



ABN: 63 103 323 173

TRAKA RESOURCES LIMITED

ACN 103 323 173

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata non-renounceable entitlement issue of one (1) Share (**New Share**) for every one (1) Share held by those Shareholders registered at the Record Date at an issue price of \$0.002 per New Share together with one (1) free New Option for every 2 New Shares applied for and issued to raise up to \$1,750,658 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

This Offer is fully underwritten by PAC Partners Securities Pty Ltd (ACN 623 653 912, AFSL 335 374) (**Underwriter** or **PAC Partners**). Refer to Section 7.4.1 for details regarding the terms of the underwriting.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

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

IMPORTANT NOTICE

This Prospectus is dated 15 December 2023 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

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

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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

No investment advice

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

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

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

Overseas shareholders

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

to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia, New Zealand, Singapore, Japan, United Kingdom and Hong Kong.

For further information on overseas Shareholders please refer to Section 3.9.

Continuous disclosure obligations

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

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

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

Please refer to Section 7.2 for further details.

Electronic prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.trakaresources.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian, New Zealand, Singapore, Japan, United Kingdom or Hong Kong resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on 08 9322 1655 during office hours or by emailing the Company at traka@trakaresources.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company website

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

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

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

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate

through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and diagrams

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

Definitions and time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 9.

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

Privacy statement

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

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

service providers, mail houses and the share registry.

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

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

Use of trademarks

This Prospectus includes the Company's registered and unregistered trademarks.

All other trademarks, tradenames and service marks appearing in this Prospectus are the property of their respective owners.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offer please call the Company Secretary on 08 9322 1655.

CORPORATE DIRECTORY

Directors

Joshua Pitt (Non-Executive Chairman)
Patrick Verbeek (Managing Director)
George Petersons (Non-Executive Director)

Company Secretary

Ira Gibbs

Registered Office

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43 Ventnor Avenue
WEST PERTH WA 6005

Telephone: 08 9322 1655

Email: traka@trakaresources.com.au

Website: www.trakaresources.com.au

Auditor*

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

Share Registry*

Computershare Investor Services Pty
Limited
Level 17, 221 St Georges Terrace
PERTH WA 6000

Legal Advisers

Steinepreis Paganin
Level 6, 99 William Street
MELBOURNE VIC 3000

Lead Manager and Underwriter

PAC Partners Securities Pty Ltd
Level 29, 360 Collins Street
MELBOURNE VIC 3000

*This entity has been included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

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1. CHAIRMAN'S LETTER

Dear Shareholder,

The attached Rights Issue document outlines how we plan to recapitalise and rejuvenate Traka. It will put the Company in a stronger position to not only advance our current promising exploration projects, but also actively seek out and review new exploration opportunities particularly in the critical minerals and battery metals sectors.

Traka has an enviable record of running major exploration programs in central and southwestern Australia over 20 years under the executive management of Patrick Verbeek. It has maintained an unusually high field to overhead expenditure ratio, however it has not as yet made an economic mineral discovery.

In light of current market conditions, your board has decided to recapitalise Traka via a Non-Renounceable Rights Issue with new shares to be issued at \$0.002/share (together with free attaching options) in order to give each and every current Traka shareholder the opportunity to re-invest in a refreshed and re-energised Traka.

The terms of the offer have been deliberately made highly attractive at a 33% discount to the last market price of \$0.003 in order to encourage existing Traka shareholders to participate and take up their rights. They will also have the ability to apply for over-subscriptions should they wish to do so.

The offer is fully underwritten by PAC Partners. Upon completion of the offer, Josh Gordon will join the board of directors of Traka as a Non-Executive Director to aid our rejuvenation plan. Josh is a Corporate Finance Executive at PAC Partners.

With the emphasis on rejuvenating the Company, I am very positive about the future for Traka and commend the offer to you. I have agreed through a private company to sub-underwrite 15% of this Capital Raising and will also have that Company take up its full entitlement.

Yours sincerely,

Joshua Pitt
Chairman

2. KEY OFFER INFORMATION

2.1 Timetable

Announcement of Entitlement Offer and Appendix 3B	18 December 2023
Lodgement of Prospectus with the ASIC and ASX	18 December 2023
Ex date – shares trade ex-entitlements	20 December 2023
Record Date for determining Entitlements	21 December 2023
Prospectus despatched to Shareholders and Offer opens	28 December 2023
Last day to extend the Closing Date	12 January 2024
Closing Date as at 5:00pm WST*	17 January 2024
Securities quoted on a deferred settlement basis	18 January 2024
ASX notified of under subscriptions and announcement of results of the issue	24 January 2024
Issue date and lodgement with ASX of Appendix 2A - Application for quotation of the New Shares	24 January 2024
Quotation of New Shares issued under the Offer*	24 January 2024

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

2.2 Key statistics of the Offer

New Shares

	Maximum subscription (\$1,750,658)¹
Offer Price per New Share	\$0.002
Entitlement Ratio (based on existing Shares)	1:1
Shares currently on issue	875,329,277
New Shares to be issued under the Offer	875,329,277
Gross proceeds of the issue of New Shares	\$1,750,658
Shares on issue post-Offer	1,750,658,554

Notes:

1. Refer to Section 5.1 for the terms of the New Shares.

¹ Assuming the maximum subscription of 875,329,277 is achieved under the Offer

New Options

	Maximum subscription (\$0) ¹
Offer Price per New Option	nil
Option Entitlement Ratio (based on New Shares subscribed for)	1:2
Options currently on issue	4,650,000
New Options to be issued under the Offer	437,664,638
Gross proceeds of the issue of Options	\$0
Options on issue post-Offer	442,314,638

Notes:

1. Refer to Section 5.2 for the terms of the New Options.

2.3 Directors' interests in Securities

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

Director	Shares	Options	Share Entitlement	New Option Entitlement	\$
Joshua Pitt	108,355,539	Nil	108,355,539	54,177,769	\$216,711
Patrick Verbeek	29,786,354	4,00,000	29,786,354	14,893,177	\$59,573
George Petersons	2,325,331	Nil	2,325,331	1,162,665	\$4,651

As outlined in Section 2.5, the Company's Director, Joshua Pitt (through a nominee entity) has entered into an agreement with the Underwriter to sub-underwrite the Shortfall Securities up to \$262,500, being 131,250,000 New Shares, being 15% of the total Shortfall Securities. Refer to Section 7.4.2 for details regarding the terms of the sub-underwriting agreements.

The Board recommends all Shareholders take up their Entitlements. The Directors reserve the right to take up their respective Entitlement in whole or in part at their discretion with the exception of Joshua Pitt who intends to take up his full Entitlement.

2.4 Details of substantial holders

As at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Perth Capital Pty Ltd & Associates	108,355,539	12.38%
Patrick John Volpe	66,852,007	7.64%
Tattersfield Group	52,819,049	6.03%

In the event all entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

2.5 Underwriting and sub-underwriting

The Offer is fully underwritten by PAC Partners (**Underwriter**). Refer to Section 7.4.1 for details of the terms of the underwriting.

The Underwriter has also been appointed as the lead manager of the Offer. The terms of the lead manager appointment and total fees payable are set out in Section 7.4.1.

The Underwriter has entered into a number of sub-underwriting agreements in respect of the Shortfall Securities, including sub-underwriting agreement with the Company's director, Joshua Pitt.

No sub-underwriter (other than Joshua Pitt) will increase their shareholding to above 19.99% as a direct result of the issue of Securities under the Offer. Where Shares are issued pursuant to the exercise of New Options, the voting power of the sub-underwriters who exercise their New Options will increase. The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

Refer to Section 7.4.2 for further detail of the sub-underwriting agreements.

2.6 Effect on control

The Underwriter is presently not a Shareholder and is not a related party of the Company for the purposes of the Corporations Act. The issue of New Shares under this Prospectus to the Underwriter may increase its interest in the Company and dilute the Shareholding of other Shareholders to the extent they elect not to participate in the Offer or are ineligible to participate in the Offer.

The Company understands that Joshua Pitt intends to apply for up to a total of 223,401,600 under the Offer on the following basis:

- (a) Joshua Pitt will take up his full entitlement under the Offer, being 108,355,539 New Shares; and
- (b) Joshua Pitt applying for up to 115,046,061 additional New Shares (being 15% of the Shortfall Securities after he has taken up his full entitlement) under the Shortfall Offer (for which he has entered into a sub-underwriting agreement with PAC Partners, see section 7.4.2 for further details).

Assuming the above (and Joshua Pitt applying for his maximum sub-underwriting commitment), no further issues of Shares prior to conversion, and if only the minimum subscription is raised under the entitlement offer (being the full amount of the entitlement offer given it is fully underwritten), his voting power in the Company would theoretically increase to a maximum of 18.95%. If all Shareholders take up their full entitlement, there will be no change to any Shareholder's voting power.

The Company, in consultation with the Underwriter, will ensure that the Offer (including the equitable dispersion of any Shortfall Securities) complies with the provisions of Chapter 6 of the *Corporations Act 2001* (Cth) and is otherwise consistent with the policy guidelines contained in ASIC Regulatory Guide 6 and Takeovers Panel Guidance Note 17.

The Company considered GN 17 in seeking to put in place appropriate strategies to mitigate the potential control effects of the Offer. In the Board's opinion, in the current commercial environment and having explored all options, the underwriting by the Underwriter of a non-renounceable entitlement issue was the commercially feasible option available to the Company in the context of the Company's current requirement for capital.

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

- (a) the Company included a shortfall facility for Eligible Shareholders to subscribe for extra Shares (the **Shortfall Offer**), as described in Section 2.6; and
- (b) the Underwriter has agreed with the Company that Eligible Shareholders who participate in the Shortfall Offer will be given priority over the Underwriter in respect of any Shortfall.

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

Subject to section 1.7(b) above, allocation of the Shortfall Securities will be at the discretion of the Underwriter in conjunction with the Company. No Shares will be issued to an applicant under the Offer or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. To that end, in exercising their discretion regarding the Shortfall, the Company will not do so in a manner which is likely to exacerbate a potential unacceptable control effect on the Company (having regard to paragraph 7(b)(iii) of GN 17).

By reference to paragraphs 8 and 9 of GN 17:

- (a) the Underwriter has sought sub-underwriters which will reduce the control impact;
- (b) the Underwriter (and any sub-underwriter) will only receive Shares under the dispersion facility after all other requests have been satisfied;
- (c) sufficient time and detailed disclosure have been given to Shareholders and other investors to assess the Shares being offered;

- (d) the Company will make available the Shortfall Offer to external investors (having regard to its allocation policy and given the prohibition in section 606 of the Corporations Act); and
- (e) the acquisition of Shares by the Underwriter is in its capacity as such pursuant to a negotiated Underwriting Agreement (i.e. it is not facilitation of a capital raising by a contract to subscribe for Shortfall before the Offer is made).

The Company has a clear need for funds which has not been contrived (noting paragraph 9 of GN 17), and having regard to all available options, the Company has considered that entering into the Underwriting Agreement with PAC Partners provides the Company with the highest degree of certainty in the time available that the Offer will be successful.

The Company did consider the issue of renounceability of the Offer. Having regard to paragraphs 19-22 of GN 17, the fact that the Offer is non-renounceable should not be considered a significant factor given the Company considers that a market for rights is unlikely (given low liquidity in trading of the Shares) and the additional costs to make the Offer renounceable. The Offer is being offered to all Shareholders, including Shareholders with a registered address in Australia, New Zealand, Singapore, Japan, United Kingdom and Hong Kong.

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

As stated above, the Underwriter does not currently own any shares in the Company, however, it is noted that, dependent on the level of any Shortfall, the Underwriter may end up becoming a substantial shareholder in the Company. In the highly unlikely scenario that no New Shares are taken up by any Eligible Shareholder, sub-underwriter or any other eligible party, this would result in the Underwriter holding a 50% interest in the Company. Changes in the Underwriter's relevant interest following the Offer under various scenarios are set out in the following tables as well as the Company's substantial holders and their Entitlement prior to the Offer are set out in the tables below.

Underwriter Post Completion Scenarios

Substantial Shareholder	Event	Shares held	Relevant Interest %
PAC Partners	Date of Offer Document	0	0%
	Post completion of Offer		
	Fully subscribed	0	0%
	75% subscribed	218,832,319	12.50%
	50% subscribed	437,664,638	25.00%
	25% subscribed	656,496,957	37.50%
	0% subscribed	875,329,277	50%

Further to the above table, Joshua Pitt currently holds 12.38% of the shares in the Company under his shareholding entity Perth Capital Pty Ltd. Joshua Pitt's relevant interest upon taking up his Entitlement and Sub-underwriting (15%) in full will change in accordance with the table below.

Joshua Pitt Post Completion Scenarios

Substantial Shareholder	Event	Shares held	Relevant Interest %
Joshua Pitt	Date of Offer Document	108,355,539	12.38%
	Post completion of Offer		
	Fully subscribed	216,711,078	12.38%
	Joshua Pitt – Entitlement only ¹	216,711,078	22.03%
	Joshua Pitt – Entitlement plus Sub-underwriting ²	331,757,139	18.95%

Notes:

1. Assumes Joshua Pitt subscribes for his entitlement, no other Shareholder subscribes for their entitlement and the Underwriting Agreement is terminated such that no New Shares are issued to the Underwriter or any other party. This is an extremely unlikely scenario which would require further supplementary disclosure.

2. Assumes Joshua Pitt subscribes for his entitlement and participates in the sub-underwriting in accordance with his Sub-Underwriting Agreement, and the remaining Shortfall is issued to the Underwriter.

2.7 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 2.6, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 60% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

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

Holder	Holding as at Record date	% at Record date	Entitlements under the Offer	Holdings if Offer not taken up	% post Offer
Shareholder 1	10,000,000	1.14%	10,000,000	10,000,000	0.57%
Shareholder 2	5,000,000	0.57%	5,000,000	5,000,000	0.29%
Shareholder 3	1,500,000	0.17%	1,500,000	1,500,000	0.09%
Shareholder 4	400,000	0.05%	400,000	400,000	0.02%
Shareholder 5	50,000	0.01%	50,000	50,000	0.00%
Total	875,329,277		875,329,277		1,750,658,554

Notes:

1. This is based on a share capital of 875,329,277 Shares as at the date of the Prospectus and assumes no Shares are issued and no Options currently on issue or New Options are exercised.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Underwriting and Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

3. DETAILS OF THE OFFER

3.1 The Offer

The Offer is being made as a pro-rata non-renounceable entitlement issue of one (1) New Share for every one (1) Share held by Shareholders registered at the Record Date at an issue price of \$0.002 per New Share together with one (1) free New Option for every two (2) New Shares subscribed for and issued. Fractional entitlements will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, approximately 875,329,277 New Shares and 437,664,638 New Options may be issued under the Offer to raise up to \$1,750,658. No funds will be raised from the issue of the New Options.

As at the date of this Prospectus the Company has 4,650,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 5.2 for information on the exercise price and expiry date of the Options on issue.

All of the New Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the New Shares. The New Options will be exercisable at \$0.005 on or before 15 December 2026 and otherwise on the terms set out in Section 5.2.

The purpose of the Offer and the intended use of funds raised are set out in Section 4.

3.2 What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which can be accessed at www.computersharecas.com.au/tklnrri. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	<ul style="list-style-type: none">• Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which can be accessed at www.computersharecas.com.au/tklnrri. Please read the instructions carefully.• Payment can be made by the methods set out in Section 3.3. If you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.	Section 3.3 and Section 3.4.
Take up all of your Entitlement and also apply	<ul style="list-style-type: none">• Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for	Sections 3.3, 3.4 and 3.6.

Option	Key Considerations	For more information
for Shortfall Securities	<p>your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which can be accessed at www.computersharecas.com.au/tklnrri. Please read the instructions carefully.</p> <ul style="list-style-type: none"> • Payment can be made by the methods set out in Section 3.3. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying. • If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that, subject to section 1.7(b) above, the allocation of Shortfall Securities is at the discretion of the Board in conjunction with the Underwriter as per the allocation policy set out in Section 3.6. Accordingly, your application for additional Shortfall Securities may be scaled-back. • The Company's decision on the number of Shortfall Securities to be allocated to you will be final. 	
Take up a proportion of your Entitlement and allow the balance to lapse	<ul style="list-style-type: none"> • If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which can be accessed at www.computersharecas.com.au/tklnrri for the number of Securities you wish to take up and making payment using the methods set out in Section 3.3 below. If you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. 	Section 3.3 and Section 3.4
Allow all or part of your Entitlement to lapse	<ul style="list-style-type: none"> • If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse. 	N/A

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

3.3 Payment options

- (a) For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:
- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
 - (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application monies; and
 - (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5.00pm (WST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

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

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

(b) By Electronic Funds Transfer (overseas applicants)

For payment by Electronic Funds Transfer (**EFT**) for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;

- (i) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application monies; and
- (ii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

3.4 Implications of an acceptance

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

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

3.5 Minimum subscription

There is no minimum subscription to the Offer.

3.6 Shortfall Offer

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

If you do not wish to take up any part of your entitlement you are not required to take any action. That part of your entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of New Shares proposed to be issued under the Offer.

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Securities in accordance with Section 3.3.

Subject to section 1.7(b) above, allocation of the Shortfall Securities will be at the discretion of the Board in conjunction with the Underwriter. If the Offer is oversubscribed (by take up of entitlements and applications for Shortfall Securities by Eligible Shareholders), scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of

Eligible Shareholders. There is no guarantee that Eligible Shareholders will receive Securities applied for under the Shortfall Offer.

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

3.7 ASX listing

Application for Official Quotation of the New Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the New Shares offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

The Company will not apply for Official Quotation of the New Options issued pursuant to this Prospectus.

3.8 Issue of Securities

Securities issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at Section 2.

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

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

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

3.9 Overseas shareholders

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

The Offer is being extended to all Shareholders. Accordingly, the Offer is being extended to Shareholders with a registered address which is within Australia, New Zealand, Singapore, Japan, United Kingdom and Hong Kong.

New Zealand Shareholders

The Securities are not being offered 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 these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. 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.

Singapore Shareholders

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document relating to the New Shares may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

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

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

Hong Kong Shareholders

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

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

Japan Shareholders

The New Shares have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to a

small number investors. The document is for the exclusive use of existing shareholders of the Company in connection with the Offer. This document is confidential to the person to whom it is addressed and must not be distributed, published, reproduced or disclosed (in whole or in part) to any other person in Japan or resident of Japan other than in connection with consideration by the Company's shareholders of the Offer.

United Kingdom Shareholders

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

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

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

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United Kingdom Representations

If you (or any person for whom you are acquiring the New Shares) are in the United Kingdom, you (and any such person) are:

- (a) a "qualified investor" within the meaning of Article 2(e) of the UK Prospectus Regulation; and
- (b) within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended.

Nominees and custodians

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

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$1,750,658 before costs.

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

Use of proceeds of the Offer	Full subscription (\$)	%
Mt Cattlin Gold Copper Project	\$50,000	2.9%
Gorge Creek Project	\$200,000	11.4%
Cranbrook REE Project	\$400,000	22.8%
New Projects	\$50,000	2.9%
Expenses of the Offer ¹	\$174,546	10.0%
Administration ²	\$541,112	30.9%
Settlement of director loan and previously deferred directors' fees ³	\$335,000	19.1%
Total	\$1,750,658	100%

Notes:

1. Refer to Section 7.8 for further details relating to the estimated expenses of the Offer.
2. Funds will be used for administration expenses of the Company over the next 15 months including Director's remuneration of \$275,000.
3. \$220,000 short-term working capital facility provided by a company associated with director, Mr Joshua Pitt, bearing no interest and with no fixed repayment terms.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives.

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

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

4.2 Effect of the Offer

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

- (a) increase the cash reserves by \$1,750,658 (before deducting the estimated expenses of the Offer) immediately after completion of the Offer; and

- (b) increase the number of Shares on issue from 875,329,277 as at the date of this Prospectus to 1,750,658,554 Shares; and
- (c) increase the number of Options on issue from 4,650,000 as at the date of this Prospectus to 442,314,638 Options.

4.3 Effect on capital structure

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

Shares

	Number
Shares currently on issue at date of this Prospectus	875,329,277
New Shares offered pursuant to the Offer	875,329,277
Total Shares on issue after completion of the Offer	1,750,658,554

Options

	Number
Unquoted Options exercisable at \$0.013 on or before 24 May 2025	650,000
Unquoted Options exercisable at \$0.008 on or before 24 November 2025	2,000,000
Unquoted Options exercisable at \$0.0163 on or before 29 November 2024	2,000,000
Total Options on issue as at the date of this Prospectus	4,650,000
New Options to be issued pursuant to the Offer	437,664,638
Total Options on issue after completion of the Offer	442,314,638

The capital structure on a fully diluted basis as at the date of this Prospectus is 875,329,277 Shares, and on completion of the Offer (assuming all entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 2,192,973,192 Shares.

4.4 Effect on Statement of Financial Position

The Company's unaudited Statement of Financial Position (Unaudited Statement) as at 30 November 2023 and the unaudited pro-forma Statement of Financial Position (Proforma Statement) as at 30 November 2023 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the effect of the Offer on the Company's financial position.

The Proforma Statement has been prepared assuming all Entitlements are accepted, raising \$1,576,112 after expenses of the Offer, no Options are

exercised prior to the Record Date and options issued to the Underwriter are valued at \$17,500 using the Black Scholes valuation method (included in Share issue costs and Reserves in the Proforma Statement).

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

	Unaudited 30 November 2023	Unaudited Proforma Post issue
	\$	\$
CURRENT ASSETS		
Cash	64,005	1,640,117
TOTAL CURRENT ASSETS	64,005	1,640,117
NON-CURRENT ASSETS		
Plant and equipment	10,256	10,256
TOTAL NON-CURRENT ASSETS	10,256	10,256
TOTAL ASSETS	74,261	1,650,373
CURRENT LIABILITIES		
Trade and other payables	260,852	260,852
Provisions	11,341	11,341
Borrowings	220,000	220,000
TOTAL CURRENT LIABILITIES	492,193	492,193
TOTAL LIABILITIES	492,193	492,193
NET (LIABILITIES)/ ASSETS	(417,932)	1,158,180
EQUITY		
Issued capital	23,351,120	25,101,778
Share issue costs	-	(192,045)
Reserves	886,353	903,853
Accumulated losses	(24,655,405)	(24,655,405)
TOTAL DEFICIENCY/ EQUITY	(417,932)	1,158,180

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

5.1 Rights and liabilities attaching to New Shares

The following is a summary of the more significant rights and liabilities attaching to the New Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to New Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

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

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

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid New Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each New Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such New Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all New Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such New Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

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

(d) **Winding-up**

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

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

(e) **Shareholder liability**

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

(f) **Transfer of shares**

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

(g) **Future increase in capital**

The issue of any New Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

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

5.2 Terms of New Options

(a) **Entitlement**

Each unlisted Option entitles the holder to subscribe for one (1) Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.005 (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 15 December 2026 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the

payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

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

Within 5 Business Days after the Exercise Date, the Company will:

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

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

6. RISK FACTORS

6.1 Introduction

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

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

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

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

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

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

6.2 Company specific

Risk Category	Risk
Potential for dilution	<p>In addition to potential control impacts set out in Section 2.6, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).</p> <p>No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 60% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offer being implemented and the</p>

Risk Category	Risk
	<p>Directors do not make any representation as to such matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.003 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.</p>
Control risk	<p>Perth Capital Pty Ltd & Associates, entities associated with Director, Joshua Pitt, is currently the largest Shareholder of the Company and has a relevant interest in approximately 12.38% of the Shares in the Company. Assuming they take up their full Entitlement and no other Shareholders accept their entitlements, their voting power in the Company could be as high as 21.49%.</p> <p>A significant interest in the capital of the Company means that it is in a position to potentially influence the financial decisions of the Company, and its interests may not align with those of all other Shareholders.</p>
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
Going concern	<p>The Company's financial report for the year ended 30 June 2023 (Financial Report) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' paragraph included in the Financial Report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company.</p> <p>In the event that the Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material adverse effect on the Company's activities.</p>

Risk Category	Risk
Climate risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <ul style="list-style-type: none"> (a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and (b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.
Related party risk	<p>The Company has a number of key contractual relationships with related parties. If these relationships break down and the related party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement.</p> <p>Further, the operations of the Company will require involvement of related parties and other third parties including suppliers, manufacturers and customers. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:</p> <ul style="list-style-type: none"> (a) financial failure or default by a participant in any agreement to which the Company may become a party; and/or (b) insolvency, default on performance or delivery by any operators, contractors or service providers. <p>There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor</p>

Risk Category	Risk
	and the impact the Company's position, performance and reputation.

6.3 Industry specific

Risk Category	Risk
Environmental	<p>The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.</p> <p>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p> <p>Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.</p> <p>In this regard, the Department of Mines, Industry Regulation and Safety in Western Australia from time to time reviews the environmental bonds that are placed on tenements. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of the Company.</p>
Exploration	The mineral tenements of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

Risk Category	Risk
	<p>There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, a reduction in the case reserves of the Company and possible relinquishment of the Tenements.</p> <p>The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions which may materially and adversely affect the Company's viability.</p>
<p>Mine development</p>	<p>Possible future development of a mining operation at the Company's Mt Cattlin Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralization, 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 level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve</p>

Risk Category	Risk
	<p>commercial viability through the development or mining of its Mt Cattlin Project.</p> <p>The risks associated with the development of a mine will be considered in full should the Mt Cattlin Project reach that stage and will be managed with ongoing consideration of stakeholder interests.</p>
Occupational health and safety	<p>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.</p>
Operational	<p>The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, insufficient or unreliable infrastructure such as power, water and transport, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.</p> <p>In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p>
Resource and reserves and exploration targets	<p>The Company has identified a number of exploration targets based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Whilst the Company intends to undertake additional exploration works with the aim of defining a resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the exploration targets identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.</p>
Safety	<p>Safety is a fundamental risk for any exploration and production company in relation to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage or destruction of property, regulatory investigation, and penalties or suspension of operations.</p>

Risk Category	Risk
	Damage occurring to third parties as a result of such risks may give rise to claims against the Company

6.4 General risks

Risk Category	Risk
Economic	General economic conditions, movements in interest and inflation rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Litigation risks	The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.
Dividends	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
Taxation	The acquisition and disposal of New Shares will have tax consequences, which will differ depending on the

Risk Category	Risk
	<p>individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring New Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for New Shares under this Prospectus.</p>
Reliance on key personnel	<p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p>
Economic conditions and other global or national issues	<p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p>

6.5 Speculative investment

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

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

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

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

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

7.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

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

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

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

Date	Description of announcement
23 Oct 2023	Annual Report to shareholders
23 Oct 2023	Corporate Governance Statement
23 Oct 2023	App4G Key to Disclosures - Corporate Governance
23 Oct 2023	Notice of Meeting and Proxy
30 Oct 2023	Quarterly Activities Report, Appendix 5B Cash Flow and Tenements
24 Nov 2023	Presentation to shareholders at AGM
24 Nov 2023	Results of Meeting
13 Dec 2023	Proposed director appointment
14 Dec 2023	Trading Halt

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.trakaresources.com.au.

7.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

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

	(\$)	Date
Highest	\$0.006	13 October 2023
Lowest	\$0.003	13 December 2023
Last	\$0.003	13 December 2023

7.4 Material Contracts

7.4.1 Underwriting Agreement

The Company has entered into an underwriting agreement (**Underwriting Agreement**) with PAC Partners Securities Pty Ltd (AFSL 335 374) (**Underwriter** or **PAC Partners**), pursuant to which PAC Partners has agreed to underwrite the entire Offer up to a value of \$1,750,658 (the **Underwritten Amount**) (being 100% of the funds to be raised under the Offer (and equal to 875,329,277 New Shares) (**Underwritten Securities**).

The Underwriter may appoint sub-underwriters to sub-underwrite the Offer (including Joshua Pitt) who has been appointed as set out in section 7.4.2 below). The appointment of any sub-underwriter and the allocation of any Underwritten Securities is at the sole discretion of the Underwriter.

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

(a) **Fees**

The Company has agreed to pay the Underwriter 6% of the total amount raised under the Offer (before costs) plus one (1) Option for every ten (10) New Shares issued under the Offer, at an exercise price of \$0.005 and a 3-year expiry date.

(b) **Termination Events**

The Underwriter may terminate the Underwriting by notice to the Company at any time before the issue of Shortfall Securities if:

- (i) Indices fall: the S&P ASX 200 Index is at any time after the date of the Underwriting Agreement 10% or more or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement; or
- (ii) Share price: the Shares finish trading on the ASX under the ASX code of "TKL" on any two (2) consecutive trading days with a closing price that is less than the Price;
- (iii) Prospectus: the Company does not lodge the Prospectus on the Lodgement Date or the Prospectus or the Offer is withdrawn by the Company; or
- (iv) Supplementary prospectus: the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an occurrence as described in (xvii) below, forms the view on reasonable grounds that a Supplementary Prospectus should be lodged with ASIC for any of the reasons referred to in Section 719 of the Corporations Act and the Company fails to lodge a Supplementary Prospectus in such form and content and within such time as the Underwriter may reasonably require, or the Company lodges a Supplementary Prospectus without the prior written agreement of the Underwriter; or
- (v) Non compliance with disclosure requirements: it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company and the rights and liabilities attaching to the Underwritten Securities; or
- (vi) Misleading Prospectus: it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of Sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive; or

- (vii) proceedings: ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Offer or the Prospectus, or publicly foreshadows that it may do so;
- (viii) Unable to Issue Securities: the Company is prevented from issuing the Underwritten Securities within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi governmental agency or authority; or
- (ix) future matters: any statement or estimate in the Prospectus which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;
- (x) Withdrawal of consent to Prospectus: any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent; or
- (xi) No Quotation Approval: the Company fails to lodge an Appendix 3B in relation to the Underwritten Securities with ASX within 7 days of the Lodgement Date or by the time required by the Corporations Act, the Listing Rules or any other regulation; or
- (xii) ASIC application: an application is made by ASIC for an order under Section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn; or
- (xiii) ASIC hearing: ASIC gives notice of its intention to hold a hearing under Section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under Section 739 of the Corporations Act; or
- (xiv) Takeovers Panel: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, which in the Underwriter's reasonable opinion has a Material Adverse Effect; or
- (xv) Authorisation: any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter acting reasonably; or
- (xvi) Indictable offence: a director or senior manager of a Relevant Company is charged with an indictable offence; or

- (xvii) Termination Events: subject always to the Material Adverse Events clause below, any of the following events occurs:
- (A) Hostilities: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China or any member of the European Union other than hostilities involving Libya, Afghanistan, Iraq, Iran, Syria, Lebanon or Israel and the Underwriter believes (on reasonable grounds) that the outbreak or escalation is likely to result in the S&P ASX 200 Index falling by the percentage contemplated by (a) above;
 - (B) Default: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
 - (C) Incorrect or untrue representation: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect in a material respect;
 - (D) Contravention of constitution or Act: a material contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (E) Adverse change: an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a likely Material Adverse Effect after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
 - (F) Significant change: a "new circumstance" as referred to in Section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
 - (G) Public statements: without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or the Prospectus other than a statement the Company is required to make in order to comply with its disclosure obligations under the Listing Rules and/or the Corporations Act;
 - (H) Misleading information: any information supplied at any time by the Company or any person on its behalf

to the Underwriter in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;

- (I) Official Quotation qualified: the official quotation is qualified or conditional other than as set out in the Underwriting Agreement;
- (J) Change in Act or policy: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy that has not been publicly disclosed or proposed as at the date of the Underwriting Agreement;
- (K) Prescribed Occurrence: a Prescribed Occurrence occurs, other than as disclosed in the Prospectus;
- (L) Suspension of debt payments: the Company suspends payment of its debts generally;
- (M) Event of Insolvency: an Event of Insolvency occurs in respect of a Relevant Company;
- (N) Judgment against a Relevant Company: a judgment in an amount exceeding \$100,000.00 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (O) Litigation: litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against any Relevant Company except as disclosed in the Prospectus;
- (P) Board and senior management composition: there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter (such consent not to be unreasonably withheld);
- (Q) Change in shareholdings: there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer or a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (R) Timetable: there is a delay in any specified date in the Timetable which is greater than 2 Business Days;

- (S) Force Majeure: a Force Majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (T) Certain resolutions passed: a Relevant Company passes or takes any steps to pass a resolution under Section 254N, Section 257A or Section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (U) Capital Structure: any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus excluding the issue of any Shares upon exercise of Options, such Options having been disclosed to the ASX as at the date of the Underwriting Agreement;
- (V) Breach of Material Contracts: any of the Contracts is terminated or substantially modified; or
- (W) Market Conditions: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets

(c) **Material Adverse Effect**

The events listed in above do not entitle the Underwriter terminate, in the reasonable opinion of the Underwriter reached in good faith, it has or is likely to have, or those events together have, or could reasonably be expected to have, a Material Adverse Effect or could give rise to a liability of the Underwriter under the Corporations Act.

(d) **Indemnity and Guarantee**

- (i) Subject to the "Limit of Indemnity" (below), the Company will indemnify and keep indemnified the Underwriter and its directors, officers, employees and agents (Related Parties) and hold them harmless from and against all prosecutions, losses (including loss of profit or losses or costs incurred in connection with any investigation, enquiry or hearing by ASIC, ASX or any governmental authority or agency but excluding indirect, special or consequential losses), penalties, actions, suits, claims, costs (including legal costs on a solicitor-and-own-client basis), demands and proceedings (whether civil or criminal) (Liability) arising out of or in respect of:
 - (A) non-compliance by the Company with or breach of any legal requirement or the Corporations Act or Listing Rules in relation to the Prospectus or any Supplementary Prospectus;

- (B) any advertising of the Offer (notwithstanding that the Underwriter may have consented to it) or any documents in respect of the Offer which accompany the Prospectus or any Supplementary Prospectus or otherwise arising out of the Offer;
 - (C) any statement, misstatement, misrepresentation, non-disclosure, inaccuracy in or omission from the Prospectus or any Supplementary Prospectus, any advertising of the Offer or any documents in respect of the Offer which accompany the Prospectus or any Supplementary Prospectus; or
 - (D) any breach or failure by the Company to observe any of the terms of the Underwriting Agreement.
- (ii) Limit of Indemnity: The indemnities above do not apply:
- (A) to any penalties or fines which the person claiming the benefit of the indemnity must pay in respect of any contravention of the Corporations Act by that person, the Underwriter or any Related Party;
 - (B) in respect of liability which results from the wilful default, fraud or the gross negligence of the person claiming the indemnity, the Underwriter or any Related Party other than an act or omission of which the Company has expressly approved in writing;
 - (C) to a subscription by the Underwriter for Shortfall Securities;
 - (D) to any other amount in respect of which the indemnities in the clauses above would be illegal, void or unenforceable; or
 - (E) to any announcement, advertisement or publicity made or distributed by the Related Party without the written approval of the Company in relation to the Offer or the Prospectus.

However, if it is alleged that any amount to which the indemnity applies results from the wilful default, fraud or the gross negligence of the person claiming the benefit of the indemnity, the Underwriter or a Related Party, the Company agrees to reimburse the amount in accordance with this clause. until such wilful default, fraud or gross negligence is established by a Court of final jurisdiction, at which time such amount must be repaid to the Company by the person concerned.

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

7.4.2 Sub-Underwriting Agreements

The Underwriter has entered into sub-underwriting agreement with Joshua Pitt, pursuant to which Joshua has agreed to sub-underwrite the Offer (**Sub-Underwriting Agreement**) on the following material terms:

- (a) Joshua Pitt has agreed to sub-underwrite 131,250,000 Shares (**Sub-Underwriting Commitment**);
- (b) Joshua Pitt will be paid a sub-underwriting fee of 3% of the Sub-Underwriting Commitment; and
- (c) the Sub-Underwriting Agreements shall terminate if the Underwriters' obligations under the Underwriting Agreement cease or are terminated.

The Sub-Underwriting Agreements are otherwise made on terms and conditions considered standard for an agreement of this nature.

7.5 Interests of Directors

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

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

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

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 2.3.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act

and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$150,000 per annum.

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

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2023 Annual Report.

Director	Remuneration for the FY ending 30 June 2023	Proposed remuneration for the FY ending 30 June 2024
J N Pitt	66,300 ¹	66,600
G J Petersons	33,150 ²	33,300
P A Verbeek (1)	277,800 ³	216,375

Notes:

1. Comprising \$60,000 in director fees and \$6,300 in superannuation (increasing to \$6,600).
2. Comprising \$30,000 in director fees and \$3,150 in superannuation (increasing to \$3,300).
3. Comprising \$270,000 in consulting fees and \$7,800 in share based payments. P A Verbeek is being paid a current consultancy fee of \$270,000 pa until March 2024 at which point his compensation will be reduced to \$50,000 per annum plus superannuation.

7.6 Interests of experts and advisers

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

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

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

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

- (ii) the Offer; or
- (c) the Offer,

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

- (a) the formation or promotion of the Company; or
- (b) the Offer.

PAC Partners has acted as the lead manager and underwriter of the Offer. The Company estimates it will pay \$105,039 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, PAC Partners has not received any fees from the Company for any other services.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$30,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not received any other fees for any other services.

7.7 Consents

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

Each of the parties referred to in this Section:

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

PAC Partners has given its written consent to being named as the lead manager and underwriter to the Offer in this Prospectus.

PAC Partners (including its related entities) is not a Shareholder of the Company and currently has no relevant interest in any of the Company's securities.

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

7.8 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$174,546 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	8,300
Underwriting fee	105,040
Legal fees	30,000
Share registry	28,000
Total	\$174,546

8. DIRECTORS' AUTHORISATION

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

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

9. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

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

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

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

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means Traka Resources Limited (ACN 103 323 173).

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

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

CRN means Customer Reference Number in relation to BPAY®.

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

Eligible Shareholder means a Shareholder as at the Record Date who is eligible to participate in the Offer.

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

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

Exercise Date has the meaning given in Section 4.2.

Exercise Period has the meaning given in Section 4.2.

Exercise Price has the meaning given in Section 4.2.

Expiry Date has the meaning given in Section 4.2.

New Option means an Option issued on the terms set out in Section 5.2.

New Share means every share applied for under the Offer.

Notice of Exercise has the meaning given in Section 4.2.

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

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

PAC Partners means PAC Partners Securities Pty Ltd (ACN 623 653 912).

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 1.

Section means a section of this Prospectus.

Securities mean a Share or Option as the context requires.

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

Shareholder means a holder of a Share.

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

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

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 3.6.

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

Underwriter means PAC Partners Securities Pty Ltd (ACN 623 653 912) (AFSL 335 374).

Underwritten Amount means \$1,750,658.

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