



WEST COBAR METALS LIMITED

ACN 649 994 669

PROSPECTUS

For the offers:

- (a) pursuant to the SPP Offer of up to 9,500,000 SPP Shares to Eligible Shareholders at an issue price of \$0.06 per SPP Share, together with one free attaching New Option for every two SPP Shares issued;
- (b) pursuant to the Placement Options Offer of up to 6,123,334 New Options to specific investors determined by the Company; and
- (c) pursuant to the Lead Manager Options Offer of 1,800,000 New Options at an issue price of \$0.00001 each to the Lead Manager (and/or its nominee(s)),

in each case on the terms and conditions detailed in this Prospectus (together, the **Offers**).

This Prospectus has also been prepared for the purpose of facilitating any potential secondary trading of the New Securities and of any Shares which may be issued upon exercise of the New Options under the Offers, pursuant to *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.

THE SECURITIES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A HIGHLY SPECULATIVE NATURE. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.

Not for release to US wire services or distribution in the United States

IMPORTANT INFORMATION

General

This Prospectus is dated 20 November 2023 and was lodged with ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus). The Company will apply to ASX for Official Quotation of the SPP Shares offered under this Prospectus within seven days of the date of this Prospectus.

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 8, 216 St Georges Terrace, Perth WA 6000 during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (refer to Section 4.3).

No person or entity is authorised to give any information or to make any representation in connection with the Offers which is not detailed in this Prospectus. Any information or representation not detailed in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offers.

This Prospectus will be made available in electronic form. Eligible persons having received a copy of this Prospectus in its electronic form may, subject to applicable laws, obtain an additional paper copy of this Prospectus (free of charge) from the Company's principal place of business by contacting the Company. The Offers are only available in electronic form to eligible persons receiving an electronic version of this Prospectus within Australia (unless otherwise determined by the Board, subject to applicable laws).

Application Form

Applications for New Securities under any Offers can only be made on an Application Form that is attached to, or provided by the Company with a copy of, this Prospectus in either paper or electronic form (or alternatively, in the case of the SPP Offer, by paying the aggregate issue price for the relevant SPP Shares by BPAY® or EFT payment without lodging the Application Form). The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

Please read the instructions in this Prospectus and on the accompanying Application Forms regarding the acceptance of an Offer.

By completing an Application Form, lodging an Application Form with the Company or a stockbroker or otherwise arranging for payment of SPP Shares in accordance with the instructions on the Application Form, an Applicant acknowledges that they have received and read this Prospectus, acted in accordance with the terms of the Offer to which the Application Form relates and agree to all of the terms and conditions as detailed in this Prospectus and in the relevant Application Form.

Foreign Jurisdictions

This Prospectus and any accompanying Application Form do not, and are not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would be unlawful 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 therefore persons into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws.

Shareholders in the United States are not eligible to participate in the SPP Offer. Similarly, Shareholders (including trustees, nominees and custodians) who are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP Offer on behalf of those persons.

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, any Securities in the United States. The New Securities to be offered and sold under the Offers have not been, and will not be,

registered under the US Securities Act of 1933, as amended (the **US Securities Act**), or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any person acting for the account or benefit of a person in the United States except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws.

New Zealand

The SPP Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of the SPP Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021. In addition, for shareholders who subscribe for SPP Shares, the Company will issue SPP Options for no consideration on the terms detailed in this Prospectus.

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Notice to nominees and custodians

Shareholders resident in Australia and New Zealand holding Shares on behalf of persons who are resident in other jurisdictions are responsible for ensuring that applying for and receiving any SPP Securities does not breach regulations in the relevant jurisdiction.

Continuously Quoted Securities

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and Options over continuously quoted securities, 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.

ASIC Instrument

In certain circumstances, a listed company may undertake a security purchase plan in accordance with *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (ASIC Instrument)*. The ASIC Instrument allows a security purchase plan to be conducted without the use of a prospectus provided that certain requirements are met.

The Company is unable to rely on the ASIC Instrument as (without limitation) the ASIC Instrument only applies to the issue of SPP Shares (and not SPP Options). Accordingly, the Company is conducting the SPP Offer pursuant to this Prospectus.

TMD

In accordance with the product design and distribution obligations under the Corporations Act, the Company has determined the target market for the New Options offered under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website at <https://www.westcobarmetals.com.au/>. By making an Application for New Options under an Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Exposure period

No exposure period applies to the Offers. The Offers are being made pursuant to *ASIC Corporations (Exposure Period) Instrument 2016/74* which exempts the Company from complying with section 727(3) of the Corporations Act to the extent that that section prohibits the Company from issuing Securities in the seven-day period after the date of lodgement of a prospectus with ASIC.

Important information on price risk to consider

Before deciding whether to apply for New Securities, you should refer to the current market price of the Shares, which can be obtained from your stockbroker, your financial adviser or via the ASX website.

Subscription for New Securities is a highly speculative investment and the market price of Shares may change between the date you apply for New Securities and the issue of New Securities to you (if the Company elects to issue New Securities to you). Accordingly, the value of New Securities applied for is likely to rise or fall. Importantly, there is a risk that during the period between the time of the Offers and when any New Securities are issued to you (if any), the price at which Shares are traded on ASX may decrease (and it may continue to be less than the issue price of \$0.06 per SPP Share). You must rely on your own knowledge of the Company and previous disclosures made by the Company to ASX (including disclosure regarding risks of making an investment in the Company). In determining whether you wish to apply to participate in an Offer (if eligible) and the extent to which you apply to participate, you should seek your own personal financial and/or taxation advice referable to your personal circumstances.

Speculative investment

An investment in any of the New Securities should be considered highly speculative. Refer to Section 3 for a non-exhaustive list of key risks applicable to an investment in the Company.

These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the New Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Persons wishing to apply for New Securities should read this Prospectus in its entirety and the Company's ASX announcements.

This Prospectus does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to their particular needs, and considering their individual risk profile for highly speculative investments, investment objectives and individual financial circumstances. If persons considering applying for New Securities have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser.

No representation, forecast or guarantee is given of whether the New Securities will make a return on the capital invested, whether dividends will be paid on Shares or whether there will be an increase in the value of the New Securities in the future.

Forward-looking statements

This Prospectus contains forward-looking statements which may be identified by words such as 'believes', 'estimates', 'expects', 'intends', 'may', 'will', 'would', 'could', or 'should' 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 management of the Company. Past performance is not a guide to future performance. Key risks associated with an investment in the Company are detailed (non-exhaustively) in Section 3. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

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

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

No advice

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs (including financial and tax issues) of any prospective investor. This Prospectus should not be construed as financial, taxation, legal or other advice. The Company is not licensed to provide financial product advice in respect of its securities or any other financial products.

No cooling off rights

Cooling off rights do not apply to an investment in New Securities offered under this Prospectus. This means that, unless required by applicable law, you cannot withdraw your Application. The Directors may at any time decide to withdraw this Prospectus and/or any one or more of the Offers.

No incorporation by reference

Any references to documents included on the Company's website or the ASX website are for convenience only, and none of the documents or other information available on those websites is incorporated in this Prospectus by reference.

Risk factors

There a number of risks associated with investing in the Company and in the share market generally. The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can affect the value of an investment in the Company.

An investment in the Company is highly speculative in nature and investors should be aware that they may lose some or all of their investment. Prospective investors should read this Prospectus in its entirety, and in particular, consider the risk factors detailed in Section 3, and also read announcements released by the Company to the ASX.

Currency

All financial amounts detailed in this Prospectus are expressed as Australian dollars unless otherwise stated.

Rounding

Any discrepancies between totals and sums and components in tables detailed in this Prospectus are due to rounding. Any potential fractional entitlements to New Securities will be disregarded (i.e., rounding down to the relevant whole number of New Securities), without refunding any relevant Application Monies in relation to such fractions.

Time

All references to time in this Prospectus are references to AWST, unless otherwise stated.

Glossary

Defined terms and abbreviations used in this Prospectus are detailed in the glossary of terms in Section 6.

CHAIRMAN'S LETTER

20 November 2023

Dear investor,

West Cobar Metals Limited (ACN 649 994 669) (the **Company**) is pleased to offer Eligible Shareholders (as defined below) the opportunity to apply to participate in the Company's share purchase plan to raise up to \$570,000 (before costs).

The SPP Offer provides each Eligible Shareholder the opportunity to apply for up to \$30,000 worth of fully paid ordinary shares in the Company (being up to 500,000 SPP Shares) at an issue price of \$0.06 for each SPP Share, without incurring brokerage or other transaction costs. Eligible Shareholders whose Application pursuant to the SPP Offer is successful will be issued one free attaching New Option (on the terms and conditions in Section 4.2) for every two SPP Shares issued under the SPP Offer.

The Company reserves the right in its sole discretion to scale back applications (in whole or in part) pursuant to the SPP Offer (or withdraw the SPP Offer). Any scale back will be applied to the extent and in the manner the Company sees fit, which may include taking into account a number of factors such as those detailed in Section 1.14.

The Company intends to apply the proceeds of the SPP Offer and Placement (as defined in Section 1.2) towards:

- further commercialisation of the Salazar Project;
- potentially further drilling of the Salazar REE project to increase the REE resource and co-products (HPA and TiO₂);
- exploration drilling of the Nevada and potentially the Northern Territory Lithium Projects; and
- general working capital.

The proposed uses of funds are indicative only and will be subject to modification on an ongoing basis depending on the results obtained from the Company's activities and other factors relevant to the Board's discretion as to usage of funding.

Participation in the SPP Offer is optional. The issue of SPP Shares and SPP Options is expected to take place on or around 11 December 2023 and is subject to Shareholder approval and the Board's discretion.

Participation and important dates in relation to the SPP Offer

Eligible Shareholders will be those Shareholders that satisfy all of the below:

- who were registered as a holder of Shares as at 5:00 pm (AWST) on 1 November 2023, being the Record Date;
- who were recorded on the Register with an Australian or New Zealand address;
- who are not resident or located in the United States, and not acting for the account or benefit of persons in the United States; and
- who are not resident or located in any other jurisdiction in or into which an offer of SPP Securities would be unlawful.

The Offers open on Monday, 20 November 2023 and close at 5:00 pm (AWST) on Monday, 4 December 2023.

Late applications will not be accepted. However, the Directors reserve their right, subject to the Corporations Act and the Listing Rules, to vary the Closing Date without prior notice including closing the Offers early or extending Closing Date. If the Closing Date is varied, subsequent dates may also be varied accordingly. The Directors, therefore, encourage any Eligible Shareholders (including Eligible Shareholders

who are Custodians) wishing to participate in the SPP Offer to remit their Application Monies as soon as possible.

Additional Offers

In addition to the SPP Offer, the Placement Options Offer and the Lead Manager Options Offer (as respectively defined in Sections 1.4 and 1.5) are also being offered pursuant to this Prospectus.

Shareholder approval

The issue of, and any agreement to issue, the Placement Options, Lead Manager Options and SPP Securities are subject to, and conditional upon, the Company obtaining Shareholder approval at the Annual General Meeting, scheduled to be held on Friday, 24 November 2023. If Shareholder approval is not obtained for the issue of specific New Securities, the Company will not be able to proceed with the issue of those particular New Securities (unless it has sufficient 15% placement capacity under Listing Rule 7.1 to do so) and Applicants will not be issued any New Securities under that particular Offer and the Company will refund any relevant Application Monies in relation to those particular New Securities (if any) without interest.

Further details

Further information and application instructions for the Offers, as well as the risks associated with investing in Offers are detailed in this Prospectus which you should read carefully and, in its entirety, (along with the Company's ASX announcements).

If you have any questions in respect of the SPP Offer, please contact the Company Secretary by telephone on +61 8 9481 0389. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

On behalf of the Board of the Company, I would like to thank you for your continued support of the Company.

Yours faithfully

A handwritten signature in blue ink that reads "RG Klug". The letters are cursive and somewhat stylized.

Mr Robert Klug
Non-Executive Chairman

PROPOSED TIMETABLE

| Event | Date* |
|---|---|
| Record Date | 5:00pm (AWST) on Wednesday, 1 November 2023 |
| Lodgement of Prospectus with ASIC and ASX | Monday, 20 November 2023 |
| Opening Date of the Offers | Monday, 20 November 2023 |
| Annual General Meeting | Friday, 24 November 2023 |
| Issue of Placement Shares and Placement Options, if approved at the Annual General Meeting | Monday, 27 November 2023 |
| Closing Date for the Offers | Monday, 4 December 2023 |
| Announcement of SPP Offer results (conditional upon Shareholder approval at the Annual General Meeting) | Wednesday, 6 December 2023 |
| Issue of SPP Securities under the SPP Offer, if approved at the Annual General Meeting | Monday, 11 December 2023 |
| Issue of Lead Manager Options, if approved at the Annual General Meeting | Monday, 11 December 2023 |
| Quotation of SPP Shares under the SPP Offer on ASX | Tuesday, 12 December 2023 |

**These dates are indicative only and subject to change (and assume that relevant resolutions approving the issue of the New Securities are approved at the Annual General Meeting). Subject to the Corporations Act and the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice.*

1 Details of the Offers

1.1 Frequently asked questions in relation to the SPP Offer

| About the SPP Offer | |
|---|--|
| What is the SPP Offer? | The SPP Offer provides Eligible Shareholders with an opportunity to apply for up to \$30,000 of SPP Shares (and free attaching SPP Options) without paying brokerage or other transaction costs. |
| What is the Issue Price of SPP Shares? | <p>The issue price for each SPP Share is \$0.06, being a discount of:</p> <ul style="list-style-type: none">• 14.3% to \$0.07, being the closing price of Shares on ASX on 30 October 2023 (which was the last day on which trades of Shares occurred before the Company announced the Placement and SPP Offer on 2 November 2023);• 13.1% discount to the 5-day VWAP of Shares up to and including 30 October 2023;• 15.8% discount to the 15-day VWAP of Shares up to and including 30 October 2023; and• 1.67% premium to the closing price of Shares on ASX on 16 November 2023 (the last practicable date prior to the date of lodgement of this Prospectus with ASIC), being \$0.061. |
| Why is the Company making the SPP Offer? | <p>The SPP Offer is part of a capital raising being implemented in conjunction with a Placement to sophisticated and professional investors, which was announced on 2 November 2023.</p> <p>The SPP Offer gives Eligible Shareholders the opportunity to apply to invest in the Company at the same issue price as the Placement.</p> <p>The Company presently intends to use funds raised under the SPP Offer for the purposes set out in Section 2.1.</p> |
| Who is eligible to participate in the SPP Offer? | Only Eligible Shareholders (as defined in Section 1.11) may apply to participate in the SPP Offer. Shareholders that are not Eligible Shareholders are not eligible to apply to participate in the SPP Offer. |
| Do I have to participate in the SPP Offer? | <p>No, participation is entirely voluntary. If you do not wish to apply for SPP Securities in the SPP Offer, no action is required on your part.</p> <p>Please note that Eligible Shareholders who do not participate will have their percentage shareholding in the Company reduced, for example as a result of any issue of SPP Shares to participating Eligible Shareholders.</p> |
| How long is the SPP Offer period? | The SPP Offer opens for acceptances on Monday, 20 November 2023 and all Applications and payments of Application Monies must be received by no later than 5:00pm (AWST) on Monday, 4 December 2023, subject to any variation of the Closing Date by the Directors. |
| Will the New Options be quoted? | The Company will not apply for Official Quotation of the New Options. |

| <p>What are the key risks of an investment in the Company?</p> | <p>The SPP Securities offered should be considered highly speculative because of the nature of the business activities of the Company and no assurances can be made that the Company's particular business or projects will be successful. Potential investors should consider whether the Securities offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors detailed in Section 3.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|----------------------|---------------------------------|----------------------|---------------------------------|---|----------|---------|---------|---|----------|---------|---------|---|----------|---------|---------|---|---------|---------|--------|---|---------|--------|--------|---|---------|--------|--------|
| <p>How do I apply under the SPP Offer?</p> | <p>If you are an Eligible Shareholder and you wish to subscribe for SPP Securities under the SPP Offer, please pay your Application Monies in accordance with the instructions in this Prospectus (including in Sections 1.13 and 1.15) and the SPP Application Form.</p> <p>Pursuant to the SPP Offer, Eligible Shareholders may apply for a maximum of \$30,000 worth of SPP Shares (being 500,000 SPP Shares and the corresponding 250,000 SPP Options). Eligible Shareholders may participate by selecting one of the following options to make an application for SPP Securities under the SPP Offer:</p> <table border="1" data-bbox="657 801 1385 1317"> <thead> <tr> <th>Parcel</th> <th>Application Monies</th> <th>Number of SPP Shares</th> <th>Number of attaching SPP Options</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>\$30,000</td> <td>500,000</td> <td>250,000</td> </tr> <tr> <td>B</td> <td>\$21,600</td> <td>360,000</td> <td>180,000</td> </tr> <tr> <td>C</td> <td>\$14,400</td> <td>240,000</td> <td>120,000</td> </tr> <tr> <td>D</td> <td>\$9,600</td> <td>160,000</td> <td>80,000</td> </tr> <tr> <td>E</td> <td>\$4,800</td> <td>80,000</td> <td>40,000</td> </tr> <tr> <td>F</td> <td>\$2,400</td> <td>40,000</td> <td>20,000</td> </tr> </tbody> </table> <p>The above table details the number of SPP Securities that would be issued for different amounts of Application Monies (assuming there is no scale back of applications) and assuming the Company accepts the Application and elects to issue those SPP Securities (which election is in the Company's sole discretion). Where the amount applied for results in a fraction of a SPP Security, the number of SPP Securities issued will be rounded down to the nearest whole number.</p> <p>If you do not provide the exact amount of Application Monies, the Company reserves its right to return your Application Monies or round your Application Monies down to the next valid parcel. If the Company returns all your Application Monies, no SPP Securities will be issued to you.</p> <p>If an Eligible Shareholder applies for an amount which is not exactly divisible by the Issue Price, in calculating the number of SPP Shares to be issued, all fractional entitlements will be rounded down to the nearest whole number of Shares. The Company will not refund any resulting small excess in subscription monies (i.e., \$5 or less) which will be deemed to form part of the aggregate issue price for the SPP Shares.</p> <p>The SPP Offer is non-renounceable, which means that Eligible Shareholders may not transfer their rights to apply for any SPP Securities under the SPP Offer.</p> | Parcel | Application Monies | Number of SPP Shares | Number of attaching SPP Options | A | \$30,000 | 500,000 | 250,000 | B | \$21,600 | 360,000 | 180,000 | C | \$14,400 | 240,000 | 120,000 | D | \$9,600 | 160,000 | 80,000 | E | \$4,800 | 80,000 | 40,000 | F | \$2,400 | 40,000 | 20,000 |
| Parcel | Application Monies | Number of SPP Shares | Number of attaching SPP Options | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | \$30,000 | 500,000 | 250,000 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | \$21,600 | 360,000 | 180,000 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | \$14,400 | 240,000 | 120,000 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| D | \$9,600 | 160,000 | 80,000 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E | \$4,800 | 80,000 | 40,000 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| F | \$2,400 | 40,000 | 20,000 | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | SPP Application Forms and payments under the SPP Offer are irrevocable and may not be withdrawn once the Company receives it. Applications may be scaled back or rejected, at the absolute discretion of the Company. |
| When will the SPP Securities be allotted? | It is expected that the SPP Securities will be issued on Monday, 11 December 2023. However, if the Closing Date is extended or accelerated by the Company, the date for issue may also alter. |

1.2 Background to the Offers

On 2 November 2023, the Company announced that it:

- (a) had received firm commitments for a placement of new Shares to raise approximately \$734,800 (before costs) at an issue price of \$0.06 per Share to be issued by the Company (**Placement Shares**) together with one free attaching New Option (on the terms and conditions in Section 4.2) for every two Placement Shares issued, which New Option is exercisable at \$0.10 per New Option and expires two years from the date of issue (**Placement Options**) (**Placement**). The Placement comprises of 12,246,667 Shares, which will be issued to professional and sophisticated investors, and the proposed issue of 6,123,333 Placement Options; and
- (b) will offer Eligible Shareholders the opportunity to apply, pursuant to a share purchase plan, for:
 - (i) up to \$30,000 worth of Shares each, at an issue price of \$0.06 per Share (the same price as the Placement Shares) to raise up to \$570,000 (before costs) via the issue of up to 9,500,000 Shares (**SPP Shares**); and
 - (ii) one free attaching New Option (on the terms and conditions in Section 4.2) for every two SPP Shares issued under the SPP Offer (**SPP Options**),

(the offer in this Section 1.2(b) comprises the **SPP Offer**).

A cash fee of 6% on the funds raised under the Placement will be paid to the Lead Manager.

Subject to obtaining Shareholder approval and subject to the Company's receipt of relevant Lead Manager Options Application Forms and application monies, 1,800,000 New Options (on the same terms and conditions as the Placement Options and SPP Options) will be issued to the Lead Manager (and/or its nominee(s)), at an issue price of \$0.00001 each, as part consideration for the Lead Manager's services in supporting the Placement (**Lead Manager Options**).

The issues of the Placement Shares, the SPP Shares and SPP Options, the Placement Options and the Lead Manager Options are subject to Shareholder approval at the annual general meeting of the Company, scheduled to be held on Friday, 24 November 2023 (**Annual General Meeting**).

None of the Offers are conditional upon the completion of any other Offer.

Refer to the Company's ASX announcements on, and after, 2 November 2023 for further details of the Placement and SPP Offer.

1.3 The SPP Offer

The Company is making the SPP Offer pursuant to this Prospectus, pursuant to which the Company may issue up to 9,500,000 SPP Shares to Eligible Shareholders at an issue price of \$0.06 per SPP Share (to raise up to \$570,000 (before costs)), together with one free attaching SPP Option for every two SPP Shares issued.

The issue price for an SPP Share is \$0.06 (**Issue Price**). The method used to calculate the Issue Price was to match it to the issue price per Share offered pursuant to the Placement.

Eligible Shareholders may apply for SPP Securities under the SPP Offer, but are not required to do so.

SPP Shares issued under the SPP Offer will, from their time of issue, rank equally in all respects with the Company's existing Shares. Refer to Section 4.1 for a description of the rights and liabilities attaching to the SPP Shares.

The SPP Options offered under the SPP Offer will (if they are issued) be issued on the terms and conditions detailed in Section 4.2. If the SPP Options are exercised, the Shares to be issued upon such exercise will be of the same class and will, from their time of issue, rank equally in all respects with the Company's existing Shares on issue.

The SPP Offer is being made subject to Shareholders approving the issue of SPP Securities pursuant to the SPP Offer for the purposes of Listing Rule 7.1, which approval will be sought at the upcoming Annual General Meeting. Shareholder approval is required for the proposed issue of SPP Shares under the SPP Offer because Listing Rule 7.2, exception 5 (that would otherwise permit the SPP Shares to be issued under a share purchase plan without Shareholder approval) is not satisfied in this instance due to the ASIC Instrument not applying to the SPP Offer.

If Shareholder approval is not obtained for the issue of SPP Securities under the SPP Offer, then (unless the Company has sufficient 15% placement capacity under Listing Rule 7.1 to do so) the Company will not be able to proceed with the issue of the SPP Shares and SPP Options and Applicants for SPP Securities will not be issued any SPP Securities and the Company will refund all Application Monies without interest.

The Company is also seeking Shareholder approval at the Annual General Meeting to permit the following related parties of the Company to participate in the SPP Offer:

- (a) Mr Matt Szwedzicki (and/or his nominee(s)), up to 360,000 SPP Shares and up to 180,000 SPP Options; and
- (b) Mr Ron Roberts (and/or his nominee(s)), up to 240,000 SPP Shares and up to 120,000 SPP Options.

The SPP Offer is not conditional upon separate Shareholder approval being received for Messrs Szwedzicki and/or Roberts to participate in the SPP Offer.

It is not proposed for any other related party of the Company to participate in the SPP Offer (noting that Listing Rule 10.12, exception 4 (that would otherwise permit the SPP Shares to be issued to related parties under a share purchase plan without Shareholder approval) is not satisfied in this instance, for the same reasons as detailed above in relation to Listing Rule 7.2, exception 5).

1.4 **Placement Options Offer**

The Company is offering pursuant to this Prospectus, all 6,123,334 of the Placement Options to the investors who will be issued Placement Shares, on the basis of one free attaching Placement Option for every two Placement Shares issued (**Placement Options Offer**).

Only parties that will be issued Placement Shares may apply for Placement Options under the Placement Options Offer.

The Placement Options offered under the Placement Options Offer will (if they are issued) be issued on the terms and conditions detailed in Section 4.2. If the Placement Options are exercised, the Shares to be issued upon such exercise will be of the same class and will, from their time of issue, rank equally in all respects with the Company's existing Shares on issue.

If Shareholder approval is not obtained for the issue of the relevant Placement Options to the participants under the Placement, the issue of those Placement Options will only proceed to the extent that the Company has the available placement capacity to issue the relevant Placement Options under the Placement without Shareholder approval under Listing Rule 7.1. If the Company does not have the available placement capacity to issue those Placement Options without Shareholder approval under Listing Rule 7.1, the issue of those Placement Options will not be able to proceed.

A Placement Options Application Form in relation to the Placement Options Offer will be sent to any person eligible to apply for Placement Options under the Placement Options Offer (and/or their respective nominee(s)) together with a copy of this Prospectus. See Section 1.13 for further details.

No funds will be raised as a result of the issue of Placement Options under the Placement Options Offer as they are offered on a free attaching basis to the Placement Shares.

1.5 **Lead Manager Options Offer**

The Company is offering pursuant to this Prospectus, 1,800,000 Lead Manager Options to the Lead Manager (and/or its nominee(s)), at an issue price of \$0.00001 per Lead Manager Option, as part consideration for the Lead Manager's services to the Company in supporting the Placement (**Lead Manager Options Offer**).

The issue of the Lead Manager Options is subject to Shareholder approval being obtained at the Annual General Meeting. If Shareholder approval is not obtained, the issue of the Lead Manager Options will only proceed to the extent that the Company has the available placement capacity to issue the Lead Manager Options without Shareholder approval under Listing Rule 7.1. If the Company does not have the available placement capacity to issue the Lead Manager Options without Shareholder approval under Listing Rule 7.1, the issue of the Lead Manager Options will not be able to proceed. In that event, the Company may need to satisfy its obligation to the Lead Manager with some other form of consideration, likely the equivalent cash value of the Lead Manager Options, which would otherwise be directed to the Company's existing assets and new opportunities.

The Lead Manager Options offered under the Lead Manager Options Offer will (if they are issued) be issued on the terms and conditions detailed in Section 4.2. If the Lead Manager Options are exercised, the Shares to be issued upon such exercise will be of the same class and will, from their time of issue, rank equally in all respects with the Company's existing Shares on issue.

Only the Lead Manager, being Xcel Capital Pty Ltd, (and/or its nominee(s)) may apply for the Lead Manager Options under the Lead Manager Options Offer. A Lead Manager Options Application Form in relation to the Lead Manager Options Offer will be sent to the Lead Manager (and/or its nominee(s)) together with a copy of this Prospectus. See Section 1.13 for further details.

Negligible funds (being \$18) will be raised by the Company from the issue of the Lead Manager Options, as they are being issued for nominal cash consideration to the Lead Manager (and/or its nominee(s)) for supporting the Placement.

1.6 **Shortfall**

The Offers are not underwritten.

1.7 **Purpose of this Prospectus**

The purpose of this Prospectus is to:

- (a) make the Offers;
- (b) facilitate any potential secondary trading of the New Securities; and
- (c) facilitate any potential secondary trading of the Shares to be issued upon exercise of the New Options. Issuing the New Options under this Prospectus will enable persons who are issued the New Options to on-sell the Shares issued upon exercise of the New Options, pursuant to *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

However, the Company is not specifically proposing to issue the New Securities for the purpose of the persons to whom they are issued selling or transferring their New Securities, or granting, issuing or transferring interests in, or options or warrants over, their New Securities.

1.8 **Minimum subscription**

There is no minimum subscription in relation to the Offers.

1.9 **Oversubscriptions**

The Company will not accept any oversubscriptions in relation to the Offers.

1.10 **Not underwritten**

The Offers are not underwritten.

1.11 **Shareholders eligible to apply to participate in the SPP Offer**

Eligible Shareholders will be those Shareholders that satisfy all of the below:

- (a) who were registered as a holder of Shares as at 5:00pm (AWST) on 1 November 2023 (**Record Date**);
- (b) who were recorded on the Register with an Australian or New Zealand address;
- (c) who are not resident or located in the United States, and not acting for the account or benefit of persons in the United States; and
- (d) who are not resident or located in any other jurisdiction in or into which an offer of SPP Securities would be unlawful,

(Eligible Shareholder).

The SPP Offer to each Eligible Shareholder is made on the same terms and conditions.

Your rights under the SPP Offer are personal to you and the SPP Offer is non-renounceable (i.e., you may not transfer your right to apply for SPP Securities to anyone else).

To apply to participate in the SPP Offer, follow the instructions in this Prospectus (including in Sections 1.13 and 1.15) and the SPP Application Form.

If you are the only registered Eligible Shareholder of a holding of Shares, but you receive more than one SPP Offer (for example, because you hold Shares in more than one capacity), you may only apply for one parcel of SPP Shares with a value of up to \$30,000 (which may be subject to scale back in accordance with Section 1.14).

If two or more persons were registered on the Register at 5:00pm (AWST) on the Record Date as jointly holding Shares, then they are taken to be a single registered holder of Shares and a certification given by any of them is taken to be a certification given by all of them. If a joint holder receives more than one SPP Offer due to multiple holdings, then the joint holder may only apply in aggregate for up to the maximum amount of \$30,000 in total (however, please refer to Section 1.17 for information on Custodians).

The Company reserves the right to reject any Application for SPP Securities under this Prospectus for any reason, such as to the extent it considers that the Application (whether alone or in conjunction with other Applications) does not comply with these requirements.

1.12 **Opening Date and Closing Date of the Offers**

The opening date for the Offers is Monday, 20 November 2023 (**Opening Date**).

The closing date for the Offers is 5:00pm (AWST) on Monday, 4 December 2023 (**Closing Date**).

Late applications will not be accepted. However, the Directors reserve their right, subject to the Corporations Act and the Listing Rules, to vary the Closing Date without prior notice including closing any one or more of the Offers early or late. If the Closing Date is varied, subsequent dates may also be varied accordingly.

1.13 Application Forms

The Company will send this Prospectus, together with the Application Form, to selected persons whom the Directors determine are eligible to participate in an Offer.

Applications must comply with this Prospectus and the instructions on the relevant Application Form. An Application is an offer by the Applicant to the Company to apply for the amount of New Securities specified in the Application Form (or, in the case of the SPP Offer, the number of SPP Securities the subject of the relevant Application Monies paid to the Company by BPAY® or EFT payment with or without lodging the Application Form), or any lesser number of New Securities determined by the Company, on the terms set out in this Prospectus.

The Company's decision on the number of New Securities to be issued to an Applicant under any of the Offers (or whether to refuse to issue New Securities) will be final.

(a) SPP Offer

If you wish to subscribe for SPP Securities under the SPP Offer, please pay your Application Monies in accordance with the instructions in the SPP Application Form and Section 1.15.

Pursuant to the SPP Offer, Eligible Shareholders may apply for a maximum of \$30,000 worth of SPP Shares (being 500,000 SPP Shares and the corresponding 250,000 SPP Options). Eligible Shareholders may participate by selecting one of the following options to make an application for SPP Securities under the SPP Offer:

| Parcel | Application Monies | Number of SPP Shares | Number of attaching SPP Options |
|----------|--------------------|----------------------|---------------------------------|
| A | \$30,000 | 500,000 | 250,000 |
| B | \$21,600 | 360,000 | 180,000 |
| C | \$14,400 | 240,000 | 120,000 |
| D | \$9,600 | 160,000 | 80,000 |
| E | \$4,800 | 80,000 | 40,000 |
| F | \$2,400 | 40,000 | 20,000 |

The above table details the number of SPP Securities that would be issued for different amounts of Application Monies (assuming there is no scale back of applications) and assuming the Company accepts the Application and elects to issue those SPP Securities (which election is in the Company's sole discretion). Where the amount applied for results in a fraction of a SPP Security, the number of SPP Securities issued will be rounded down to the nearest whole number.

If you do not provide the exact amount of Application Monies, the Company reserves its right to return your Application Monies or round your Application Monies down to the next valid parcel. If the Company returns all your Application Monies, no SPP Securities will be issued to you.

If an Eligible Shareholder applies for an amount which is not exactly divisible by the Issue Price, in calculating the number of SPP Shares to be issued, all fractional entitlements will be rounded down to the nearest whole number of Shares. The Company will not refund any resulting small excess in subscription monies (i.e., \$5 or less) which will be deemed to form part of the aggregate issue price for the SPP Shares.

The SPP Offer is non-renounceable, which means that Eligible Shareholders may not transfer their rights to apply for any SPP Securities offered under the SPP Offer.

SPP Application Forms and payments under the SPP Offer are irrevocable and may not be withdrawn once the Company receives it. Applications may be scaled back or rejected, at the absolute discretion of the Company.

If the SPP Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the SPP Application Form as valid and how to construe, amend or complete it is final.

Payment by the Applicant (who is an Eligible Shareholder) to the Company of Application Monies (whether with or without lodgement of an Application Form) and subsequent allocation of SPP Securities by the Company to that Applicant (which decision is in the sole discretion of the Company) together create a legally binding contract between the Applicant and the Company for the number of SPP Securities accepted by, and allocated by, the Company.

An SPP Application Form does not need to be lodged, as payment of the Application Monies in accordance with the procedures set out in the Application Form and Section 1.15 constitute an Application for SPP Securities. Any SPP Application Form which is lodged with the Company or the Company's share registry does not need to be signed to be a binding application for SPP Securities.

(b) Placement Options Offer

Applications for Placement Options under the Placement Options Offer may only be submitted by the investors who will be issued Placement Shares and must be made using the Placement Options Application Form that accompanies this Prospectus and is provided directly to those persons. The Placement Options Application Form must be completed in accordance with instructions provided in the Placement Options Application Form.

No monies are payable for the Placement Options offered pursuant to this Prospectus as the Placement Options are being issued on the basis of one free attaching Placement Option for every two Placement Shares issued.

Where the amount applied for results in a fraction of a Placement Option, the number of Placement Options issued will be rounded down to the nearest whole Placement Option.

Acceptance of a completed Placement Options Application Form by the Company and subsequent allocation of Placement Options by the Company (which decision is in the sole discretion of the Company) together create a legally binding contract between the Applicant and the Company for the number of Placement Options accepted by, and allocated by, the Company. The Placement Options Application Form does not need to be signed to be a binding application for Placement Options.

If the Placement Options Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the Placement Options Application Form as valid and how to construe, amend or complete it is final.

(c) Lead Manager Options Offer

Applications for Lead Manager Options under the Lead Manager Options Offer may only be submitted by the Lead Manager (or its nominee(s)) and must be made using the Lead Manager Options Application Form that accompanies this Prospectus and is provided directly to the Lead Manager (and/or its nominee(s)). The Lead Manager Options Application Form must be completed in accordance with instructions provided in the Lead Manager Options Application Form.

The Lead Manager Options are being offered at an issue price of \$0.00001 each. Where the amount applied for results in a fraction of a Lead Manager Option, the number of Lead Manager Options issued will be rounded down to the nearest whole Lead Manager Option.

The Lead Manager (or its nominee(s)) applying for Lead Manager Options must make payment of the aggregate issue price in relation to those Lead Manager Options (at \$0.00001 per Lead Manager Option) to the Company via Electronic Funds Transfer (**EFT**), which payment must be received by the Company (along with the Lead Manager Options

Application Form) by 5:00pm (AWST) on the Closing Date. No interest will be paid on any such funds received.

Acceptance of a completed Lead Manager Options Application Form by the Company, payment by the Applicant to the Company of the aggregate issue price for the relevant Lead Manager Options and subsequent allocation of Lead Manager Options by the Company (which decision is in the sole discretion of the Company) together create a legally binding contract between the Applicant and the Company for the number of Lead Manager Options accepted by, and allocated by, the Company. The Lead Manager Options Application Form does not need to be signed to be a binding application for Lead Manager Options.

If the Lead Manager Options Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the Lead Manager Options Application Form as valid and how to construe, amend or complete it is final.

1.14 **Scale back, oversubscriptions or refusal of application pursuant to the SPP Offer**

The Company may raise up to a total of \$570,000 (before costs) pursuant to the SPP Offer. The Company reserves the right to scale back applications (in whole or in part) pursuant to the SPP Offer (or withdraw the SPP Offer). Consequently, the Directors reserve the right to reject any Application or to allocate any Applicant fewer SPP Shares (and fewer corresponding SPP Options) under the SPP Offer than the number applied for.

Factors which the Directors may take into account in determining any scale back include, but are not limited to:

- (a) the size of an Eligible Shareholder's shareholding at the Record Date;
- (b) the extent to which the Eligible Shareholder has sold or purchased shares since the Record Date;
- (c) whether the Eligible Shareholder may have multiple registered holdings;
- (d) the amount applied for by each Eligible Shareholder;
- (e) the date on which the Application was made;
- (f) the total applications received from Eligible Shareholders; and
- (g) any other such criteria as determined by the Directors in their absolute discretion.

If there is a scale back, you may not receive all the SPP Securities for which you have applied. If a scale back produces a fractional number when applied to the number of SPP Securities for which you have applied, the number of SPP Securities issued to you will be rounded down to the nearest whole number of SPP Securities.

If there is a scale back, the difference between the Application Monies received from you, and the number of SPP Shares issued to you multiplied by the Issue Price, will be refunded to you in full (in \$ and without interest and at your sole risk).

The Directors reserve their right (in their absolute discretion) to refuse an Application (in whole or in part), such as if they consider that:

- (a) it is reasonable and prudent to do so;
- (b) the Applicant is not an Eligible Shareholder;
- (c) the issue of those SPP Securities may contravene any applicable law, rule or regulation in any jurisdiction (including without limitation the Corporations Act or the Listing Rules) or the requirements of any regulatory or governmental body or may require further action to be taken by the Company including, without limitation, registration of Shares or the preparation of a prospectus in any jurisdiction; or
- (d) the Applicant has not otherwise complied with the terms and conditions in this Prospectus.

If an Application is refused in whole or in part, the relevant Application Monies will be returned to the Applicant (in \$ and without interest and at the Applicant's sole risk). The Company will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

All Directors' decisions in connection with a scale back or refusal of an Application are final.

1.15 **Payment of Application Monies**

The Issue Price of SPP Shares under the SPP Offer is \$0.06 per SPP Share.

For Eligible Shareholders participating in the SPP Offer, Application Monies must be received by the Company by 5:00pm (AWST) on the Closing Date.

(a) **Payment by BPAY®**

For payment by BPAY®, please follow the instructions on the SPP Application Form.

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

- (i) you do not need to submit the SPP Application Form, but are taken to have made the declarations in the SPP Application Form; and
- (ii) if you do not pay an amount equal to one of the amounts of Application Monies detailed in the table in Section 1.13, you will be deemed to have applied for the number of SPP Securities which correspond to the amount of Application Monies in that table that is the next lowest compared to your payment. In this event, the additional Application Monies will be refunded promptly.

It is your responsibility to ensure that your BPAY® payment is received by the Company's share registry by no later than 5:00pm (AWST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with respect to electronic payment and you should therefore take this into consideration when making payment. No interest will be paid on any Application Monies received or refunded.

(b) **Payment by EFT**

You may elect to make payment by EFT. Please follow the instructions on the SPP Application Form for details on how to pay via EFT. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the SPP Application Form but are taken to have made the declarations on that SPP Application Form;
- (ii) if you do not pay an amount equal to one of the amounts of Application Monies detailed in the table in Section 1.13, you will be deemed to have applied for the number of SPP Securities which correspond to the amount of Application Monies in that table that is the next lowest compared to your payment. In this event, the additional Application Monies will be refunded promptly; and
- (iii) if you have multiple holdings, you will have multiple EFT unique reference numbers. You must use the unique reference number shown on a particular personalised SPP Application Form when paying for any SPP Shares that you wish to apply for in respect of that holding. Payments in excess of the amount payable for one holding will not be treated as payment for another holding, and the excess will be refunded to the Applicant without interest. If you receive more than one SPP Offer (for example, because you hold Shares in more than one capacity), you may only apply for one parcel of SPP Shares with a value of up to \$30,000 (which may be subject to scale back in accordance with Section 1.14).

If you make a BPAY® or EFT payment to apply for SPP Shares, you do not need to return the SPP Application Form. However, you must quote your reference number provided on your personalised SPP Application Form which will process your payment to your Application. Please

ensure you make a payment for the exact amount of the SPP Share parcel for which you wish to subscribe. You will be deemed to have applied for such parcel of SPP Shares for which you have paid.

1.16 **Effect of making an application under the SPP Offer**

If you apply for SPP Securities (including (without limitation) by submitting payment by BPAY® or EFT), you:

- (a) will be deemed to have represented and warranted to the Company that you:
 - (i) are an Eligible Shareholder and are eligible to participate in the SPP Offer;
 - (ii) have read and understood the terms and conditions of the SPP Offer detailed in this Prospectus and the accompanying SPP Application Form and read them both in their entirety and have applied for SPP Securities in accordance with those terms and conditions;
 - (iii) have read and understood the TMD and that you fall within the target market set out in the TMD; and
 - (iv) agree to be bound by the Constitution as in force from time to time;
- (b) irrevocably and unconditionally agree to the terms and conditions of the SPP Offer detailed in this Prospectus and the terms of the SPP Application Form;
- (c) acknowledge that once any payment of Application Monies via BPAY® or EFT is made, you may not withdraw your Application or funds provided except as allowed by law;
- (d) accept the risk associated with any refund that may be dispatched to you at your address as shown on the Register;
- (e) are responsible for any dishonour fees or other costs the Company may incur in presenting a cheque for payment which is dishonoured;
- (f) acknowledge that this Prospectus does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- (g) acknowledge the statement of risks in Section 3 and that investments in the Company are subject to risk;
- (h) acknowledge that you have not been provided with investment advice or financial product advice by the Company or its Directors and have made your own enquiries before making an investment decision;
- (i) acknowledge and agree that if you are acting as a trustee, nominee or custodian:
 - (i) each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand; and
 - (ii) you have not sent this Prospectus, the SPP Application Form or any other material relating to the SPP Offer to any person in the United States;
- (j) certify and represent to the Company that you have not applied for more than \$30,000 worth of SPP Shares (subject, if applicable, to any valid Custodian Certificate (which is acceptable to the Company) which you have provided to the Company pursuant to Section 1.17 in your capacity as a Custodian);
- (k) certify and represent to the Company that the total of the Application Monies for the following does not exceed \$30,000 (irrespective of whether you may have received more than one SPP Offer or received SPP Offers in more than one capacity):
 - (i) the SPP Shares the subject of your Application under the SPP Offer;
 - (ii) any other SPP Shares which you have applied for under the SPP Offer; and

- (iii) any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP Offer,

(subject, if applicable, to any valid Custodian Certificate (which is acceptable to the Company) which you have provided to the Company pursuant to Section 1.17 in your capacity as a Custodian); and

- (l) will be deemed to have made the following declarations and representations to the Company:
 - (i) you acknowledge that the SPP Securities have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly the SPP Securities may not be offered or sold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States;
 - (ii) you are purchasing SPP Shares and SPP Options outside the United States in an "offshore transaction" (as defined in Rule 902(h) under the US Securities Act);
 - (iii) you represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States;
 - (iv) you agree not to send this Prospectus, the SPP Application Form or any other material relating to the SPP Offer to any person in the United States or elsewhere outside of Australia or New Zealand;
 - (v) you agree that if in the future you decide to sell or otherwise transfer the SPP Shares or SPP Options (or Shares on exercise of the SPP Options) you will only do so in "regular way" transactions on ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, in the United States;
 - (vi) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are making an application is resident in Australia or New Zealand (except, with the written consent of the Company, in another country in compliance with the applicable laws), and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent and will not send, this Prospectus, the SPP Application Form or any other material relating to the SPP Offer to any person outside of Australia or New Zealand (except, with the written consent of the Company, in another country in compliance with the applicable laws);
 - (vii) you are in compliance with all relevant laws and regulations (including, without limitation, section 1043A of the Corporations Act (insider trading) and sections 241 to 243 of the *Financial Markets Conduct Act 2013* (insider trading) and laws and regulations designed to restrict terrorism financing and/or money laundering);
 - (viii) you are not a "designated person" or "designated entity" (or other like term) for the purpose of any domestic or international law or regulation implementing United Nations sanctions; and
 - (ix) acknowledge that the market price of Shares may rise or fall between the Opening Date of the SPP Offer and the date when SPP Securities are allotted and issued under the SPP Offer and that the Issue Price you pay per SPP Share pursuant to the SPP Offer may exceed the price of Shares at the time the SPP Securities are allotted and issued under the SPP Offer.

1.17 Custodians, trustees and nominees

If you are an Eligible Shareholder and hold Shares as a Custodian, you may apply for up to the maximum of 500,000 SPP Shares and 250,000 SPP Options for each beneficiary for whom you, as an Eligible Shareholder, acted as Custodian at 5:00 pm (AWST) on the Record Date and continue to act as their Custodian, provided you provide a certificate to the Company (**Custodian Certificate**) with the following information:

- (a) that you held Shares in the Company on behalf of one or more other persons (each a **Participating Beneficiary**) at 5:00 pm (AWST) on the Record Date who have subsequently instructed you to apply for SPP Shares (and free attaching SPP Options) under the SPP Offer on their behalf;
- (b) the number of Participating Beneficiaries and their names and addresses;
- (c) the number of Shares that you hold on behalf of each Participating Beneficiary;
- (d) the dollar amount of SPP Shares (and free attaching SPP Options) that each Participating Beneficiary has instructed you, either directly or indirectly through another Custodian, to apply for on their behalf;
- (e) that the amount of Application Monies for SPP Shares applied for under the SPP Offer for each Participating Beneficiary for whom you act does not exceed \$30,000;
- (f) that a copy of this Prospectus was given to each Participating Beneficiary; and
- (g) where you hold Shares on behalf of a beneficiary indirectly through one or more interposed Custodians, the name and address of each interposed Custodian.

By making payment of Application Monies on behalf of a Participating Beneficiary, you certify that you are the Custodian for the Participating Beneficiary and that the above information in this Section 1.17 (as you provide via a Custodian Certificate) and the information detailed in the SPP Application Form is true and correct as at the date of the Application.

Custodians should request a Custodian Certificate when making an Application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact the Company Secretary by telephone on +61 8 9481 0389 before the Closing Date.

The Company reserves the right to reject any Application for SPP Securities under this Prospectus, such as to the extent that it considers that the Application (whether alone or in conjunction with other applications) does not comply with these requirements.

1.18 **Powers of the Company in relation to Applications**

There is no assurance that any Applicant will be allocated any New Securities, or the number of New Securities for which the Applicant has applied. The Board may (without limitation) in its absolute discretion, without notice to any Applicant and without giving any reason:

- (a) withdraw any one or more of the Offers at any time before the issue of New Securities to successful Applicants;
- (b) decline an Application;
- (c) accept an Application for its full amount or any lower amount;
- (d) determine a person to be eligible or ineligible to participate in one or more of the Offers;
- (e) waive or correct any errors made by an Applicant in completing their Application Form;
- (f) amend or waive the Offers application procedures or requirements in compliance with applicable laws; or
- (g) aggregate any Applications that they believe may be multiple Applications from the same person.

The Company may settle any dispute in connection with the Offers in any manner it thinks fit, whether generally or in relation to any Applicant, Application or New Securities. The Company's decision will be final and binding.

The Company reserves its right to waive strict compliance with any terms and conditions of any one or more of the Offers.

1.19 **ASX Quotation**

Application will be made to ASX no later than seven days after the date of this Prospectus for Official Quotation of the SPP Shares offered under this Prospectus.

The SPP Offer is conditional on the relevant SPP Shares which are issued pursuant to the SPP Offer being admitted to Official Quotation by ASX before the expiration of three months after the date of issue of this Prospectus (or within such longer period as may be permitted by law). If the SPP Shares are not admitted to Official Quotation by ASX before the expiration of three months after the date of issue of this Prospectus (or within such longer period as may be permitted by law) any issue of SPP Securities will be void and the Company will repay all Application Monies for the SPP Shares within the time prescribed under the Corporations Act, without interest.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation of the SPP Shares is not to be taken in any way as an indication of the merits of the Company, the SPP Shares and the New Options to be issued.

1.20 **Refunds**

Refunds pursuant to the SPP Offer may be paid under various circumstances detailed in this Prospectus. If a refund is made, payment will be by cheque mailed to your address as shown on the Register. You will not receive interest on any funds refunded to you.

1.21 **Costs of participation**

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the Application for, and allotment of SPP Securities under the SPP Offer.

1.22 **CHESS**

The Company participates in the Clearing House Electronic Sub-Register System, known as CHESS, operated by ASX Settlement Pty Limited (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and ASX Settlement Operating Rules.

The Company will not issue certificates to holders of SPP Shares. Rather, holding statements (similar to bank statements) would be dispatched to holders of SPP Shares as soon as practicable after issue. Holding statements would be sent either by CHESS (for holders of SPP Shares who elect to hold SPP Shares on the CHESS sub-register) or by the Company's share registry (for holders of SPP Shares who elect to hold their SPP Shares on the issuer sponsored sub-register). The statements would set out the number of SPP Shares issued under this Prospectus and the Holder Identification Number (for holders of SPP Shares who elect to hold SPP Shares on the CHESS sub register) or Shareholder Reference Number (for holders of SPP Shares who elect to hold their SPP Shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each holder of SPP Shares following the month in which the balance of their SPP Shares holding changes, and also as required by the Listing Rules and the Corporations Act.

The Company will issue certificates to the New Option holders.

1.23 **Applicants outside Australia**

Applicable laws may restrict the distribution of this Prospectus outside of Australia. The Offers under this Prospectus do not, and the Company does not intend them to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of all overseas jurisdictions in which Shareholders resided as at 5:00 pm (AWST) on the Record Date, having regard to the number of such overseas Shareholders, the number and value of those SPP Securities in which those overseas Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the SPP Offer is not being extended, and no SPP Securities will be issued to Shareholders with a registered address that is outside of Australia or New Zealand or any other jurisdiction where the Company is not satisfied that it is lawfully able to make such an offer or issue this Prospectus without being required to take any further action in the relevant jurisdiction concerned.

New Zealand

The SPP Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of the SPP Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021. In addition, for shareholders who subscribe for SPP Shares, the Company will issue SPP Options for no consideration on the terms detailed in this Prospectus.

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

1.24 Withdrawal

The Directors may at any time decide to withdraw this Prospectus or any Offer at any time prior to the issue of New Securities pursuant to that Offer.

If the Directors withdraw the SPP Offer, the Company will return all Application Monies (without interest) in accordance with the Corporations Act.

1.25 Risks factors

An investment in New Securities under this Prospectus should be regarded as highly speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company, which are detailed (non-exhaustively) in Section 3.

1.26 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for New Securities under this Prospectus (nor of exercising any New Options into Shares). The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for New Securities under this Prospectus.

1.27 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing that Application and, if the Application is successful, to administer the Applicant's security holding in the Company. Such information may be used to assess your Application, service your needs as a holder of Securities, provide facilities and services that you request and carry out appropriate administration.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Company's share registry, the Company's or its subsidiaries' agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities, or as otherwise permitted under the *Privacy Act 1988* (Cth).

The information may also be used from time to time by, and disclosed to, persons inspecting the register, bidders for 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.

If you do not provide the information required on the Application Form (or otherwise requested by the Company), the Company may not be able to accept or process your Application.

Shareholders can access, correct and update the personal information the Company holds about them by contacting the Company or its share registry at the relevant contact numbers detailed in this Prospectus. A fee may be charged for access. 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.

1.28 Enquiries concerning Prospectus

Enquiries relating to this Prospectus or the Offers should be directed to the Company on +61 8 9481 0389 between 8:30 am and 5:00 pm (AWST), Monday to Friday during the offer period for the Offers or via email to craig@miningcorporate.com.au.

2 Purpose and Effect of the Offers

2.1 Effect of the Offers on the Company and Use of Funds

The Placement and SPP Offer are being undertaken for the Company to raise up to approximately \$1,304,800 (before costs).

The above amounts exclude any funds which may be raised in the future from any exercise of the New Options issued pursuant to this Prospectus.

Funds raised from issue of the Placement Shares and from the issue of SPP Shares, and any exercise of the New Options, are indicatively proposed to be used towards:

- (a) further commercialisation of the Salazar Project;
- (b) potentially further drilling of the Salazar REE project to increase the REE resource and co-products (HPA and TiO₂);
- (c) exploration drilling of the Nevada and potentially the Northern Territory Lithium Projects; and
- (d) general working capital.

As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied.

To the extent the SPP Offer is not fully subscribed, the Company will seek to appropriately scale back and or delay its discretionary spending, while it seeks alternative sources of funding (as required).

The Company also anticipates requiring further equity and/or debt capital raising in future, regardless of the outcome of the Offers.

No funds will be raised from the issue of the SPP Options or the Placement Options (other than funds which will be received if those Options are subsequently exercised) as the SPP Options and the Placement Options are free-attaching to Shares issued under the SPP Offer and the Placement (respectively) on a one for two basis.

Nominal funds (being \$0.00001 per Lead Manager Option) will be raised from the issue of the Lead Manager Options (other than funds which will be received if the Lead Manager Options are subsequently exercised) as the purpose of the Lead Manager Options Offer is to offer the Lead Manager Options to the Lead Manager (and/or its nominee(s)) as partial consideration for the Lead Manager's services to the Company of supporting the Placement.

The expenses of the Offers will be met from the Company's existing cash reserves. The expenses of the Offers will have an effect on the Company's financial position of reducing the cash balance by approximately \$87,294. Refer to Section 4.15 for details on the estimated expenses of the Offers.

The Company will receive \$0.10 (before costs) for each New Option which is exercised (if any) during the exercise period for the New Options. If the maximum number of 12,673,334 New Options are issued pursuant to the Offers and are subsequently exercised into Shares, the Company would receive approximately \$1,087,000 (before costs). There is no certainty that, and no forecast is made of whether, any of the New Options will be exercised.

2.2 Effect on the Capital Structure

The effect of the Offers on the capital structure of the Company, assuming the maximum numbers of New Securities are issued pursuant to the Offers are issued, is as follows (actual figures may vary, for example due to rounding):

| | Shares | Options | Performance Rights |
|--|------------------------|------------------------|------------------------|
| Securities on issue as at the date of this Prospectus | 97,133,664 | 20,700,000 | - |
| Securities to be issued subject to Shareholder approval at the Annual General Meeting (other than the securities listed below) | 6,500,000 ¹ | 3,000,000 ² | 5,500,000 ³ |
| Placement Shares ⁴ | 12,246,667 | - | - |
| SPP Securities to be issued under the SPP Offer (assuming fully subscribed) ⁵ | 9,500,000 | 4,750,000 | - |
| Placement Options to be issued under the Placement Options Offer ⁶ | - | 6,123,334 | - |
| Lead Manager Options to be issued under the Lead Manager Options Offer ⁷ | - | 1,800,000 | - |
| TOTAL⁸ | 125,380,331 | 36,373,334 | 5,500,000 |

Notes:

1. Includes 5,000,000 Shares to be issued to Dundas Minerals Limited (and/or its nominee(s)) and 1,500,000 Shares to be issued to Nedeel LLC, Kryptonite LLC and GF Global LLC (and/or its nominees), subject to Shareholder approval at the Annual General Meeting.
2. Includes 3,000,000 Options to be issued Nedeel LLC, Kryptonite LLC and GF Global LLC (and/or its nominees), subject to Shareholder approval at the Annual General Meeting.
3. Includes 3,000,000 Performance Rights to be issued to Mr Matt Szwedzicki and 2,500,000 Performance Rights to be issued to Nedeel LLC, Kryptonite LLC and GF Global LLC (and/or its nominees), subject to Shareholder approval at the Annual General Meeting.
4. The Placement Shares are anticipated to be issued on or around 27 November 2023 (subject to Shareholder approval at the Annual General Meeting).
5. This assumes the maximum amount of \$570,000 is raised pursuant to the SPP Offer. The SPP Securities under the SPP Offer are subject to Shareholder approval at the Annual General Meeting.
6. The Placement Options to be issued under this Prospectus are subject to Shareholder approval at the Annual General Meeting. The terms and conditions of the Placement Options are detailed in Section 4.2.
7. The Lead Manager Options to be issued under this Prospectus are subject to Shareholder approval at the Annual General Meeting. The terms and conditions of the Lead Manager Options are detailed in Section 4.2.
8. On a fully diluted basis, assuming all of the Options and Performance Rights detailed above convert into Shares, the Company's issued capital detailed above would equate to 167,253,665 Shares. No forecast is made of whether any Options or Performance Rights will be exercised or converted into Shares (nor whether any of the Performance Rights vesting conditions will be satisfied).

2.3 Effect of the Offers on control of the Company

The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder will have a Voting Power greater than 20% as a result of the completion of the Offers (refer to Section 4.9).

3 Risk Factors

The Securities offered under this Prospectus should be considered highly speculative because of the nature of the business activities of the Company and no assurances can be made that the Company's particular interests or projects will be successful. Potential investors should consider whether the Securities offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors detailed below.

Potential investors should be aware of the risks specific to an investment in the Company, which may include, but are not limited to those risks detailed below.

This list is not exhaustive and potential investors should read this Prospectus in its entirety and the Company's ASX announcements and if in any doubt consult their professional adviser before deciding whether to participate in the Offers.

3.1 Specific Risks Associated with the Company

(a) Title Risk

The Company's mining and exploration activities are dependent upon the maintenance (including renewal) of the mineral exploration licences in which the Company has or acquires an interest. Maintenance of the Company's current and future mineral exploration licences is dependent on, among other things, the Company's ability to meet the licence conditions imposed by relevant authorities including compliance with the Company's work program requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. Although the Company has no reason to think that the mineral exploration licences in which it currently has an interest will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.

(b) Exploitation, exploration and mining licences

The mineral exploration licences that have been or will be granted only permit exploration on the Projects. In the event that the Company successfully delineates economic deposits on any of the mineral exploration licences, it will need to apply for a mining lease or mineral exploitation licence (as applicable). There is no guarantee that the Company will be granted a mining lease or mineral exploitation licence if one is applied for.

Potential investors should understand that mineral exploration is a high-risk undertaking. There can be no assurance that exploration of the Projects, or any other mineral exploration licences that may be acquired in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

(c) Mine development

Possible future development of mining operations at the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk for third parties providing essential services.

No assurance can be given that any of the Projects will achieve commercial viability. The risks associated with the development of a mine will be considered in full as part of the Company's exploration activities and will be managed with ongoing consideration of stakeholder interests.

(d) **Commodity price volatility**

As future revenues will primarily be derived from the sale of base metals (copper, lead and zinc) and gold, any future earnings will be closely related to the price of those base metals and gold. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for base metals and/or gold, forward selling by producers, and production cost levels in major base metals and/or gold producing regions.

Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the commodity as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(e) **Currency volatility**

International prices of various commodities, including base metals and copper, are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken in account in Australian dollars, consequently exposing the Company to fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined by the international markets.

(f) **Environmental risk**

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

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

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

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.

(g) **Change in Regulations**

Any material adverse changes in government policies, legislation or shifts in political attitude in Australia that affect mineral mining and exploration activities, tax laws, royalty regulations, government subsidies and environmental issues may affect the viability of a project or the Company.

No assurance can be given that amendments to current laws and regulations or new rules and regulations will not be enacted, or that existing rules and regulations will not be applied in a manner which could substantially limit or affect the Company's exploration.

(h) **Payment obligations**

Under the licences and certain other contractual agreements to which the Company is or may in the future become party, the Company is or may become subject to payment and other obligations. In particular, exploration licence holders are required to expend the funds

necessary to meet the minimum work commitments attaching to the licences. Failure to meet these work commitments will render the licence liable to be cancelled.

(i) **Dependence on key personnel**

The Company is reliant on a number of key personnel and consultants. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.

It may be difficult to attract and retain suitably qualified and experienced people, due to the relatively small size of the Company, compared with other industry participants.

(j) **Equipment risk**

The operations of the Company could be adversely affected if essential equipment fails or becomes unavailable to access in a timely manner.

(k) **New projects and acquisitions**

The Company may make acquisitions in the future as part of future growth plans. In this regard, the Directors of the Company will use their expertise and experience in the resources sector to assess the value of potential projects that have characteristics that are likely to provide return to Shareholders.

There can be no guarantee that any new project acquisition or investment will eventuate from these pursuits, or that any acquisitions will result in return for Shareholders. Such acquisitions may result in use of the Company's cash resources and issuances of equity securities, which might involve substantial dilution to Shareholders.

(l) **Dilution Risk**

Future equity offerings by the Company may dilute the percentage ownership of the Company by existing Shareholders. In certain circumstances, securities issued by the Company in the future may have rights, preferences or privileges attached to them that are senior, to or otherwise adversely affect, those attached to the Shares.

(m) **Future capital requirements**

The Company's growth through its proposed and future drilling and exploration campaigns will require substantial expenditure. There can be no guarantees that the Company's cash reserves together with the funds raised by the Capital Raising Offer will be sufficient to successfully achieve all the objectives of the Company's overall business strategy.

If the Company is unable to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Capital Raising Offer and existing working capital, there can be no assurance that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional resources on terms acceptable to the Company or if at all.

Any additional equity financing may be dilutive to the Company's existing Shareholders and any debt financing if available, may involve restrictive covenants, which limit the Company's operations and business strategy. The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

(n) **Contractual Disputes**

As with any contract, there is a risk that the business could be disrupted in situations where there is a disagreement or dispute in relation to a term of the contract. Should such a disagreement or dispute occur, this may have an adverse impact on the Company's operations and performance generally. It is not possible for the Company to predict or protect itself against all such risks.

(o) **Third Party Risk**

The operations of the Company require the involvement of a number of third parties, including suppliers, contractors and clients.

Financial failure, default or contractual non-compliance on the part of such third parties may have a material impact on the Company's operations and performance. It is not possible for the Company to predict or protect the Company against all such risks.

(p) **Litigation**

The participation by the Company in the mineral industry may expose the Company 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, financial performance and financial position.

The Company is not presently involved in litigation and the Directors are not aware of any basis on which any litigation against the Company may arise.

3.2 **Industry Specific Risks**

(a) **Nature of mineral exploration and mining**

The business of mineral exploration, development and production is subject to risk by its nature. The success of the business depends, inter alia, on successful exploration and/or acquisition of reserves, securing and maintaining title to exploration licences and consents, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining are speculative undertakings which may be hampered by force majeure circumstances, land claims and unforeseen mining problems. Increased costs, lower output or high operating costs may all contribute to make a project less profitable than expected at the time of the development decision. There is no assurance that the Company's attempts to exploit its exploration activities will be successful.

(b) **Operational risks**

The operations of the Company may be affected by various factors which are beyond the control of the Company, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

(c) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

- (i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (ii) developing an economic process route to produce a metal and/or concentrate; and

- (iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

(d) **Native Title**

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

Native Title can be extinguished by valid grants of land (such as freehold title) or waters to people other than the Native Title holders or by valid use of land or waters. It can also be extinguished if the indigenous group has lost its connection with the relevant land or waters. Native Title is not necessarily extinguished by the grant of mining leases, although a valid mining lease prevails over Native Title to the extent of any inconsistency for the duration of the title.

Exploration licences granted before 1 January 1994 are valid or validated by the Native Title Act. For exploration licences to be validly granted (or renewed) after 1 January 1994, the future act regime established by the Native Title Act must be complied with.

The existence of a Native Title claim is not an indication that Native Title in fact exists on the land covered by the claim, as this is a matter ultimately determined by the Federal Court.

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

(e) **Insurance**

The Company intends to insure its operations in accordance with industry practice. However, insurance of all risks associated with exploration is not always available and, where it is available, the cost may be high. The Company will have insurance in place considered appropriate for the Company's needs.

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as extreme weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties, buildings, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms.

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. In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.

(f) **Competition**

The resources industry in which the Company is involved is subject to domestic and global competition. While the Company undertakes all reasonable due diligence in its business

decisions and operations, the Company has no influence or control over the activities or actions of its competitors and these activities or actions may positively or negatively affect the operating and financial performance the Company's Projects and business. There can be no assurance that the Company can compete effectively with these companies.

(g) **Occupational Health and Safety Risk**

The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Mining activities have inherent risks and hazards. The Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems.

3.3 **General Risks**

(a) **Securities investments**

Applicants should be aware that there are risks associated with any Securities investment.

There is no guarantee that an active trading market in the SPP Shares will develop or that the price of SPP Shares will increase. The prices at which the SPP Shares trade (if they trade at all) may fluctuate in response to a number of factors.

Further, the stock market is prone to price and volume fluctuations. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the SPP Shares, regardless of Company's operational performance.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) **Share Market Risk**

The price of the SPP Shares when quoted on ASX will be influenced by international and domestic factors affecting market conditions in equity, financial and commodity markets. These factors and others may affect the share price for all listed companies, and the price of the Company's Shares may fall or rise, and the price of the SPP Shares may trade below or above the issue price of the SPP Shares. The price of the SPP Shares may trade below or above their prevailing market price as at the date of this Prospectus. The price of Shares may be subject to varied and unpredictable influences on the market for equities and in particular, resources stocks.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

If the prevailing trading price of the Company's Shares during the option exercise period for the New Options is lower than the option exercise price, of \$0.10, then it is unlikely that the New Options will be exercised. In this scenario, the unexercised New Options will not have any value and will lapse at the end of the option exercise period, which is the date two years from their date of issue.

(c) **Economic risk**

The Company's operating performance, financial position, prospects and/or the price at which its Shares trade may be affected by changes in Australian or international economic conditions. For example, the following may affect the financial performance of the Company's investments, the ability for the Company to acquire new investments or realise existing investments and the terms and availability of funding that the Company may require:

- (i) general economic conditions;
- (ii) changes in Government policies, taxation and other laws;
- (iii) the strength of the equity and share markets in Australia and throughout the world;
- (iv) movement in, or outlook on, exchange rates, interest rates and inflation rates;

- (v) industrial disputes in Australia and overseas;
- (vi) changes in investor sentiment toward particular market sectors;
- (vii) financial failure or default by an entity with which the Company may become involved in a contractual relationship; and
- (viii) natural disasters, social upheaval or war.

(d) **Dilution**

In certain circumstances, the Directors may issue equity securities without any vote or action by Shareholders. If the Company were to issue any equity securities, the percentage ownership of holders of Securities may be reduced and diluted.

(e) **Unforeseen expenses**

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

(f) **Tax law and application**

The application of and changes in relevant tax laws (such as income tax, goods and services tax (or equivalent) and stamp duty), rules relating to deductible liabilities, or changes in the way those tax laws are interpreted, will or may impact the tax liabilities of the Company or the tax treatment of a Security holder's investment. An interpretation or application of tax laws or regulations by a relevant tax authority that is contrary to the Company's view of those laws may increase the amount of tax paid or payable by the Company.

Both the level and basis of tax may change. Any changes to the current rates of taxes and/or any changes in tax rules and tax arrangements may increase the amount of tax paid or payable by the Company and may also impact Shareholders.

(g) **Force Majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company such as labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(h) **Changes in regulations and regulatory risk**

Any material adverse changes in government policies, legislation or shifts in political attitude in Australia that affect mineral mining and exploration activities, tax laws, royalty regulations, government subsidies and environmental issues may affect the viability of a project or the Company. No assurance can be given that amendments to current laws and regulations or new rules and regulations will not be enacted, or that existing rules and regulations will not be applied in a manner which could substantially limit or affect the Company's business.

The Company's activities are subject to extensive laws and regulations relating to numerous matters such as regulatory and third-party consents, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to matters such as exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time-consuming process and there is a risk that the Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the

Company from proceeding with the exploration or development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more tenements.

(i) **Expected future events may not occur**

Certain statements in this Prospectus (and in the Company's ASX announcements) constitute forward looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance and achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Given these uncertainties, prospective Shareholders should not place undue reliance on such forward-looking statements. In addition, under no circumstances should forward looking statements be regarded as a representation or warranty by the Company, or any other person referred to in this document, that a particular outcome or future event is guaranteed.

(j) **Trading in Securities may not be liquid**

There is no guarantee that there will be an ongoing liquid market for New Securities. Accordingly, there is a risk that, should the market for New Securities be or become illiquid, holders of New Securities will be unable to realise their investment in the Company.

(k) **Accounting standards**

Australian Accounting Standards (**AAS**) are adopted by the Australian Accounting Standards Board (**AASB**) and are not within the control of the Company and the Directors. The AASB may, from time to time, introduce new or refined AAS, which may affect the future measurement and recognition of key statement of profit or loss and statement of financial position items. There is also a risk that interpretation of existing AAS, including those relating to the measurement and recognition of key statement of profit or loss or statement of financial position items may differ. Any changes to the AAS or to the interpretation of those standards may have an adverse effect on the reported financial performance and position of the Company.

3.4 **Investment Highly 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 New Securities offered under this Prospectus. Therefore, no assurances or guarantees of future profitability, distributions, payment of dividends, return of capital or performance of the Company or its Securities can be, or is, provided by the Company.

Before deciding to invest in the Company, potential investors should read this Prospectus in its entirety and the Company's ASX announcements and, in particular, should consider the risk factors that could affect the financial performance of the Company. Applicants should carefully consider these factors in light of their personal circumstances and should consult their professional advisers (for example, their accountant, stockbroker, lawyer or other professional adviser) before deciding whether to invest.

Neither the Company nor its officers, employees, agents and advisers guarantee that any specific objectives of the Company will be achieved or that any particular performance of the Shares and Options, including the SPP Shares and New Options offered under this Prospectus, will be achieved.

The New Options offered under this Prospectus carry no entitlement to dividends or returns of capital and no guarantee with respect to the value of, nor availability of a market to transfer, those New Options.

Shares carry no guarantee with respect to the payment of dividends, returns of capital or the value of, nor availability of a market to transfer, Shares.

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 New Securities. 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.

4 Additional Information

4.1 Rights and Liabilities Attaching to Shares

A summary of the rights attaching to Shares is detailed below (noting that the SPP Shares would, from their time of issue, be subject to the same terms and conditions as other Shares). This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities that attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) General Meetings

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

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

(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 or attorney;
- (ii) on a show of hands, every person present who is a Shareholder or a representative of a Shareholder has one vote in respect of each Share carrying the right to 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 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 a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

(c) Dividends

The Directors alone may declare a dividend to be paid to Shareholders. The dividend is payable at a time determined in the directors' discretion. No dividend may be declared or paid except as allowed by the Corporations Act. No interest is payable in respect of unpaid dividends. The Directors may set aside the Company's profit any amount that they consider appropriate. This amount may be used in any way that profits can be used, and can be invested or used in the Company's business in the interim.

(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 the 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 of the Company, 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 liability.

(e) **Shareholder liability**

Shares are not subject to any calls for money by the Directors and, therefore, will 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 Listing Rules.

(g) **Variation of Rights**

Pursuant to 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.

(h) **Alteration of Constitution**

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

4.2 **Rights and Liabilities Attaching to the New Options**

The terms and conditions of (including the rights and liabilities attaching to) the proposed New Options being offered under the Offers are as follows:

(a) **Entitlement**

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

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

| Exercise Price per Option | Expiry Date |
|----------------------------------|----------------------------------|
| \$0.10 | Two years from the date of issue |

(c) **Exercise Period**

Each Option is exercisable at any time prior to the Expiry Date. After this time, any unexercised Options will automatically lapse.

(d) **Notice of Exercise**

The Options may be exercised by notice in writing to the Company (in a form acceptable to the Company), (**Option Exercise Form**) and payment to the Company of the applicable Exercise Price for each Option being exercised. Any Option Exercise Form for an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

(e) **Minimum Exercise Price**

Options must be exercised in multiples of five thousand (5,000) unless fewer than five thousand (5,000) Options are held by a Holder.

(f) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then Shares of the Company and are free of all encumbrances, liens and third party interests. Upon issue of the Shares, the Holder agrees to become a member of the Company and to be bound by the Constitution.

(g) **Quotation of Shares**

The Company will apply to ASX for official quotation of the Shares issued upon the exercise of the Options.

(h) **Timing of Issue of Shares and Quotation of Shares on Exercise**

Within five Business Days after receipt of an Option Exercise Form given in accordance with these terms and conditions and payment of the applicable Exercise Price for each Option being exercised, the Company will:

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

(i) **Participation in new issues**

A Holder who holds Options is not entitled to:

- (i) notice of, or to vote or attend at, a meeting of the shareholders;
- (ii) receive any dividends declared by the Company; or
- (iii) participate in any new issues of securities offered to shareholders during the term of the Options,

unless and until the Options are exercised and the Holder holds Shares.

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

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

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

(k) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing shareholders (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment) there will be no adjustment to the Exercise Price of an Option.

(l) **Adjustment for reorganisation**

If there is any reorganisation of the capital of the Company, the rights of the Holder will be varied to comply with the Listing Rules that apply to the reorganisation at the time of the reorganisation.

(m) **Quotation of Options**

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

(n) **Options transferable**

The Options are transferrable subject to compliance with the *Corporations Act 2001* (Cth).

(o) **Lodgement Requirements**

Cheques shall be in Australian currency made payable to the Company and crossed 'Not Negotiable' for the application for Shares on the exercise of the Options.

4.3 **Company is a Disclosing Entity**

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. The New Options are options over the Company's Shares. Shares have been quoted on the official list of the ASX during the three months prior to the issue of this Prospectus (and SPP Shares will, upon their issue, be in the same class as existing Shares).

This Prospectus is a 'transaction specific prospectus' to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities, or options to acquire securities, in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms 'transaction specific prospectuses' are only required to contain information in relation to the effect of the Offers on the Company and the rights attaching to the New Securities (and the rights attaching to underlying Shares upon exercise of the New Options). It is not necessary to include general information in relation to all of the assets and liabilities, the financial position, profits and losses or prospects of the issuing company.

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

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three (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 for the year ended 30 June 2023 lodged with ASX on 27 September 2023 (**Annual Report**), being the most recent annual financial report of the Company lodged with the ASIC before the issue of this Prospectus;
- (ii) the Company's financial report for the half year ended 31 December 2022 lodged with ASX on 2 March 2023 (**Half Year Report**); and
- (iii) any continuous disclosure notices announced by the Company to the ASX after the lodgement of the Annual Report referred to in paragraph (i) above and before the lodgement of this Prospectus with ASIC.

Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at an ASIC office (refer to Section 4.4 below).

4.4 Copies of Documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offers, a copy of:

- (a) the Annual Report for the period ending 30 June 2023 as lodged with ASX on 27 September 2023, which includes the annual financial report most recently lodged with ASIC by the Company before the issue of this Prospectus;
- (b) the Half Year Report for the period ending 31 December 2022 as lodged with ASX on 2 March 2023; and
- (c) the continuous disclosure notices announced by the Company to the ASX since the Company lodged its Annual Report and before the lodgement of this Prospectus with ASIC, which are as follows:

| Date Lodged | Subject of Announcement |
|-------------------|---|
| 27 September 2023 | Appendix 4G and Corporate Governance Statement |
| 29 September 2023 | Clarification Announcement |
| 29 September 2023 | Date of AGM & Closing Date for Director Nominations |
| 2 October 2023 | Application for quotation of securities - WC1 |
| 16 October 2023 | Drilling Commenced at Bulla Park |
| 17 October 2023 | Nevada Lithium Project Update |
| 17 October 2023 | Proposed issue of securities - WC1 |
| 24 October 2023 | Notice of Annual General Meeting/Proxy Form |
| 24 October 2023 | Letter to Shareholders - Notice of Annual General Meeting |
| 25 October 2023 | Drilling Successfully Completed at Bulla Park |
| 31 October 2023 | Quarterly Activities/Appendix 5B Cash Flow Report |
| 31 October 2023 | Trading Halt |
| 2 November 2023 | Firm Commitments Received for Oversubscribed Placement |
| 2 November 2023 | Proposed issue of securities - WC1 |

| Date Lodged | Subject of Announcement |
|------------------|--|
| 3 November 2023 | Drilling commenced at Nevada Lithium Project |
| 6 November 2023 | Investor Presentation |
| 13 November 2023 | Addendum to AGM Notice |
| 13 November 2023 | Letter to shareholders – Addendum to AGM |

The following documents are available for inspection throughout the period of the Offers during normal business hours at the registered office of the Company at Level 8, 216 St Georges Terrace, Perth, Western Australia 6000:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Sections 4.16 and 5.

The announcements are also available through the Company's website at <https://www.westcobarmetals.com.au/>.

4.5 Information Excluded from Continuous Disclosure Notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules and which is required to be set out in this Prospectus.

4.6 Determination by ASIC

ASIC has not made a determination that would prevent the Company from relying on section 713 of the Corporations Act in issuing New Securities under this Prospectus.

4.7 Market Price of Shares

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

Highest: \$0.086 per Share on 20-22 September 2023 and 3 October 2023

Lowest: \$0.058 per Share on 7 November 2023

On 16 November 2023, being the last practicable date prior to the date of lodgement of this Prospectus with ASIC, the closing market sale price of the Shares on ASX was \$0.061 per Share.

4.8 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company and no forecast is made of any of those matters.

4.9 Substantial Shareholders

Based on information available to the Company, those persons which (together with their associates) have a Relevant Interest in 5% or more of the Shares on issue as at the date of this Prospectus are detailed below:

| Entity | Shares | Voting Power |
|-----------------------|------------|--------------|
| Mr Mark Graham Bolton | 12,395,387 | 12.76% |

| | | |
|------------------------------|-----------|-------|
| RSR Enterprises (WA) Pty Ltd | 5,000,000 | 5.15% |
|------------------------------|-----------|-------|

4.10 Directors' Interests

Except as disclosed in this Prospectus, no Director (or entity in which they are a director, partner and/or a shareholder):

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the Offers, the formation or promotion of the Company, the New Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (b) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her (or by an entity in which they are a director, partner and/or a shareholder) in connection with the formation or promotion of the Company or the Offers.

4.11 Directors' Interests in Securities

The Directors' anticipated Relevant Interests in Securities following the proposed issue of the Placement Shares and the Placement Options, but prior to the issue of SPP Securities under this Prospectus, are detailed below:

| Director | Shares | Options | Performance Rights |
|---------------------------------|------------|------------------------|-------------------------|
| Mr Robert Klug ¹ | 575,000 | 3,000,000 ⁶ | - |
| Mr Matt Szwedzicki ² | 1,025,000 | 3,000,000 ⁷ | 3,000,000 ¹⁰ |
| Mr Kevin Das ³ | 732,967 | 4,000,000 ⁸ | - |
| Mr Ron Roberts ⁴ | 5,000,000 | 2,000,000 ⁹ | - |
| Mr Mark Bolton ⁵ | 12,395,387 | - | - |

Notes:

1. Mr Robert Klug holds 575,000 Shares and 3,000,000 Options directly.
2. South Westerley Pty Ltd <South Westerley Trust>, an entity in which Mr Matt Szwedzicki is a director, shareholder and trustee, holds 1,025,000 Shares and 3,000,000 Options.
3. Mr Kevin Das & Mrs Rachel Das <Das Family A/C>, of which Mr Das is a trustee and beneficiary, holds 631,369 Shares and 3,500,000 Options and Prosper WA Pty Ltd, an entity in which Mr Das is a director and shareholder, holds 101,598 Shares and 500,000 Options.
4. RSR Enterprises (WA) Pty Ltd <Roberts Family Trust A/C>, an entity in which Mr Ron Roberts is a director, shareholder and trustee, holds 5,000,000 Shares and 2,000,000 Options.
5. Mr Mark Bolton holds 12,395,387 Shares directly.
6. Comprising 2,000,000 Options exercisable at \$0.25 on or before 3 June 2026 and 1,000,000 Options exercisable at \$0.32 on or before 6 May 2025.
7. Comprising 2,000,000 Options exercisable at \$0.25 on or before 3 June 2026 and 1,000,000 Options exercisable at \$0.32 on or before 6 May 2025.
8. Comprising 1,000,000 Options exercisable at \$0.25 on or before 3 June 2026, 1,000,000 Options exercisable at \$0.20 on or before 4 November 2024, 1,000,000 Options exercisable at \$0.215 on or before 4 November 2024 and 1,000,000 Options exercisable at \$0.23 on or before 4 November 2024.
9. Comprising 2,000,000 Options exercisable at \$0.25 on or before 3 June 2026.
10. This figure includes the 3,000,000 Performance Rights to be issued to Mr Matt Szwedzicki (and/or his nominee(s)) subject to Shareholder approval at the Annual General Meeting.

The interests in the table above do not include any SPP Securities which Mr Matt Szwedzicki and Mr Ron Roberts may apply for under the SPP Offer, subject to Shareholder approval at the Annual General Meeting, as detailed in Section 1.3.

4.12 Remuneration of Directors

The remuneration of executive Directors is determined by the Board, subject to the provisions of any contract between each of them and the Company.

The Constitution provides that the Directors may be paid for their services as Directors a sum not exceeding such fixed sum per annum as may be determined by the Shareholders in general meetings, to be divided among the Directors as the Directors shall determine, and in default of agreement then in equal shares. This does not apply to the remuneration of executive Directors.

A Director may also 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. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

The Directors' remuneration for the past two financial years is detailed in the below table:

| Director | | Short Term Benefits | Superannuation | Share Based Payments | Total |
|-----------------------------|------|---------------------|----------------|----------------------|-----------|
| Mr Robert Klug | 2023 | \$59,150 | \$5,250 | \$91,418 | \$155,818 |
| | 2022 | \$37,500 | \$3,771 | - | \$41,271 |
| Mr Matt Szwedzicki | 2023 | \$67,666 | \$4,200 | \$91,418 | \$163,284 |
| | 2022 | \$30,000 | \$3,017 | - | \$33,017 |
| Mr Kevin Das | 2023 | \$257,500 | \$4,200 | - | \$261,700 |
| | 2022 | \$62,000 | \$3,017 | \$198,700 | \$263,717 |
| Mr Ron Roberts | 2023 | \$150,949 | - | - | \$150,949 |
| | 2022 | \$97,716 | - | - | \$97,716 |
| Mr Mark Bolton ¹ | 2023 | \$15,714 | \$1,300 | - | \$17,014 |
| | 2022 | - | - | - | - |

Notes:

1. Mr Mark Bolton was appointed as a non-executive Director on 8 February 2023.

4.13 Related party transactions

Other than the issue of any SPP Securities which Mr Matt Szwedzicki and Mr Ron Roberts may apply for under the SPP Offer, as detailed in Section 1.3, which is subject to Shareholder approval at the Annual General Meeting) there will be no participation of related parties of the Company in the Offers.

4.14 Interests of Other Persons

Except as disclosed in this Prospectus, no promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the Offers, the formation or promotion of the Company, the New Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (b) has been paid or given or will be paid or given any amount or benefit for services rendered in connection with the formation or promotion of the Company or the Offers.

Automic Pty Ltd has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to issue of the New Securities under the Offers, and will be paid for these services on standard industry terms and conditions.

4.15 Expenses of Offers

The estimated expenses of the Offers are detailed below:

| Estimated expenses of the Offers ¹ | Amount (\$) |
|---|---------------|
| ASIC lodgement fee | 3,206 |
| ASX fees | 10,000 |
| Lead manager fees | 44,088 |
| Legal fees | 15,000 |
| Administrative services and other costs | 15,000 |
| TOTAL | 87,294 |

Note:

1. GST is payable in addition to the expenses in the table. The SPP Offer is not underwritten and there is no commitment for a broker or advisor fee to be payable in relation to the SPP Offer.

4.16 Consents

Each of the Directors have given their written consent to being named in this Prospectus in the form and context in which they are named and to the inclusion in this Prospectus of all information and statements relating to, made by, or said to be based on statements by, them, in each case in the form and context as they appear in this Prospectus.

Automic Pty Ltd has given its written consent to being named in this Prospectus as the Company's share registry in the form and context in which it is named and to the inclusion in this Prospectus of all information and statements relating to, made by, or said to be based on statements by, Automic Pty Ltd, in each case in the form and context as they appear in this Prospectus, and has not withdrawn such consent prior to the lodgement of this Prospectus with ASIC.

4.17 Governing law

This Prospectus and the Offers are governed by the law applicable in Western Australia and each Applicant under this Prospectus submits to the exclusive jurisdiction of the courts of Western Australia and of the Commonwealth of Australia.

5 Authorisation

This Prospectus is authorised by the Company and lodged with ASIC pursuant to section 718 of the Corporations Act. Each of the Directors has consented to the lodgement of this Prospectus with ASIC, in accordance with section 720 of the Corporations Act and has not withdrawn that consent. This Prospectus is signed for and on behalf of the Company by:

A handwritten signature in blue ink that reads "RG Klug". The letters are cursive and somewhat stylized.

Mr Robert Klug
Non-Executive Chairman
Dated: 20 November 2023

6 Glossary

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$ means Australian dollars.

AAS means Australian Accounting Standards.

AASB means Australian Accounting Standards Board.

Annual General Meeting has the meaning given in Section 1.2.

Annual Report means the annual financial report of the Company for the period ending 30 June 2023 as lodged with ASX on 27 September 2023.

Applicant means a person who submits an Application Form with (in the cases of the SPP Offer and Lead Manager Options Offer) payment to the Company of the relevant application monies (or who otherwise applies for SPP Securities via making a BPAY® or EFT payment of the Application Monies to the Company without lodging the Application Form).

Application means a valid application for New Securities under an Offer made pursuant to an Application Form accompanied (in the cases of the SPP Offer and Lead Manager Options Offer) by payment to the Company of the relevant aggregate issue price for those New Securities (or alternatively, in the case of the SPP Offer, payment of the aggregate issue price for the relevant SPP Shares by BPAY® or EFT payment without lodging the Application Form).

Application Form means an SPP Application Form, a Placement Options Application Form or a Lead Manager Options Application Form (as the context requires).

Application Monies means monies paid (at the Issue Price per SPP Share) to the Company by Eligible Shareholders in respect of SPP Shares the subject of an application pursuant to the SPP Offer.

ASIC means Australian Securities and Investments Commission.

ASIC Instrument means the *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* issued by ASIC (as amended from time to time).

ASX means ASX Limited ACN 008 624 691 and where the context permits, the securities exchange operated by it.

AWST means Australian Western Standard Time, being the time in Perth, Western Australia.

Board means the board of Directors.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date has the meaning given in Section 1.12.

Company or **West Cobar** means West Cobar Metals Limited ACN 649 994 669.

Constitution means the constitution of the Company.

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

Custodian means a person that provides a custodial or depository service in relation to Shares and who:

- (a) holds an Australian financial services licence covering the provision of a custodial or depository service;
- (b) is exempt from the requirement to hold an Australian financial services licence covering the provision of a custodial or depository service;

- (c) holds an Australian financial services licence covering the operation of an investor directed portfolio service (**IDPS**) or is a responsible entity of an IDPS-like scheme;
- (d) is a trustee of a self-managed superannuation fund or a superannuation master trust; or
- (e) is a registered holder of Shares and is noted on the Register as holding the Shares on account of another person.

Custodian Certificate has the meaning given in Section 1.17.

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

EFT means electronic funds transfer.

Eligible Shareholder has the meaning given in Section 1.11.

Exercise Price has the meaning given in Section 4.2(b).

Expiry Date has the meaning given in Section 4.2(b).

Half Year Report means the half year report of the Company for the period ending 31 December 2022 as lodged with ASX on 2 March 2023.

Holder has the meaning given in Section 4.2(a).

Issue Price has the meaning given in Section 1.3.

Lead Manager means Xcel Capital Pty Ltd.

Lead Manager Options has the meaning given in Section 1.2.

Lead Manager Options Application Form means the Application Form attached to, or accompanying this Prospectus, to be used for the purposes of applying for Lead Manager Options under the Lead Manager Options Offer.

Lead Manager Options Offer has the meaning given in Section 1.5.

Listing Rules means the official listing rules of ASX as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

Native Title Act means the *Native Title Act 1993* (Cth).

New Option means an Option offered pursuant to an Offer under this Prospectus, on the terms and conditions in Section 4.2.

New Securities means the Securities offered pursuant to this Prospectus, being any one or more of the following, as the context requires the:

- (a) SPP Securities under the SPP Offer;
- (b) Placement Options under the Placement Options Offer; and
- (c) Lead Manager Options under the Lead Manager Options Offer.

Offer means the SPP Offer, Placement Options Offer or Lead Manager Options Offer, as the context requires, and **Offers** means all of them.

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

Opening Date has the meaning given in Section 1.12.

Option means an option to acquire a Share.

Option Exercise Form has the meaning given in Section 4.2.

Participating Beneficiary has the meaning given in Section 1.17.

Performance Right means a right to acquire a share, subject to vesting conditions.

Placement has the meaning given in Section 1.2.

Placement Options has the meaning given in Section 1.2.

Placement Options Application Form means the Application Form attached to, or accompanying this Prospectus, to be used for the purposes of applying for Placement Options under the Placement Options Offer.

Placement Options Offer has the meaning given in Section 1.4.

Placement Shares has the meaning given in Section 1.2.

Projects means the Salazar REE Project, the Nevada Lithium Project, the Hermit Hill Project and the Bulla Park Project.

Prospectus means this prospectus dated 20 November 2023.

Record Date has the meaning given in Section 1.11.

Register means the share register maintained by or on behalf of the Company in Australia.

Relevant Interest has the meaning given in section 9 of the Corporations Act.

Section means a section of this Prospectus.

Securities means any securities (including Shares and Options) issued or granted by the Company.

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

Shareholder means a holder of one or more Shares.

SPP Application Form means the Application Form attached to, or accompanying this Prospectus, to be used for the purposes of applying for SPP Securities under the SPP Offer.

SPP Offer has the meaning given in Section 1.3.

SPP Options has the meaning given in Section 1.2.

SPP Securities means the SPP Shares and the SPP Options under the SPP Offer offered pursuant to this Prospectus.

SPP Shares has the meaning given in Section 1.2.

TMD means target market determination.

US Securities Act means the US Securities Act of 1933.

Voting Power has the meaning given in section 9 of the Corporations Act.

VWAP means Volume Weighted Average Price.

CORPORATE DIRECTORY

Directors

Mr Robert Klug – Non-Executive Chairman

Mr Matt Szwedzicki – Managing Director

Mr Kevin Das – Non-Executive Director

Mr Ron Roberts – Non-Executive Director

Mr Mark Bolton – Non-Executive Director

Company Secretary

Mr Craig McNab

Registered Office & Principal Place of Business

Level 8, 216 St Georges Terrace
Perth WA 6000

Email: craig@miningcorporate.com.au

Website: <https://www.westcobarmetals.com.au/>

ASX Code: WC1

Share Registry*

Automic Group Pty Ltd
Level 5, 191 St Georges Terrace
Perth WA 6000
Phone (within Australia): 1300 288 664

* These entities are included for information purposes only. They have not been involved in any part of this Prospectus.