Company's proposed development activities or financial loss.</p>
Title Risk	<p>The Company's interests in tenements in Madagascar are governed by government legislation and are evidenced by the granting of permits, licences or leases. Each permit, licence or lease is for a specific term and has annual expenditure and reporting commitments, together with other conditions requiring compliance. Consequently, the Company could lose its title to or its interest in one or more of the Tenements if licence conditions are not met or if insufficient funds are available to meet the minimum expenditure commitments.</p> <p>The Tenements, and other tenements in which the Company may acquire an interest, will be subject to renewal, which is usually at the discretion of the relevant authority. If a Tenement is not renewed the Company may lose the opportunity to discover mineralisation and develop the Tenement.</p> <p>The Company cannot guarantee that any of those Tenements, or any of the other Tenements in which the Company has an interest, will be renewed beyond their current expiry date and there is a material risk that, in the event the Company is unable to renew any of the Tenements beyond their current expiry date, the Company's interests in the relevant Tenements may be relinquished.</p>

Category of Risk	Risk
	<p>Environmental approval for exploration or exploitation by the grant of an environmental tenement by the relevant Madagascan government authority is yet to be acquired in respect of Exploitation Permit PE/39751. Furthermore, a number of environmental tenements exist over the Ampanihy Project. Applications need to be made to the BCMM to include graphite as an authorised substance to which those environmental tenements apply. There can be no guarantee that environmental approval (including adding graphite as an authorised substance for the environmental tenements) will be granted in respect of that area, which may prevent the Company from carrying out exploration or other activities on it.</p> <p>Mada-Aust, a company to be acquired by Evion, has entered into a number of contracts with third parties affecting certain areas of the tenements that comprise the Madagascan Projects, known as amodiation contracts. Under those amodiation contracts, the third parties have been granted exclusive rights to prospect, explore, extract and/ or exploit certain mineral resources. The tenements affected by amodiation contracts are PE/5394, PE/25093, PE/25094, PR/25605 and PR/25606. Mada-Aust does not have the rights to prospect, explore, extract and exploit certain mineral resources on those tenements to the extent that exclusive rights have been granted under an amodiation contract. Mada-Aust is in the process of negotiating to discharge certain of the amodiation contracts or to remove certain tenements from the amodiation contracts.</p> <p>Under Madagascan law, the holder of a mining tenement does not have an automatic right in the land the subject of that tenement and must therefore enter into a lease agreement with the owners of the land. If land is held in the name of the Madagascan state, there is no objection by the state to entry into a lease agreement on ordinary terms and conditions. If, however, the land the subject of any of the tenements it owns in Madagascar is not held in the name of the Madagascan state, Mada-Aust will need to negotiate a lease with the private landholders.</p>
New Projects and Acquisitions	<p>The Company will identify and evaluate additional projects and assets in the resources sector in Australia and/or overseas. If any are considered by the Board to have the potential to add Shareholder value, the Company will seek to acquire them by way of direct project acquisition, farm in, joint venture or direct equity in the project owners.</p> <p>There can be no guarantee that any proposed acquisition will be secured, completed or successful. If the proposed acquisition is not completed, monies advanced or due diligence costs may not be recoverable, which may have a material adverse effect on the Company. This could affect the growth of the Company. If the Company is able to acquire such projects, there is a risk that if those projects do not perform to expectations, such adverse performance will be detrimental to the performance of the Company and therefore the value of Securities and returns delivered to Shareholders</p>

Category of Risk	Risk
	If the Company identifies and proceeds with the acquisition of an additional resource project or asset, the Company may be required to re-comply with Chapters 1 and 2 of the Listing Rules. This will cause the Shares to be suspended from Quotation, in which event the Shares cannot trade on the ASX during this period. The length of any suspension will be subject to the requirements of the ASX and the time needed by the Company to comply with those requirements.
Risk of Forfeiture of Partly Paid Shares	<p>As the Company is a 'no liability' company, a holder of a Partly Paid Share is not under any contractual obligation to pay a call in respect of the unpaid amount of a Partly Paid Share.</p> <p>However, if a call on a Partly Paid Share is not paid within the period specified in the call (subject to the Constitution), the Partly Paid Share will be liable to forfeiture and may be sold by the Company via public auction in accordance with the Constitution. As set out in the Constitution, the proceeds of the sale of such forfeited Partly Paid Shares will be applied first to the expenses of the auction, then to any expenses incurred in respect of the forfeiture and finally to calls on the Partly Paid Shares that are due and unpaid. The balance of the proceeds (if any) will be paid to the registered holder whose Partly Paid Shares were forfeited and sold. In the event only a portion of a call is paid in respect of Partly Paid Shares, the amount of the call paid will be applied to the Partly Paid Shares held by that Partly Paid Shareholder sequentially, and only those Partly Paid Shares in respect of which the call is not satisfied in full after the amount paid is so applied will be liable for forfeiture.</p>

6.3 Industry specific

Category of Risk	Risk
Operating Risk	The current and future operations of the Company, including exploration, project appraisal and possible production activities, may be affected by various factors that can limit or prevent such activities. These factors may include failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in surveying, drilling, other exploration activities and/or production activities, difficulties in commissioning and operating plant and equipment, electrical or mechanical failure or plant breakdown, unanticipated metallurgical problems that may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of skilled labour, consumables, spare parts, plant and equipment.
Commercial Risk	The mining industry is competitive and there is no assurance that, even if commercial quantities of minerals are discovered by the Company on the Projects or future projects it may acquire an interest in, a profitable market will exist for sales of such minerals. There can be no assurance that the quality of any such minerals will be such that they can be mined economically.

Category of Risk	Risk
Environmental Risk	<p>The operations and proposed activities of the Company are currently subject to Madagascan laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Future legislation and regulations governing exploration, development and possible production may impose significant environmental obligations on the Company. The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potential economically viable mineral deposits. The Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals or to obtain them on terms acceptable to the Company may prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.</p> <p>There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect, which could have a material adverse effect on the Company's business, financial condition and results of operations.</p>
Access to Infrastructure	<p>If the Company progresses to production there is no guarantee that appropriate and affordable road, rail and/or port capacity will be available, which could have an adverse effect on the Company. In the event of production, the Company will also require the use of both power and water infrastructure. In the event of high demand for, and limited access to, power and water, there is a risk that the Company may not be able to procure such access, which could have an adverse effect on the Company.</p>

6.4 General Risks

Category of Risk	Risk
Reliance of Key Personnel	<p>The Company's management and key personnel are responsible for overseeing the day-to-day operations of the Company. The Company is aware of the need for sufficient management to properly supervise exploration and, if exploration is successful, the development of the Projects. As the Projects and the Company's prospects progress and develop, the Board will continually monitor the management requirements in the Company and look to employ or engage additional personnel when and where appropriate, to ensure proper management of the Company projects. However, there is a risk that the Company may not be able to secure personnel with the relevant experience at the appropriate time, which may impact on the Company's ability to complete all of its planned exploration programmes within the expected timetable. Furthermore, you should be aware that no assurance can be given that there will be no adverse effect on the Company if one or more of its existing Directors or management personnel cease their employment or engagement with the Company.</p>
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. Subject to the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offers. Any additional equity financing will dilute existing shareholdings, and debt financing (if available) may involve restrictions on future financing and operating activities. If the Company is unable to obtain additional financing as needed, or unable to obtain it on acceptable terms (whether or not due to the Company's circumstances or economic and share market conditions or both), it may be required to reduce the scope of its operations and scale back its exploration programmes. This could have a material adverse effect on the Company's activities and the value of the Securities.</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 graphite or any other minerals it may discover 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 precious and base metals, technological advancements, forward-selling activities and other macro-economic factors such as inflation expectations, interest rates and general global economic conditions.</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. This exposes the Company to the fluctuations and volatility of the rate of exchange between the United States dollar, the Australian dollar and the Madagascan Ariary, as determined in international markets.</p> <p>If the price of commodities declines this could have an adverse effect on the Company's exploration, development</p>

Category of Risk	Risk
	and possible production activities, and its ability to fund these activities, which may no longer be profitable.
Insurance Risks	<p>Exploration for and development of minerals involves hazards and risks that could result in the Company incurring losses or liabilities that could arise from its operations. If the Company incurs losses or liabilities that are not covered by its insurance policies, the funds available for exploration and development will be reduced and the value and/or title to the Company's assets may be at risk.</p> <p>The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.</p> <p>Insurance against all risks associated with mining exploration and production is not always available and, where it is, the costs can be prohibitive or not adequate to cover all claims.</p>
General Economic Conditions	<p>General economic conditions, the introduction of tax reform, new legislation, the general level of activity within the resources industry, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and possible production activities, as well as on its ability to fund those activities both in Australia and overseas.</p>
Share 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) the introduction of tax reform or other new legislation (such as royalties); (c) interest rates and inflation rates; (d) currency fluctuations; (e) changes in investor sentiment toward particular market sectors in Australia and/or overseas (such as the exploration industry or graphite sector within that industry); (f) the demand for, and supply of, capital, and (g) terrorism or other hostilities. <p>The market price of the 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. Such influences are beyond the Company's control and unrelated to the Company's performance. Neither the Company nor the Directors warrant the future performance of the Company or the Securities and subsequently any return on an investment in the Company. Shareholders who decide to sell their Securities after the Company is admitted to the Official List may not receive the entire amount of their original investment.</p>

Category of Risk	Risk
Volatility in Global Credit and Investment Markets	Global credit, commodity and investment markets have recently experienced a high degree of uncertainty and volatility. The factors that led to this situation have been outside the control of the Company and may continue for some time, resulting in continued volatility and uncertainty in world stock markets (including the ASX). This may impact the price at which the Shares trade, regardless of operating performance, and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required.
Government and Legal Risk	The introduction of new legislation or amendments to existing legislation by governments (including the introduction of tax reform), developments in existing common law or the respective interpretation of the legal requirements in any of the legal jurisdictions that govern the Company's operations or contractual obligations could impact adversely on the assets, operations and ultimately the financial performance of the Company and its Securities. The same adverse impact could result from the introduction of new government policy or amendments to existing government policy.
Unforeseen Expenditure Risk	Expenditure that has not been considered in this Prospectus may need to be incurred. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred this may adversely affect the expenditure proposals and activities of the Company, as the Company may be required to reduce the scope of its operations and scale back its exploration programmes. This could have a material adverse effect on the Company's activities and the value of the Securities.
Competition	The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.
COVID-19	The outbreak of the coronavirus disease (COVID-19) may continue to impact global economic markets. While COVID-19 is not currently materially affecting the Company's operations, with the potential for further outbreaks and new strains of the virus, the ongoing nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by further outbreaks and new strains of COVID-19. Further, any new 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.
Force Majeure	The Company's existing Projects or projects acquired in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war,

Category of Risk	Risk
	subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.
Dilution	<p>In the future, the Company may elect to issue Shares or engage in capital raisings to fund operations and growth, for investments or acquisitions that the Company may decide to undertake, to repay debt or for any other reason the Board may determine at the relevant time.</p> <p>While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12-month period (other than where exceptions apply), Shareholder interests may be diluted as a result of such issues of Shares or other securities.</p>
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 potential 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 advisers accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>
Litigation	<p>The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, reputation, financial performance and financial position. The Company is not currently engaged in any litigation.</p>
Ukraine conflict	<p>Economic conditions and other global or national issues</p> <p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</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 Company's Shares remains</p>

Category of Risk	Risk
	unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflict between Ukraine and Russia and overall impacts on global macroeconomics. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.

6.5 Investment speculative

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

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

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

7. ADDITIONAL INFORMATION

7.1 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.

7.2 Continuous Disclosure Obligations

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

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

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

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 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 stock market conducted by ASX.

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

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

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

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

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

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report on 16 September 2022 and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
30-May-2023	Change in Directors Interest Notice x 3
30-May-2023	Cleansing Notice
29-May-2023	Application for quotation of securities - EVG
29-May-2023	Evion's Community Relations program continues to expand
26-May-2023	Results of Meeting
11-May-2023	Tests confirm graphite suitable for battery anode material
28-Apr-2023	Quarterly Activities/Appendix 5B Cash Flow Report
28-Apr-2023	Expiry of Unlisted Options
27- Apr-2023	Notice of General Meeting/Proxy Form
13- Apr-2023	Cleansing Statement
13- Apr-2023	Application for quotation of securities - EVG
3-Apr-2023	Proposed issue of securities - EVG
3-Apr-2023	Proposed issue of securities - EVG
3-Apr-2023	Placement to accelerate plans for graphite business
30-Mar-2023	Trading Halt
27-Mar-2023	Expandable graphite plant fully funded to production
24-Mar-2023	Leading users request Maniry Graphite for testing
15-Mar-2023	Half Yearly Report and Accounts
9-Mar-2023	Agreement with Leading Battery Anode Material Producer
1-Mar-2023	Strong construction progress at expandable graphite JV
31-Jan-2023	Quarterly Activities/Appendix 5B Cash Flow Report
31-Jan-2023	Electric Vehicle Anode & Graphite Forum Presentation
24-Jan-2023	Cleansing Statement

Date	Description of Announcement
24-Jan-2023	Application for quotation of securities - EVG
17-Jan-2023	Battery Anode Scoping Study produces compelling results
23-Dec-2022	Update - Evion's Graphite Suitable to lithium batteries
21-Dec-2022	Evion's Graphite highly suitable for Lithium Batteries
19-Dec-2022	Pivotal Agreement signed with leading US Graphite Company
1-Dec-2022	Change of Company Name and Code EVG
25-Nov-2022	Results of Meeting
3-Nov-2022	Evion Investor Presentation
3-Nov-2022	Evion completes positive DFS for Maniry Project
31-Oct-2022	Quarterly Activities Report & Appendix 5B Cash Flow
18-Oct-2022	Letter to Shareholders - Change of Company Name
18-Oct-2022	Notice of Annual General Meeting/Proxy Form
18-Oct-2022	Application for quotation of securities - BEM
7-Oct-2022	Closing date for nomination of Directors
5-Oct-2022	Cleansing Notice
4-Oct-2022	Change of Director's Interest Notice x 4
4-Oct-2022	Application for quotation of securities - BEM
16-Sept-2022	Set to complete Feasibility Study on Maniry Graphite Project

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 <https://eviongroup.com/>.

7.3 Market price of Securities

The Company is a disclosing entity for the purposes of the Corporations Act.

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

	\$	Date
Highest	0.067	30 th and 31 st March 2023
Lowest	0.04	25 May 2023
Last	0.039	29 May 2023

The Options are both a new class of Options and as such there has been no trading in the Company's Options to date.

7.4 Directors' and proposed Directors' Interests

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

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

and no amounts have been paid or agreed to be 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 him as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offers.

Security holdings

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

Director	Shares	Options	Performance Rights
Thomas Revy	12,542,796 ¹	Nil ²	10,500,000 ³
George Bauk	4,880,341 ⁴	Nil	3,275,000 ⁵
Heather Zampatti	885,185 ⁶	Nil ⁷	1,925,000 ⁸
David Round	3,785,956 ⁹	Nil ¹⁰	8,475,000 ¹¹

Notes

1. Comprising:
 - (a) 7,292,426 Shares held directly by Thomas Revy;
 - (b) 2,880,000 Shares held indirectly by Thomas George Revy and Valeria Maria Revy as trustees for the Revcorp Super Fund account;
 - (c) 2,000,000 partly paid Shares paid to \$0.0201 and unpaid \$0.0399 held indirectly by Thomas George Revy and Valeria Maria Revy as trustees for the Revcorp Super Fund account; and
 - (d) 370,370 Shares which were issued to Thomas Revy following the passing of resolution five (5) at the Company's general meeting held on 26 May 2023.
2. Thomas Revy will receive 185,185 Placement Options upon his acceptance of the Placement Options Offer. This issue of Placement Options to Thomas Revy was approved by shareholders in the Company's general meeting held on 26 May 2023.

3. Held directly by Thomas Revy, comprising of 2,000,000 Performance Rights as approved by shareholders on 30 November 2018 and 8,500,000 Performance Rights expiring on 20 January 2026.
4. Indirectly held by Totode Pty Ltd, a company controlled by Mr Bauk, as trustee for the Hindmarsh Investment account.
5. Held indirectly by Totode Pty Ltd, a company controlled by Mr Bauk, as trustee for the Hindmarsh Investment account, comprising 1,000,000 Performance Rights as approved by shareholders on 30 November 2018 and 2,275,000 Performance Rights expiring 20 January 2026.
6. Directly held by Heather Zampatti and including the 185,185 Shares which were issued to Heather Zampatti following the passing of resolution seven (7) at the Company's general meeting held on 26 May 2023.
7. Heather Zampatti will receive 92,592 Placement Options upon her acceptance of the Placement Options Offer. This issue of Placement Options to Heather Zampatti was approved by shareholders in the Company's general meeting held on 26 May 2023.
8. Directly held by Heather Zampatti.
9. Indirectly held through the David Round Family A/C and the DEJA Round Super Fund and including the 370,370 Shares were issued to David Round following the passing of resolution six (6) at the Company's general meeting held on 26 May 2023.
10. David Round will receive 185,185 Placement Options upon his acceptance of the Placement Options Offer. This issue of Placement Options to David Round was approved by shareholders in the Company's general meeting held on 26 May 2023.
11. Indirectly held through the David Round Family A/C, comprising 2,100,000 Performance Rights expiring 30 November 2023 and 6,375,000 Performance Rights expiring 20 January 2026.

Remuneration of Directors

The Constitution of the Company provides that the non-executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Directors and in default of agreement then in equal Options. The maximum aggregate remuneration for non-executive Directors has been set at no more than \$250,000 per annum.

In addition, a Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

The table below shows the total annual remuneration paid to both executive and non-executive directors and proposed directors in each of the past two financial years and the proposed remuneration for the current financial year.

Director	Financial year ending 30 June 2021 \$	Financial year ending 30 June 2022 \$	Proposed financial year ending 30 June 2023 (Current) \$
Thomas Revy ¹	541,636	541,323	\$325,000
George Bauk ²	123,079	168,994	\$90,000
Heather Zampatti ³	-	70,952	\$60,000
David Round ⁴	295,615	461,824	\$300,000

Philip Hearse ⁵	45,881	-	-
Simon Storm ⁶	7,400	-	-

Notes:

1. Comprising:
 - (a) for FYE 30 June 2021, \$317,268 fixed remuneration, 60,000 cash bonus, \$12,754 in non-monetary benefits and 151,614 in share-based payments – performance rights; and
 - (b) for FYE 30 June 2022, \$342,692 fixed remuneration, \$4,045 in non-monetary benefits and \$194,586 in share-based payments performance rights.
2. Comprising:
 - (a) for FYE 30 June 2021, \$63,000 fixed remuneration and \$60,079 in share-based payments – performance rights; and
 - (b) for FYE 30 June 2022, \$90,000 fixed remuneration and \$78,994 in share-based payments performance rights.
3. Comprising \$41,775 fixed remuneration and \$29,177 in share-based payments – performance rights.
4. Comprising:
 - (a) for FYE 30 June 2021, \$190,515 fixed remuneration, \$30,000 cash bonus, \$1,703 non-monetary benefits and \$73,397 in share-based payments – performance rights; and
 - (b) for FYE 30 June 2022, \$289,904 fixed remuneration, \$3,506 non-monetary benefits and \$168,414 in share-based payments performance rights.
5. Comprising \$22,500 fixed remuneration and \$23,381 share-based payments – performance rights.
6. Comprising \$7,400 fixed remuneration only.

7.5 Interests of Experts and Advisers

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

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

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

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

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

- (a) the formation or promotion of the Company: or
- (b) the Offers.

Steinepreis Paganin has acted as solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin approximately \$10,000 (excluding GST and disbursements) for these services and other services relating to the Offers generally. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$20,593 (excluding GST and disbursements) for legal services provided to the Company.

7.6 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; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

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

7.7 Estimated Expenses of Offers

The total expenses of the Offers are estimated to be approximately \$14,456 (excluding GST), and are expected to be applied towards the items set out in the table below:

Expenses of the Offers	\$
ASIC lodgement fee	3,206
ASX quotation fees	1,250
Legal expenses	10,000
Total	\$14,456

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

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

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares 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 CHES and issuer sponsorship.

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

7.9 Privacy Statement

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

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

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

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

8. DIRECTORS' AUTHORISATION

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

In accordance with section 720 of the Corporations Act, each Director and Proposed Director has consented, and as at the date of this Prospectus has not withdrawn his consent, to the lodgement of this Prospectus with the ASIC.

David Round
Director and Company Secretary
Evion Group NL

9. DEFINITIONS

\$ means Australian dollars.

Applicant means an investor who applies for Options pursuant to the Offers.

Application means an application for Options made on an Application Form.

Application Form means an application form either attached to or accompanying this Prospectus, being either a Placement Options Offer Application Form or a Lead Manager Options Offer Application Form.

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

Closing Date means the closing date specified in the timetable in Section (unless extended or closed earlier).

Company means Evion Group NL (ACN 610 168 191).

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

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

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

Euroz Hartleys or Lead Manager means Euroz Hartleys Limited (ACN 104 195 057).

Lead Manager Options means the Options to be offered to the Lead Manager in part consideration for services provided to the Company, with an exercise price of \$0.125 each, expiring on the date that is three years from the date of issue of the Options.

Offers means the offer of Options the subject of this Prospectus and referred to in the "Details of the Offers" in Section 3.

Official Quotation means official quotation on ASX.

Opening Date means the opening date specified in Section 2.1.

Options means the Placement Options and Lead Manager Options issued pursuant to or associated with the Placement on the terms and conditions set out in Sections 5.2 and 5.3.

Placement means the placement undertaken by the Company, details of which are set out in the Company's announcement dated 3 April 2023.

Placement Options means the Options to be offered to participants under the Placement, with an exercise price of \$0.075 each on or before the date that is 12 months from the date of issue.

Prospectus means this prospectus.

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.

Shareholder means the holder of a Share.

Share Registry means Automic Pty Ltd.

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