

**HYTERRA LIMITED**  
**ACN 116 829 675**

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**PROSPECTUS**

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For the offer of:

- (a) 33,333,333 New Options to participants in the Placement, on the basis of two (2) New Option for every three (3) Shares subscribed for and issued to Investors (**Placement Offer**);
- (b) 15,000,000 New Options to the Lead Manager of the Placement (or its nominee) (**Broker Offer**); and
- (c) 1,000 Shares at an issue price of \$0.02 per Share to raise up to \$20 (before expenses) (**Cleansing Offer**),

(together, 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 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.**

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## IMPORTANT NOTICE

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This Prospectus is dated 19 October 2023 and was lodged with the ASIC on that date. The 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.

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 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

These Offers do not, and are not intended to, constitute offers 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 Offers are not being extended and the Securities will

not be issued to Shareholders with a registered address which is outside Australia.

For further information on overseas Shareholders please refer to Section 2.16.

### 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 its 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 stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

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

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 [www.hyterra.com](http://www.hyterra.com). If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only

access this Prospectus from within 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 8 6478 7730 during office hours or by emailing the Company at [info@hyterra.com](mailto:info@hyterra.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 (CHES) and Issuer Sponsorship**

The Company will apply to participate 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.

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 CHES 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.

#### **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 8.

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

#### **Privacy statement**

The personal information you provide to the Company may be collected, held and used by the Company to 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.

#### **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 Offers please call the Company Secretary on +61 8 6478 7730.

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## CORPORATE DIRECTORY

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### Directors

Mr Avon McIntyre  
*Executive Director and  
Chief Technical Officer*

Mr Benjamin Mee  
*Executive Director*

Mr Russell Brimage  
*Non-Executive Chairman*

### Company Secretary

Ms Hannah Cabatit

### Registered Office

Unit 9  
335 Hay Street  
SUBIACO WA 6008

Telephone: +61 8 6478 7730  
Facsimile: +61 8 6478 7739  
Email: [info@hyterra.com](mailto:info@hyterra.com)  
Website: [www.hyterra.com](http://www.hyterra.com)

### Auditor\*

HLB Mann Judd (WA Partnership)  
Level 4, 130 Stirling Street  
PERTH WA 6000

### Share Registry\*

Advanced Share Registry Limited  
110 Stirling Hwy  
NEDLANDS WA 6009

Telephone: +61 8 9389 8033  
Facsimile: +61 8 6370 4203

### Legal Advisers

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

### Lead Manager to the Placement

Indian Ocean Securities Pty Ltd  
AFSL 336409 ABN 66 621 321 891  
311-313 Hay Street  
SUBIACO WA 6008

### ASX Code

HYT

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

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## 1. INDICATIVE TIMETABLE

### 1.1 Key Offer Information

Action	Date
Lodgement of Prospectus with ASX and ASIC	Thursday, 19 October 2023
Opening Date of Offers under Prospectus	Thursday, 19 October 2023
Issue of Placement Shares	Friday 27 October 2023
Placement Offer and Cleansing Offer Closing Date (5:00pm AWST) and application for quotation of Placement Options	Friday 27 October 2023
Issue of Placement Options and the Broker Options	Monday, 30 October 2023
Expected date of quotation of Placement Options and the Broker Options and lodgement of Appendix 2A	Friday, 3 November 2023

\* The Directors reserve the right to bring forward or extend the relevant Closing Date at any time after the Opening Date without notice. As such, the date the Securities are expected to be quoted on ASX may vary with any change in the relevant Closing Date.

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## 2. DETAILS OF THE OFFERS

### 2.1 Background

On 16 October 2023, the Company announced that it had received firm commitments from existing and new sophisticated and professional investors (**Investors**) to raise a total of up to \$1,000,000 (before costs) through the issue of a total of up to 50,000,000 Shares (**Placement Shares**) at an issue price of \$0.02 per Share (**Placement**).

The Company is offering Investors the opportunity to apply for two (2) free attaching New Options for every three (3) Shares subscribed for by Investors under the Placement.

The Placement Shares are expected to be issued on 27 October 2023 pursuant to the Company's Listing Rule 7.1A placement capacity.

### 2.2 Lead Manager

Indian Ocean Securities Pty Ltd (**Lead Manager**) was engaged by the Company to act as Lead Manager to the Placement under a mandate agreement dated 6 October 2023 with the following material terms:

- (a) **Engagement:** The Lead Manager will be engaged as lead manager and provide capital raising activities and corporate advice to the Company.
- (b) **Fees:** The Company has agreed to pay/issue the Lead Manager:
  - (i) a lead manager's fee of 2% of the gross proceeds raised under the Placement (\$20,000);
  - (ii) a capital raising fee of 4% of the gross proceeds raised under the Placement (\$40,000); and
  - (iii) 15,000,000 New Options (**Broker Options**), to be issued by utilising Company's Listing Rule 7.1 placement capacity.

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

### 2.3 Placement Offer

The Placement Offer is an offer of two (2) New Options for every three (3) Shares subscribed for and issued to Investors under the Placement.

The Placement Offer is extended to the Investors only. Accordingly, Application Forms will only be provided by the Company to the Investors.

The New Options offered under the Placement Offer pursuant to this Prospectus will be exercisable at \$0.03 each on or before the date that is two (2) years from the date of issue and otherwise on the terms set out in Section 4.1. All Shares issued upon exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

The maximum number of New Options to be issued under the Placement Offer is 33,333,333, calculated on the basis of two (2) New Options for every three (3) Shares subscribed for and issued under the Placement.

No funds will be raised from the Placement Offer as the New Options are being issued for nil consideration.

The Company will apply for Official Quotation of the New Options offered pursuant to the Placement Offer.

## **2.4 Broker Offer**

The Broker Offer is an offer of 15,000,000 New Options to the Lead Manager (or its nominee) (**Broker Offer**).

The Broker Offer is extended to the Lead Manager (or its nominee) only. Accordingly, Application Forms will only be provided by the Company to the Lead Manager (or its nominee).

No funds will be raised from the Broker Offer as the New Options are being issued in consideration for services provided by the Lead Manager, described in Section 2.2.

The New Options offered under the Broker Offer pursuant to this Prospectus will be exercisable at \$0.03 each on or before the date that is two (2) years from the date of issue and otherwise on the terms set out in Section 4.1.

All Shares issued upon exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

The Company will apply for Official Quotation of the New Options offered pursuant to the Broker Offer.

## **2.5 Cleansing Offer**

The Cleansing Offer is an offer of up to 1,000 Shares at an issue price of \$0.02 per Share to raise up to \$20 (before associated expenses).

The Cleansing Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

The Shares to be issued under the Cleansing Offer will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to Shares.

The primary purpose of the Cleansing Offer is set out in Section 3.1.

## **2.6 Minimum subscription**

There are no minimum subscriptions to the Offers.

## **2.7 Not underwritten**

The Offers are not underwritten.



## **2.8 Oversubscriptions**

No oversubscriptions will be accepted by the Company under the Offers.

## **2.9 Applications under the Placement Offer**

To receive New Options pursuant to the Placement Offer you do not need to do anything, as the Lead Manager will make applications on your behalf.

Applications for New Options will only be made by the Lead Manager for Eligible Applicants, at the direction of the Company and will be made using the appropriate Application Form accompanying this Prospectus.

No subscription monies are payable for the New Options offered pursuant to this Prospectus under the Placement Options Offer as the New Options are being issued as an entitlement to Investors.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than **5:00pm (AWST) on the Closing Date**.

The Company reserves the right to close the Offers early.

## **2.10 Applications under Broker Offer**

The Broker Offer is only available to those who are personally invited to accept the Broker Offer.

No subscription monies are payable for the New Options offered pursuant to this Prospectus under the Broker Offer as the New Options are being issued as part consideration for services provided by the Lead Manager.

An Application Form for the Broker Offer will only be provided by the Company to the Lead Manager (or its nominees).

Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than **5:00pm (AWST) on the Closing Date**.

The Company reserves the right to close the Offers early.

## **2.11 Applications under Cleansing Offer**

Applications for Shares under the Cleansing Offer must be made by investors at the direction of the Company.

An Application Form for the Cleansing Offer will only be provided by the Company to the Investors (or their respective nominees).

Payment for the Shares under the Cleansing Offer must be made in full at the issue price of \$0.02 per Share.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than **5:00pm (AWST) on the Closing Date**.

The Company reserves the right to close the Offers early.

## **2.12 ASX Listing of New Options**

Application for Official Quotation of the Placement Options and the Broker Options (together, the **New Options**) will be made within 7 days after the date of this Prospectus.

If the New Options are not admitted to Official Quotation by ASX before the expiration of three months after the date of this Prospectus, or such period as varied by the ASIC, the issue of the New Options will be void.

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

## **2.13 ASX Listing of Shares**

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of this Prospectus, or such period as varied by the 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 of the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares offered for subscription under this Prospectus.

## **2.14 Issue of Securities**

Securities issued pursuant to the Offers will be issued in accordance with the timetable set out in Section 1 of this Prospectus.

## **2.15 Defects in Applications**

If an Application Form is not completed correctly, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

## **2.16 Overseas shareholders**

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

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia except to institutional and professional investors in jurisdictions whereby the Offers are exempt from local prospectus or registration requirements. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

***Nominees and custodians***

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

**2.17 Enquiries**

Any questions concerning the Offers should be directed to the Company Secretary on +61 8 6478 7730.

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### **3. PURPOSE AND EFFECT OF THE OFFERS**

#### **3.1 Purpose of the Offers**

The purpose of the Placement Offer is to offer Investors who participated in the Placement two (2) free New Options for every three (3) Shares subscribed for and issued under the Placement.

The purpose of the Broker Offer is to satisfy the Company's agreement to issue 15,000,000 New Options to the Lead Manager (or its nominee).

The purpose of Cleansing Offer is to remove any trading restrictions that may have attached to Placement Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date of the Cleansing Offer (including prior to the date of this Prospectus). Accordingly, the purpose of the Cleansing Offer is not to raise capital.

All of the funds raised under the Cleansing Offer (if any) will be applied towards the expenses of the Offers. On that basis, there will be no surplus proceeds from the Cleansing Offer. Refer to Section 6.7 for further details relating to the estimated expenses of the Offers.

In addition to the above purposes, the Offers are being made under this Prospectus to remove any trading restrictions attaching to the Securities and, in the case of New Options, any Shares issued on exercise of the New Options. The Company confirms that:

- (a) the Securities offered under this Prospectus are being issued with disclosure under this Prospectus (which is a disclosure document under Part 6D.2 of the Corporations Act); and
- (b) the Offers are being made such that the 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.

Subject to the Securities being granted to Official Quotation on the ASX, holders of the Securities will be able to trade the Securities on the ASX and, in the case of the New Options, will be able to exercise the New Options into Shares and trade those Shares without the need for additional disclosure and without any trading restrictions.

#### **3.2 Effects of the Offers**

The principal effects of the Placement and Offers, assuming the Company issues the maximum number of New Options under the Offers, will be to:

- (a) increase the number of Options currently on issue from 234,500,000 as at the date of this Prospectus to 282,833,333; and
- (b) increase the number of Shares currently on issue from 560,702,882 as at the date of this Prospectus to 610,703,882; and
- (c) to remove any trading restrictions attaching to the Securities issued under this Prospectus and to enable the on-sale of any Shares issued on exercise of the New Options issued under this Prospectus.

### 3.3 Effect of the Offers on capital structure

The effect of the Offers on the capital structure of the Company, assuming the Company issues the maximum number of Securities under the Offers, is set out below.

Shares <sup>1</sup>	Number
Shares currently on issue	560,702,882
Shares offered pursuant to the Cleansing Offer	1,000
Shares offered pursuant to the Placement <sup>2</sup>	50,000,000
<b>Total Shares on completion of the Offers</b>	<b>610,703,882</b>

Options	Number
Options currently on issue <sup>3</sup>	234,500,000
New Options offered pursuant to the Broker Offer <sup>4</sup>	15,000,000
New Options offered pursuant to the Placement Offer <sup>4</sup>	33,333,333
<b>Total Options on completion of the Offers</b>	<b>282,833,333</b>

Performance Rights	Number
Performance Rights currently on issue <sup>5</sup>	44,000,000
Performance Rights offered pursuant to the Offers	Nil
<b>Total Performance Rights on completion of the Offers</b>	<b>44,000,000</b>

**Notes:**

1. The rights attaching to the Shares are summarised in Section 4.2 of this Prospectus.
2. The Placement Shares are expected to be issued on 27 October 2023.
3. Comprising:
  - (a) 229,500,000 Options on issue with an exercise price of \$0.025 expiring on or before 30 June 2025. It is noted that 163,100,000 of these Options are subject to 12 months escrow from the date of issue and 23,650,000 of these Options are subject to 24 months escrow from the date of re-quotation of the Company's securities on ASX; and
  - (b) 5,000,000 Zero Exercise Price Options expiring on 30 May 2028.
4. New Options exercisable at \$0.03 each on or before two (2) years from the date of issue, the terms of which are set out at Section 4.1. The Company intends to apply for quotation of the New Options issued pursuant to this Prospectus.
5. The Performance Rights are subject to 24 months escrow from the date of re-quotation of the Company's securities on ASX.

The capital structure on a fully diluted basis prior to the Placement was 839,202,882 Shares and on completion of the Offers would be 937,537,215 Shares.

### 3.4 Financial effect of the Offers and the Placement

No funds will be raised from the Placement Offer or Broker Offer as the New Options are being issued for nil cash consideration. However, if all New Options are exercised into Shares, the Company will receive approximately \$1,450,000.

Approximately \$20 will be raised from the Cleansing Offer. All of the funds raised under the Cleansing Offer (if any) will be applied towards the expenses of the Offers. On that basis, there will be no surplus proceeds from the Cleansing Offer.

The expenses of the Offers and the Placement are estimated to be approximately \$105,773. The expenses of the Offers will be met utilising the Company's existing cash reserves.

Accordingly, the immediate financial effect of the Offers and the Placement will be to reduce the Company's existing cash reserves by \$105,773.

### **3.5 Substantial Shareholders**

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

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## **4. RIGHTS ATTACHING TO SECURITIES**

### **4.1 Terms of the New Options**

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) fully paid ordinary share (**Share**) in the Company upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is two (2) years from the date of issue (**Expiry Date**). An Option not exercised before the 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 exercise notice (**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 (5) 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 paragraph (g)(ii) is for any reason 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.

## **4.2 Rights and liabilities attaching to Shares**

The following is a summary of the more significant rights and liabilities attaching to the Shares in the Company currently on issue and the Shares that will be issued on the exercise of the Securities 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 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 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.

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## 5. RISK FACTORS

### 5.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential 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 and Shares issued upon the exercise 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 Securities. 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
Joint venture risk	<p>The Company may participate in various future Joint Ventures, including the existing joint venture between Neutralysis Industries Pty Ltd (<b>Neutralysis</b>), a wholly owned subsidiary of the Company, currently holds a 16% beneficial interest in a joint development and earn-in agreement (<b>JDA</b>) with Natural Hydrogen Energy LLC (<b>NH2E</b>).</p> <p>The financial performance of the Company is subject to its various counterparties to perform their obligations under the operating agreement. If one of its counterparties (including NH2E) fails to perform their contractual obligations under the operating agreement, it may result in loss of earnings, termination of other related contracts, disputes and/or litigation of which could impact on the Company's financial performance.</p> <p>Further, the Company is not the registered owner of the leases within the JDA, and therefore the Company's ability to achieve its business objectives on Completion is reliant upon NH2E complying with its contractual obligations under the JDA, satisfying the terms and conditions of the leases as required to maintain the leases in full force and effect, free</p>

Risk Category	Risk
	<p>from any liability to forfeiture or nonrenewal, and comply with any other applicable legislation.</p> <p>The failure of NH2E or any future JV partner to comply with these obligations may result in the Company losing its interest in those leases which may have a material adverse effect on the Company's operations and performance, value of the Company's Shares, termination of other related contracts, and may lead to disputes and/or litigation.</p>
<b>Commodity price volatility and exchange rate risks</b>	<p>If the Company achieves success leading to hydrogen and/or other co-existing subsurface gases (e.g. helium) production, the revenue it will derive through the sale of product 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 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 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>
<b>Exploration and evaluation</b>	<p>Potential investors should understand that hydrogen exploration and evaluation are high-risk undertakings. There can be no assurance that future exploration of the leases, or any other leases that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.</p> <p>Hydrogen is a highly reactive gas and is able to combine with most other elements. Consequently, there is a risk that, under certain conditions, a chemical reaction may take place between hydrogen and other elements or compounds which are naturally occurring on the leases to form other gases and / or liquids (including methane and / or water), which may have an adverse effect on the value of the resource derived from the Company's projects.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company being able to maintain an interest in the leases and obtaining all required approvals for their contemplated activities. In the event that exploration programs prove to be unsuccessful this could lead to a</p>

Risk Category	Risk
	diminution in the value of its projects, a reduction in the cash reserves of the Company and possible relinquishment of the claims comprising its projects.
<b>South Carolina Project leases</b>	<p>The Company's beneficial interest in South Carolina leases through the JDA are considered to be early-stage exploration projects. Consequently, no production activities are currently planned for the South Carolina leases. The Company considers it will be able to achieve its previously stated business objectives on Completion without these production activities.</p> <p>There is a process for recording the mineral leases comprising the South Carolina projects against the underlying property. This operates to give notice to third parties that a mineral lease is in existence, but there is no obligation to do so. The risk of not filing the leases for the South Carolina projects is that if the lessor enters into another lease agreement with a third party for the South Carolina leases, the third party may acquire superior title to the South Carolina leases.</p>

### 5.3 Industry specific

Risk Category	Risk
<b>Hydrogen exploration and evaluation risk</b>	<p>The future value of the Company may depend on its ability to find and develop natural hydrogen resources that are economically recoverable within the Company's existing projects.</p> <p>Natural hydrogen exploration is an emerging area of the natural resources industry and knowledge and understanding of the geological processes behind its occurrence is limited. There is a risk that exploration activities conducted on the projects will not result in the discovery of hydrogen, and indications of hydrogen observed during such exploration activities may not result in the presence or absence of natural hydrogen at that location.</p> <p>The circumstances in which a discovered hydrogen resource becomes or remains commercially viable depends on a number of factors. These include the particular attributes of the resource, such as size, depth, concentration, composition, development cost and proximity to infrastructure as well as key external factors such as hydrogen supply and demand.</p> <p>Hydrogen exploration, production and development involves activities and operations which may not generate a positive return on investment. This may arise from, but is not limited to; dry wells, and / or wells that are productive but do not produce sufficient revenues to return a profit after accounting for drilling, operating and other associated costs. The outcome of any exploration program may be dependent on matters which include the host rock composition, the permeability of the host rock, the flow rate and the rate of any decrease in pressure as the gas flows to the surface. These matters cannot be known until the Company undertakes drilling and testing programs. The production from successful wells may also be impacted by</p>

Risk Category	Risk
	<p>various operating conditions, including insufficient storage or transportation capacity, or other geological and mechanical conditions. In addition, managing drilling hazards or environmental damage and pollution caused by exploration and development operations could greatly increase the associated cost and profitability of individual wells.</p> <p>Hydrogen is a highly reactive gas and is able to combine with most other elements. Consequently, there is a risk that, under certain conditions, a chemical reaction may take place between hydrogen and other elements or compounds which may naturally occur on the projects to form other gases and / or liquids (including methane and / or water), which may have an adverse effect on the value of the resource derived from the projects.</p>
<b>Resource and reserves and exploration targets</b>	<p>The Company and parties to the JDA have identified a number of exploration targets at the projects, based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data however, exists to provide certainty over the extent of the resource. Whilst the Company intends to undertake additional exploratory work at the projects the aim of defining a resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the exploration targets identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.</p> <p>Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.</p>
<b>Authorisations to explore, develop and produce resources</b>	<p>If the Company identifies a potentially economically viable resource that it then intends to explore, develop and produce, it will, among other things, require various approvals, leases and permits for that location. There is no guarantee that the Company will be able to obtain all required approvals, leases and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.</p>
<b>Environmental</b>	<p>The operations and proposed activities of the Company are subject to USA regulations concerning the environment. As with most exploration projects, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or production development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p>Exploration and production operations have inherent risks and liabilities associated with safety and damage to the</p>

Risk Category	Risk
	<p>environment and the disposal of waste products occurring as a result of resource exploration, development and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or wildfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.</p> <p>The disposal by-products from exploration, development and production operations are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p> <p>Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration and production activities.</p>
<b>Results of studies</b>	<p>Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in relation to the Company's projects. These studies may include economic feasibility, legal feasibility, operational feasibility and scheduling feasibility, production facility concept development and design, front end engineering and design, and engineering, procurement and construction studies. The Company intends to complete such studies within parameters designed to determine the economic feasibility of the subject projects within certain limits. There can be no guarantee that any of these studies will confirm the economic viability of the subject projects or that the results of other studies undertaken by the Company will be consistent with the results of previous studies undertaken.</p> <p>Even if a study confirms the economic viability of a project, there can be no guarantee that the project will be successfully brought into production as assumed or within the estimated parameters in a feasibility study (e.g., operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.</p>
<b>Climate risk</b>	<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.</p>



Risk Category	Risk
	<p>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>

#### 5.4 General risks

Risk Category	Risk
<b>Additional requirements for capital</b>	<p>The funds to be raised under the Offers (together with the existing cash reserves of the Company) are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisitions or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.</p> <p>Following completion of the Public Offer, the Company may seek to raise further funds through equity or debt financing, licensing arrangements, or other means. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of its activities and the Company's proposed expansion strategy. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Shareholders.</p>
<b>Reliance on Key Personnel</b>	<p>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.</p> <p>The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.</p>



<b>Economic</b>	General economic conditions, introduction of tax reform, new legislation, 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.
<b>Agents and Contractors</b>	The Directors are unable to predict the risk of the insolvency or managerial failure by any of the contractors used (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.
<b>Market conditions</b>	<p>Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> <li>(a) general economic outlook;</li> <li>(b) introduction of tax reform or other new legislation;</li> <li>(c) interest rates and inflation rates;</li> <li>(d) changes in investor sentiment toward particular market sectors;</li> <li>(e) the demand for, and supply of, capital; and</li> <li>(f) terrorism or other hostilities.</li> </ul> <p>The market price of Shares 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>Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the shares regardless of the Company's performance.</p> <p>Further, after the end of the relevant escrow periods affecting Shares in the Company, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse effect on the Company's Share price.</p>
<b>Competition Risk</b>	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.
<b>Taxation</b>	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

	<p>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>
<b>Government policy and compliance</b>	<p>Reviews by foreign investment committees or adverse changes in government policies or legislation may affect ownership of leases, taxation, royalties, land access, labour relations, and exploration, development and production activities of the Company. It is possible that the current system of exploration and resource permitting in the United States may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.</p>
<b>Insurance</b>	<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 of all risks associated with exploration and production is not always available and where available the costs can be prohibitive.</p>
<b>Force Majeure</b>	<p>The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.</p>
<b>COVID-19 and other pandemics</b>	<p>The outbreak of the coronavirus disease (<b>COVID-19</b>) is impacting global economic markets. The nature and extent of the effect of the COVID outbreak, or any other future pandemics, 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 COVID-19. Further, any governmental or industry measures taken in response to COVID-19 or any other future pandemics may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>Pandemics 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 and may cause delays or cost increases. The effects of pandemics on the Company's Share price 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 Shareholders.</p> <p>The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. The Directors will also closely monitor</p>

	and consider the impact of future pandemics if and when they arise.
<b>Israeli-Palestinian Conflict</b>	<p>The ongoing military and political conflict between Israel and Palestine (<b>Israeli-Palestinian Conflict</b>) is likely to impact global economies and financial markets. The nature and extent of the Israeli-Palestinian Conflict, and the effects that the conflict may have on the Company's operations, remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the volatile nature of the Israeli-Palestinian Conflict and the wider, unknown economic effect the conflict may have on global economies and financial markets.</p> <p>The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the Israeli-Palestinian Conflict, including the fluctuations in oil, gas and other commodity prices impacting governments and businesses. Further, any governmental or industry measures taken in response to the Israeli-Palestinian Conflict, including limitations on travel and changes or halts to international trade channels, may adversely impact the Company's operations and are beyond the control of the Company.</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 Securities.

Existing and prospective investors should consider that an investment in the Company is highly speculative.

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

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

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## **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 Notices 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 the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged by the Company with the ASIC;
  - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
  - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

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

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

Date	Description of Announcement
18 October 2023	Quarterly Activities/Appendix 5B Cash Flow Report
16 October 2023	Proposed issue of securities – HYT
16 October 2023	Hyterra to Undertake Placement to Raise A\$1.0M
12 October 2023	Trading Halt

Date	Description of Announcement
22 September 2023	Letter to Shareholders
22 September 2023	Notice of General Meeting/Proxy Form
19 September 2023	Drilling Update at Nemaha Ridge
8 September 2023	Half Yearly Report and Accounts
29 August 2023	Prospective Resource Assessment Underway
18 August 2023	Natural Hydrogen Project Updates
28 July 2023	Quarterly Activities/ Appendix 5B Cash Flow Report
19 July 2023	Nemaha Ridge Operations Update
23 June 2023	Release of Securities from Escrow
7 June 2023	Geophysical Survey Completed at Nemaha Ridge
30 May 2023	Change of Director's Interest Notice
30 May 2023	Notification regarding unquoted securities – HYT
30 May 2023	Resignation of Non-Executive Director
30 May 2023	Results of Meeting
29 May 2023	Investor Presentation
29 May 2023	HyTerra Acquires Operated Leases On Nemaha Ridge
26 April 2023	Important Information regarding December 2022 AGM
26 April 2023	Notice of Annual General Meeting/Proxy Form
26 April 2023	Appendix 4G

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 at [www.hyterra.com](http://www.hyterra.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 the ASX.

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

	(\$)	Date
Highest	0.024	20 July 2023
Lowest	0.018	18 October 2023
Last	0.018	18 October 2023

## 6.4 Interests of Directors

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

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

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

#### Date of this Prospectus

Director	Shares	Options	Performance Rights
Benjamin Mee	Nil	5,000,000 <sup>1</sup>	Nil
Avon McIntyre	6,750,000	Nil	16,000,000 <sup>2</sup>
Russell Brimage <sup>3</sup>	19,900,000	19,900,000 <sup>4</sup>	8,000,000 <sup>5</sup>

#### Completion of the Offers

Director	Shares	Options	Performance Rights
Benjamin Mee	Nil	5,000,000 <sup>1</sup>	Nil
Avon McIntyre	6,750,000	Nil	16,000,000 <sup>2</sup>
Russell Brimage <sup>3</sup>	19,900,000	19,900,000 <sup>4</sup>	8,000,000 <sup>5</sup>

#### Notes:

1. Consisting of ZEPO's expiring on or before 30 May 2028 held indirectly through MeeTime Pty Ltd, an entity of which Mr Mee controls.
2. Comprising of:
  - (a) 4,000,000 Class A Performance Rights (Tranche 1);

- (b) 4,000,000 Class A Performance Rights (Tranche 2); and
  - (c) 8,000,000 Class B Performance Rights,
3. Held indirectly through Pouvoir Pty Ltd <Brimage Super Fund A/C>. Mr Brimage is a director and shareholder of Pouvoir Pty Ltd and a beneficiary of the Brimage Super Fund.
  4. Unquoted Options exercisable at \$0.025, expiring on or before 30 June 2025.
  5. Comprising of:
    - (a) 2,000,000 Class A Performance Rights (Tranche 1);
    - (b) 2,000,000 Class A Performance Rights (Tranche 2); and
    - (c) 4,000,000 Class B Performance Rights.
  6. Subject to shareholder approval being obtained at a general meeting of Shareholders to be held on 25 October 2023, the Directors will also be issued an aggregate of 38,000,000 zero exercise price options (**ZEPOs**), comprising 20,000,000 ZEPOs to Mr Mee, 12,000,000 ZEPOs to Mr McIntyre and 6,000,000 ZEPOs to Mr Brimage. Refer to the notice of meeting released to the Company's ASX platform on 22 September 2023 for further information.

Refer to Appendix 3Y dated 30 May 2023 for Mr Mee, Appendix 3Y dated 22 February 2023 for Mr McIntyre and Appendix 3X dated 21 November 2022 for Mr Brimage.

## 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.

It is noted that the Company achieved reinstatement to official quotation on the ASX on 2 December 2022. The following table shows the total annual remuneration paid to the Directors for the previous financial year, and the remuneration for the current financial year.

Director	Current Financial Year Ended 31 December 2023 <sup>1</sup>	Previous Financial Year Ended 31 December 2022
Mr Mee <sup>2</sup>	\$275,000	N/A
Mr McIntyre	\$214,385	\$111,114 <sup>3</sup>
Mr Brimage <sup>4</sup>	\$90,000	\$13,057 <sup>5</sup>

### Notes:

1. The remuneration package of the Directors for the current financial year stated in this table are cashed based only, share based payments have yet to be valued and are therefore not included.
2. Mr Mee was appointed as a Director on 19 April 2023.
3. Comprising Directors' salary and fees of \$120,000 and a superannuation payment of \$14,411.

4. Mr Brimage was appointed as a Director on 21 November 2022.
5. Comprising Directors' salary and fees \$7,500 and equity-based payments of \$5,557.

Refer to the 2022 Annual Report released to the Company's ASX platform (ASX:HYT) on 26 April 2023.

## **6.5 Interests of Experts and Advisers**

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

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

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

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

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

Steinepreis Paganin has acted as the solicitors to the Company in respect of the Prospectus. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$390,409 (excluding GST and disbursements) for legal services provided to the Company.

Indian Ocean Securities Pty Ltd has acted as Lead Manager to the Placement. Refer to Section 2.2 of this Prospectus for the fees to be paid to the Lead Manager in respect of the Placement. During the 24 months preceding lodgement of this Prospectus with the ASIC, the Lead Manager has received \$348,000 (excluding GST) in cash fees and \$180,000 in share-based payments from the Company in consideration for its services.



## 6.6 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 (if applicable), 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, 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 the ASIC.

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.

Indian Ocean Securities Pty Ltd has given its written consent to being named as the Lead Manager to the Placement in this Prospectus. Indian Ocean Securities Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

## 6.7 Estimated Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$105,773 (excluding GST) and are expected to be applied towards the items set out in the table below:

Item	Amount
ASIC fees	\$3,206
ASX fees	\$7,567
Legal fees	\$15,000
Share registry fees	\$10,000
Lead Manager Fees for Placement	\$60,000
Miscellaneous	\$10,000
<b>Total</b>	<b>\$105,773</b>

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**7. DIRECTORS' AUTHORISATION**

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

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

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## 8. GLOSSARY

**\$** means an Australian dollar.

**Applicant** means an investor that applies for Securities pursuant to the Placement Offer, Broker Offer or Cleansing Offer (as the case may be).

**Application Form** means the application form attached to or accompanying this Prospectus.

**ASIC** means Australian Securities & 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 official listing rules of ASX.

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

**AWST** means Australian Western Standard Time as observed in Perth, Western Australia.

**Board** means the board of Directors as constituted from time to time.

**Broker Offer** means the offer of New Options to the Lead Manager as set out in Section 2.4.

**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.

**Cleansing Offer** means the offer of Shares as set out in Section 2.5.

**Closing Date** means the date specified in the timetable in the Section 1 (unless extended or closed earlier).

**Company** means HyTerra Limited ACN 116 829 675.

**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 at the date of this Prospectus.

**Eligible Applicant** is an applicant entitled to participate in the Offers.

**Investors** has the meaning given in Section 2.1.

**Lead Manager** means Indian Ocean Securities Pty Ltd.

**New Option** means an Option issued on the terms set out in Section 4.1.

**Offers** means the Placement Offer, Broker Offer and Cleansing Offer the subject of this Prospectus and **Offer** means either of them (as the context requires).

**Official Quotation** means official quotation by ASX in accordance with the ASX Listing Rules.

**Opening Date** means the opening date of the Offer as set out in the indicative timetable in Section 1.

**Option** means an option to acquire a Share, including where the context requires, New Options.

**Optionholder** means a holder of an Option.

**Performance Rights** means a performance right convertible into a Share upon the satisfaction of the relevant performance criteria.

**Placement** has the meaning given in Section 2.1.

**Placement Offer** means the offer of New Options to Investors as set out in Section 2.1.

**Prospectus** means this prospectus.

**Section** means a section of this Prospectus.

**Securities** means Shares, Options and/or Performance Rights as the context requires.

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

**Shareholder** means the holder of a Share.