



LOYAL LITHIUM

LOYAL LITHIUM LIMITED

ACN 644 564 241

PROSPECTUS

For the offer of up to 1,000 Shares in the capital of the Company at an issue price of \$0.29 per Share to raise up to \$290 (before expenses).

This Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date.

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay. The Shares offered by this Prospectus should be considered highly speculative.

CORPORATE DIRECTORY

Directors

Peretz Schapiro, Executive Chairman
Adam Ritchie, Managing Director
Andrew Graham, Non-Executive Director

Financial Controller

Kevin Berry

Company Secretary

Ian Pamensky

Solicitors

Allion Partners Pty Limited
Level 9, 200 St Georges Terrace
Perth WA 6000

Registered Office

Unit 5, 10 Johnson Street
Peppermint Grove WA 6011
Telephone: (08) 6245 2490
Email: info@loyallithium.com
Website: www.loyallithium.com

Share Registry*

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000
Telephone: 1300 288 664

Auditor*

BDO Audit Pty Ltd
Level 18, 727 Collins Street
Melbourne VIC 3008

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

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1. TIMETABLE AND IMPORTANT NOTES

1.1 Timetable

Action	Date
Lodge Prospectus with ASIC and ASX	Thursday, 28 March 2024
Opening Date	Tuesday, 2 April 2024
Closing Date*	Friday, 5 April 2024
Expected date of Official Quotation of the Shares	Monday, 8 April 2024

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

1.2 Important Notes

This Prospectus is dated 28 March 2024 and was lodged with ASIC on that date. ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

The Offer is only available to those who are personally invited to accept the Offer. Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

1.3 Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.loyallithium.com. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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.

Other than as otherwise stated in this Prospectus, no document or information included on our website is incorporated by reference into this Prospectus.

1.4 Risk Factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 5 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

1.5 Overseas Investors

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

1.6 Forward-looking statements

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

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

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

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

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

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

1.7 Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offer. You should rely only on information in this Prospectus.

2. DETAILS OF THE OFFER

2.1 Offer

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to 1,000 Shares at an issue price of \$0.29 per Share to raise up to \$290 (before expenses).

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

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus.

2.2 Objective

The Company is seeking to raise only a nominal amount of \$290 under this Prospectus and, accordingly, the purpose of this Prospectus is not to raise capital.

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company before the Closing Date.

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

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

2.3 Application for Shares

Applications for Shares must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the Shares must be made in full at the issue price of \$0.29 per Share.

Completed Application Forms and accompanying cheques must be mailed or delivered to the Company as follows:

Delivery by hand	Delivery by post
Unit 5, 10 Johnson Street Peppermint Grove WA 6011	Unit 5, 10 Johnson Street Peppermint Grove WA 6011

Cheques should be made payable to “**LOYAL LITHIUM LIMITED – Share Offer Account**” and crossed “**Not Negotiable**”. Completed Application Forms and cheques must reach the address set out above by no later than the Closing Date.

2.4 Minimum subscription

There is no minimum subscription.

2.5 Issue of Shares

Issue of Shares under the Offer will take place as soon as practicable after the Closing Date. Application monies will be held in a separate subscription account until the Shares are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application

monies will be for the benefit of the Company and will be retained by the Company irrespective of whether any Shares are issued and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Shares. The Directors reserve the right to reject any application or to allocate any Applicant fewer Shares than the number applied for.

Where the number of Shares issued is less than the number applied for, the surplus monies will be returned by cheque as soon as practicable after the Closing Date. Where no issue of Shares is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on monies refunded.

2.6 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

2.7 Restrictions on the distribution of the Prospectus

The distribution of this Prospectus outside Australia may be restricted by law. 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.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

2.8 Enquiries

Any questions concerning the Offer should be directed to the Company Secretary on (08) 6245 2490.

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the Offer

The purpose of the Offer is primarily to remove any trading restrictions on certain Shares issued by the Company since the lodgement of the Company's cleansing prospectus dated 19 September 2023.

(a) Share issues relating to the Company's projects

The Company made the following Share issues in relation to its projects:

- (i) 29 December 2023 – 1,766,201 Shares as consideration to Osisko Development Corp (equating to CDN\$500,000) in relation to the acquisition of 228 minerals claims at the Trieste Lithium Project, which are subject to 12 months voluntary escrow; and
- (ii) 29 December 2023 and on 28 March 2024 respectively – 2,000,000 Shares (in aggregate) to Jody Dahrouge (or his nominee), following the vesting and exercise of Performance Shares relating to the Brisk Project and the Trieste Lithium Project, the terms of which are outlined in section 8.2(e) of the Company's prospectus dated 2 June 2023 (as supplemented by the Company's supplementary prospectus dated 27 July 2023), and for which Shareholder approval was obtained on 26 June 2023. These Shares are subject to escrow until 28 July 2024,

(together, the **Vendor Shares**).

Please refer to the ASX announcement dated 29 December 2023 and the Company's prospectus dated 2 June 2023 (as supplemented by the Company's supplementary prospectus dated 27 July 2023) for further information in relation to the issue of the Vendor Shares.

(b) Vesting of Performance Rights – Company management

The Company issued 200,000 Shares (in aggregate) to Mr Darren Allingham (Senior Manager, Exploration) on 29 December 2023 and 28 March 2024 respectively, following the vesting of Performance Rights, the terms of which are outlined in section 8.2(d) of the Company's prospectus dated 2 June 2023 (as supplemented by the Company's supplementary prospectus dated 27 July 2023), and for which Shareholder approval was obtained on 26 June 2023 (**Management Shares**).

The Vendor Shares and the Management Shares were issued on the same terms and conditions as the Shares currently on issue.

The issue of the Vendor Shares and the Management Shares was undertaken without disclosure under Part 6D.2 of the Corporations Act.

All of the funds raised from the Offer will be applied towards the expenses of the Offer. Refer to Section 6.9 of this Prospectus for further details relating to the estimated expenses of the Offer.

3.2 Effect of the Offer on capital structure

The effect of the Offer on the Company's capital structure is set out below:

Shares	Number
Shares currently on issue at the date of this Prospectus ^{1,2}	102,637,319
Shares offered under the Offer	1,000
Total Shares on issue on completion of the Offer⁴	102,638,319

Notes:

1. This includes the issue of vendor shares and management shares.
2. The rights and liabilities attached to the Shares are summarised in Section 4 of this Prospectus.

Options	Number
Unquoted Options exercisable at \$0.30 expiring on 6 July 2024	12,535,550

Unquoted Options exercisable at \$0.30 expiring on 6 July 2024	4,000,000
Unquoted Options exercisable at \$0.45 expiring on 2 May 2025	500,000
Unquoted Options exercisable at \$0.35 expiring on 25 July 2025	1,000,000
Unquoted Options exercisable at \$0.60 expiring on 16 January 2026	2,000,000
Unquoted Options exercisable at \$0.50 expiring on 31 May 2026	3,499,999
Unquoted Options exercisable at \$0.60 expiring on 28 March 2026	4,000,000
Unquoted Options exercisable at \$0.60 expiring on 31 March 2026	2,000,000
Unquoted Options exercisable at \$0.75 expiring on 8 August 2026	400,000
Options offered under the Offer	Nil
Total Options on issue on completion of the Offer¹	29,935,549

Note:

1. Excludes 1,200,000 Options that the Company proposes to issue to various employees and consultants on or about 28 March 2024. Please refer to the Company's ASX announcement and the Appendix 3G dated on or about 28 March 2024 for further information.

Performance Rights and Performance Shares	Number
Performance Securities currently on issue at the date of this Prospectus ^{1,2}	9,000,000
Performance Securities offered under the Offer	Nil
Total Performance Securities on issue on completion of the Offer³	9,000,000

Notes:

2. The full terms and conditions of the Performance Rights and Performance Shares are set out in section 8.2 of the Company's prospectus dated 2 June 2023 (as supplemented by the Company's supplementary prospectus dated 27 July 2023).
3. This excludes 1,700,000 Performance Rights that the Company proposes to issue to various employees and consultants on or about 28 March 2024. Please refer to the Company's ASX announcement and Appendix 3Gs dated on or about 28 March 2024 for further information.

3.3 Financial effect of the Offer

After expenses of the Offer of approximately \$6,214, there will be no proceeds from the Offer. The expenses of the Offer (exceeding \$290) will be met from the Company's existing cash reserves.

As such, the Offer will have an effect on the Company's financial position, being receipt of funds of \$290 less costs of preparing the Prospectus of approximately \$6,214.

4. RIGHTS ATTACHING TO THE SHARES

The following is a summary of the more significant rights attaching to Shares under the Constitution. 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 attaching to Shares are set out in the Constitution, which is available for review at the Company's website www.loyallithium.com and at the office of the Company during normal business hours.

- (a) **(General Meeting)** Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Company's Constitution, the Corporations Act or the ASX Listing Rules.

- (b) **(Voting)** Subject to any rights or restrictions for the time being attached to any class or classes of Shares whether by the terms of their issue, the Constitution, the Corporations Act or the ASX Listing Rules, at a general meeting of the Company every holder of fully paid ordinary shares present in person or by a representative, proxy or attorney has one vote on a show of hands and every such holder present in person or by a representative, proxy or attorney has one vote per Share on a poll. A person who holds an ordinary Share which is not fully paid up is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the Share. A member is not entitled to vote unless all calls and other sums presently payable by the member in respect of Shares in the Company have been paid. Where there are two or more joint holders of the Share and more than one of them is present at a meeting and tenders a vote in respect of the Share (whether in person or by proxy or attorney), the Company will count only the vote cast by the member whose name appears before the other(s) in the Company's register of members.
- (i) **(Issues of Further Shares)** The Directors may, on behalf of the Company, issue, grant Options over or otherwise dispose of unissued Shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Company's Constitution, the ASX Listing Rules, the Corporations Act and any rights for the time being attached to the shares in special classes of shares.
- (ii) **(Variation of Rights)** At present, the Company has on issue one class of shares only, namely ordinary shares. The rights attached to the shares in any class may be altered only by a special resolution of the Company and a special resolution passed at a separate meeting of the holders of the issued shares of the affected class, or with the written consent of the holders of at least three quarters of the issued shares of the affected class.
- (iii) **(Transfer of Shares)** Subject to the Company's Constitution, the Corporations Act, the ASX Settlement Operating Rules and the ASX Listing Rules, ordinary shares are freely transferable. The Shares may be transferred by a proper transfer effected in accordance with ASX Settlement Operating Rules, by any other method of transferring or dealing introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by the Directors that is permitted by the Corporations Act.
- The Company may decline to register a transfer of Shares in the circumstances described in the Company's Constitution and where permitted to do so under the ASX Listing Rules. If the Company declines to register a transfer, the Company must give the lodging party written notice of the refusal and the reasons for refusal. The Directors must decline to register a transfer of Shares when required by law, by the ASX Listing Rules or by the ASX Settlement Operating Rules.
- (iv) **(Partly Paid Shares)** The Directors may, subject to compliance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, issue partly paid shares upon which amounts are or may become payable at a future time(s) in satisfaction of all or part of the unpaid issue price.
- (c) **(Dividends)** Subject to the Corporations Act, the ASX Listing Rules, the Company's Constitution and the rights of any person entitled to shares with special rights to dividend, the Directors may determine that a dividend is payable. The Company in general meeting may declare a dividend if the Directors have recommended a dividend and a dividend shall not exceed the amount recommended by the Directors. The Directors may authorise the payment to the members of such interim dividends as appear to the Directors to be justified by the Company's profits and for that purpose may declare such interim dividends. Subject to the rights of members entitled to shares with special rights as to dividend (if any), all dividends in respect of shares (including ordinary shares) are to be declared and paid proportionally to the amount paid up or credited as paid up on the shares.
- (d) **(Winding Up)** Subject to the rights of holders of shares with special rights in a winding up, if the Company is wound up, members (including holders of ordinary shares) will be entitled to participate in any surplus assets of the Company in proportion to the shares held by them respectively irrespective of the amount paid up or credited as paid up on the shares.

- (e) **(Dividend Plans)** The Directors may establish and maintain dividend plans under which (among other things) a member may elect that dividends payable by the Company be reinvested by way of subscription for shares in the Company or a member may elect to forego any dividends that may be payable on all or some of the shares held by that member and to receive instead some other entitlement, including the issue of shares.
- (f) **(Directors)** The Company's Constitution states that the minimum number of Directors is three.
- (g) **(Powers of the Board)** The Directors have power to manage the business of the Company and may exercise that power to the exclusion of the members, except as otherwise required by the Corporations Act, any other law, the ASX Listing Rules or the Company's Constitution.

5. RISK FACTORS

5.1 Introduction

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

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

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

5.2 Company specific

(a) General risks associated with operating overseas

The Company conducts and has interests in operations in the USA and Canada. Consequently, the Company will be subject to the risks associated with operating in such countries. Such risks can include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations.

Changes to mining or investment policies and legislation or a shift in political attitude may adversely affect the Company's operations and profitability.

(b) Future capital requirements

The Company believes its available cash should be adequate to fund its exploration and corporate activities and other Company objectives in the short-to medium-term.

However, in order to successfully develop its lithium projects and for production to commence, the Company may require additional financing in the future. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained as and when required, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company.

(c) Title risks

The mineral claims in which the Company will, or may, acquire an interest in the future are subject to the applicable local laws and regulations.

Mineral claims in which the Company has an interest are subject to the relevant conditions applying in each jurisdiction. Failure to comply with these conditions may render the mineral claims liable for forfeiture.

The mineral claims will be subject to application for renewal from time to time. Renewal of the term of each mineral claim is subject to applicable legislation. If the mineral claim is not renewed for any reason, the Company may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that mineral claim.

(d) Sovereign risk

Overseas jurisdictions are subject to differing legal and political systems, when compared with

the systems in place in Australia.

Possible risks include, without limitation, changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares.

(e) **First Nations**

In relation to the Company's projects in Canada, there may be areas over which First Nations land claims exist at present or in the future. The impact of any such claim on the Company's Canadian projects cannot be foreseen with any degree of certainty and no assurance can be given that a broad recognition of First Nations rights in the areas in which the Canadian Projects are located would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of First Nations interests in order to facilitate exploration and development work on the Company's mineral properties. It cannot be assured that the Company will be able to establish practical working relationships with the First Nations in the area which would allow it to ultimately develop the Company's Canadian projects.

(f) **Royalties**

The Company is required to pay royalties on some or all minerals derived from its projects.

There is a risk that the royalties will have an impact on the economics of progressing any proposed mining operations. However, the Company has no control over the incurrence of these costs and is unable to predict the magnitude of such costs.

(g) **Exploration and operating costs**

The proposed exploration expenditure of the Company is based on certain assumptions with respect to the method and timing of exploration and feasibility work. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice.

(h) **Unforeseen expenses**

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

(i) **Access arrangements**

The Company may need to seek various Federal, state or local permits and approvals to undertake exploration or mining activities on the Mineral Claims. This could result in unforeseen delay in the undertaking of such activities.

The Company is of the view however that the exploration activities as outlined in this Prospectus can be undertaken in the timeframes contemplated.

(j) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, other resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of resource projects.

(k) **Contractual risks**

The ability of the Company to achieve its objectives will depend on the performance by the counterparties to any agreements that the Company may enter into. If any counterparty defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy. Legal action can be costly.

Furthermore, certain contracts to which the Company is a party are governed by laws of jurisdictions outside Australia - namely the United States and Canada. There is a risk that the Company may not be able to seek the legal redress that it could expect under Australian law

and generally there can be no guarantee that a legal remedy will ultimately be granted on the appropriate terms.

(l) **Health, safety and the environment**

The conduct of business in the resources sector involves a variety of risks to the health and safety of personnel and to the environment. If it is conceivable that an incident may occur which might negatively impact on the Company's business.

(m) **International operations**

International sales and operations are subject to a number of risks, including:

- (i) potential difficulties in enforcing agreements (including joint venture agreements) and collecting receivables through foreign local systems;
- (ii) potential difficulties in protecting intellectual property;
- (iii) increases in costs for transportation and shipping; and
- (iv) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.

These factors (or others) could materially and adversely affect the Company's business, results of operations and financial condition.

(n) **Commodity prices**

Increases in commodity prices may encourage increases in exploration, development and construction activities, which can result in increased demand for, and cost of, exploration, development and construction services and equipment. Increased demand for services and equipment could cause exploration and project costs to increase materially, resulting in delays if services cannot be obtained in a timely manner due to inadequate availability, and could increase potential scheduling difficulties and costs due to the need to co-ordinate the availability of services or equipment, any of which could materially increase project exploration, development or construction costs or result in project delays or both. Any such material increase in costs would adversely affect the Company's financial condition.

A decrease in commodity prices may render mineral properties uneconomic or may result in material reductions in the value of exploration, development or developed mineral properties.

(o) **Risk of adverse publicity**

The projects which the Company aims to develop involves exploration and ore processing within the relevant local communities. Any failure to adequately manage community expectations with respect to compensation for land access, artisanal mining activity, employment opportunities, impact on local business and any other expectations may lead to local dissatisfaction. The political and social pressures resulting from local dissatisfaction and adverse publicity could lead to delays in approval of, and increased expenses in the Company's proposed exploration programme.

5.3 Mining Industry risks

(a) **Exploration and evaluation risks**

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

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to permitting conditions, seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its mineral claims and obtaining all required approvals for its activities and so doing in a timely manner considering constraints associated with the presence of special management areas, the absence of existing or suitable physical access or seasonal road closures. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the mineral claims and possible relinquishment or sale of the mineral claims.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(b) **Resource estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(c) **Ability to exploit successful discoveries**

It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploration would involve obtaining the necessary licences or clearances from the relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploration may require participation of other companies whose interests and objectives may not be the same as the Company's.

(d) **Development risks and costs**

Possible future development of mining operations at any of the Company's projects is dependent on a number of factors and avoiding various risks including, but not limited to, failure to acquire and/or delineate economically recoverable ore bodies, unfavourable geological conditions, failing to receive the necessary approvals from all relevant authorities and parties, failure to withstand legal challenges to Federal and state agency permit approvals, unseasonal weather patterns, excessive seasonal weather patterns, fire, flooding, unanticipated challenges related to background conditions or area soil or water quality, access and utilities, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, unexpected shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, risk of access to the required level of funding and contracting risk from third parties providing essential services.

In addition, the exploration and pre-development Federal and state approvals prior to construction of any proposed development may exceed the expected timeframe or cost for a variety of reasons out of the Company's control, including but not limited to Federal and state agency approvals being subject to administrative and judicial appeals. Any delays to project development could adversely affect the Company's operations and financial results and may require the Company to raise further funds to complete resource delineation, project development and commence operations.

(e) **Operating risks**

There can be no assurance that the Company's intended goals will lead to successful exploration, mining and/or production operations. Further, no assurance can be given that the Company will be able to initiate or sustain minerals production, or that future operations will achieve commercial viability.

When additional exploration is undertaken and if a JORC compliant resource or reserve is not defined, then it may have a negative impact on the Company.

Future operations of the Company may be affected by various factors including:

- (i) geological and hydrogeological conditions;
- (ii) limitations on activities due to seasonal weather patterns and monsoon activity;
- (iii) delays associated with the obtaining of permits and approvals to undertake exploration activity including allowing ground disturbing activity associated with operations in Canada and the United States;
- (iv) unanticipated operational and technical difficulties encountered in survey, drilling and production activities;
- (v) electrical and/or mechanical failure of operating plant and equipment, industrial and environmental accidents, industrial disputes and other force majeure events;
- (vi) equipment failure, fires, spills or industrial and environmental accidents;
- (vii) unavailability of aircraft or equipment to undertake airborne surveys and other geological and geophysical investigations;
- (viii) risk that exploration, appraisal, development, plant or operating costs prove to be greater than expected or that the proposed timing of exploration, development or production may not be achieved;
- (ix) failure to achieve exploration success;
- (x) the supply and cost of skilled labour;
- (xi) unexpected shortages or increases in the costs of consumables, diesel fuel, spare parts, plant and equipment; and
- (xii) prevention and restriction of access by reason of political unrest, outbreak of hostilities and inability to obtain consents or approvals.

No assurances can be given that the Company's operations will achieve commercial viability through successful exploration and/or mining.

(f) **Environmental**

The proposed activities of the Company are subject to the laws and regulations of Australia, USA and Canada concerning the environment. As with most exploration projects, the Company's activities are expected to have an impact on the environment, particularly during advanced exploration and future mining activities. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

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, development and production. The occurrence of any such safety or environmental incident could delay production or increase costs. Events such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental laws, 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.

The disposal of mining and process waste and mine water discharge and air emissions discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous, which could delay the Company's activities and make its operations more expensive.

(g) **Occupational Health and Safety**

The exploration and mining industry is subject to increasing occupational health and safety responsibility and liability. The Company may become liable for past and current conduct which violates such laws and regulations, which may be amended by the relevant authorities.

Penalties for breaching health and safety laws can be significant and victims of workplace accidents may also commence civil proceedings against the Company. These events may not be insured, or may be uninsurable.

Changes to health and safety laws and regulations may also increase compliance costs for the Company, which would negatively impact the financial results of the Company.

(h) **Government regulation**

The mining, processing, development and mineral exploration activities of the Company are subject to various Federal and state laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use authorisations, water use protection of water quality, sensitive, threatened and endangered species and cultural resources and other matters. Although the Company's activities are and will be currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new statutes, regulations, executive orders, agency directives or policies or judicial decisions will not be adopted or that existing statutes, regulations or policies will not be applied in a manner which could limit exploration efforts or preclude or curtail future development or production. Amendments to current laws and regulations governing exploration and operations or more stringent implementation thereof could have a substantial adverse impact on the Company's ability to further delineate and develop the resource.

(i) **Inherent mining risks**

The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risks, including environmental hazards; industrial accidents; metallurgical and other processing problems; unusual or unexpected rock formations; structure cave-in or slides; flooding; fires and interruption due to inclement or hazardous weather conditions. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury or death, environmental damage, delays in mining, increased production costs, monetary losses and possible legal liability.

Whether income will result from projects undergoing exploration and development programs depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices affect successful project development.

(j) **Exchange rate risks**

The Company operates in multiple currencies and exchanges rates are constantly fluctuating. International prices of various commodities as well as the exploration expenditure of the Company are denominated in United States or Canadian dollars, whereas the Company will rely principally on funds raised and accounted for in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States or Canadian dollar and the Australian dollar as determined in international markets.

(k) **Climate risk**

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:

- (i) 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 air quality emissions and/or 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 endeavor to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences;
- (ii) 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; and

- (iii) climate change has been a key factor in increasing the risk and extent of wildfires. Wildfire risk depends on a number of factors, including temperature, soil moisture, and the presence of trees, shrubs, and other potential fuel. In addition to damaging properties, wildfire can also cut off access to utilities, emergency services, impact evacuation routes, and may impact the overall economic well-being of an area. Wildfires, can also impact access to the affected areas and delay planned exploration programs.

5.4 General investment risks

(a) Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest rates, inflation and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) Reliance on key management personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company and its controlled entities 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 senior management, key personnel or employees cease their involvement or employment with the Company or its controlled entities.

(c) Market risk and interest rate volatility

From time to time, the Company may borrow money and accordingly will be subject to interest rates which may be fixed or floating. A change in interest rates would be expected to result in a change in the interest rate to the Company and, hence, may affect its profit.

(d) Competition risk

The industry in which the Company will be involved is subject to global competition. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's Projects and business. The potential also exists for the nature and extent of the competition to change rapidly, which may cause loss to the Company.

(e) Market risk

There are general risks associated with an investment and the share market. The price of the Company's securities on ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance. These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation and royalties, war, global hostilities and acts of terrorism.

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

(f) Liquidity risk

There is no guarantee that there will be an ongoing liquid market for the Company's securities. Accordingly, there is a risk that, should the market for the securities become illiquid, Shareholders will be unable to realise their investment in the Company.

(g) Insurance and uninsured risks

The Company, where economically feasible, may insure its operations in accordance with industry practice. However, even if insurance is taken out, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered, or fully covered, by insurance could have a

material adverse effect on the business, financial condition and results of the Company. Insurance of all risks associated with mineral exploration and production is not always available and, where available, the costs can be prohibitive.

(h) **Infectious disease pandemics**

Infectious disease pandemics such as the coronavirus, whilst opening up various new opportunities for the deployment of the Company's technology, have the potential to interrupt the Company's operations, impair deployment of its products to customers and prevent suppliers or distributors from honouring their contractual obligations. Such pandemics could also cause hospitalisation or death of the Company's existing and potential customers and staff.

(i) **Force majeure**

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

(j) **Investment speculative**

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

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

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

(k) **Cyber risks and security breaches**

The Company stores data in its own systems and networks and also with a variety of third-party service providers. A malicious attack on the Company's systems, processes or people, from external or internal sources, could put the integrity and privacy of customers' data and business systems at risk. It could prevent customers from using the products for a period of time, put its users' premises at risk and could also lead to unauthorised disclosure of data.

5.5 Other risks

Other risk factors include those normally found in conducting business, including litigation through breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel and other matters that may interfere with the Company's business or trade.

6. ADDITIONAL INFORMATION

6.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company, in Australia, the United States (and relevant United States jurisdictions) and Canada (and relevant Canadian jurisdictions).

6.2 Continuous disclosure obligations

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

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

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

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

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

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report (3 April 2023) and before the lodgement of this Prospectus with ASIC are set out in the table below.

Date	Description of Announcement
28 March 2024	Cleansing Prospectus
28 March 2024	Proposed issue of securities – LLI
28 March 2024	ISSUE OF EXECUTIVE OPTIONS AND PERFORMANCE RIGHTS
28 March 2024	Notification of issue, conversion or payment up of unquoted equity securities – LLI
28 March 2024	Notification of issue, conversion or payment up of unquoted equity securities - LLI
28 March 2024	Notification of issue, conversion or payment up of unquoted equity securities - LLI
28 March 2024	Notification regarding unquoted securities - LLI
28 March 2024	Application for quotation of securities - LLI
28 March 2024	Appendix 4G and Corporate Governance Statement
28 March 2024	Annual Report to shareholders

Date	Description of Announcement
21 March 2024	World Class Lithium & Tantalum Grades from Trieste Assays
8 February 2024	Investor Presentation - February 2024
5 February 2024	Geological Interpretation Exposes Potential Scale of Trieste
31 January 2024	Quarterly Activities/Appendix 5B Cash Flow Report
30 January 2024	Focused Drilling Underway at Trieste Lithium Project
18 January 2024	First drillhole assays confirm major Trieste discovery
2 January 2024	High Grade Channel Assay Results at Trieste Lithium Project
29 December 2023	Notification regarding unquoted securities - LLI
29 December 2023	Application for quotation of securities - LLI
29 December 2023	Application for quotation of securities - LLI
29 December 2023	Vesting of PRs & Settlement of Trieste Lithium Acquisition
4 December 2023	New Discovery of 6th Spodumene Pegmatite -Trieste Li Project
21 November 2023	Change of Director's Interest Notice - AR & PS
21 November 2023	Notification regarding unquoted securities - LLI
16 November 2023	Yellowknife Geoscience Forum Presentation
15 November 2023	Results of Meeting
1 November 2023	Thick Intercepts of Spodumene Bearing Pegmatite at Trieste
1 November 2023	Pause in trading
1 November 2023	Thick Intercepts of Spodumene Bearing Pegmatite at Trieste
31 October 2023	Quarterly Activities/Appendix 5B Cash Flow Report
19 October 2023	Mineralised Strike Length extends to 3,250m at Hidden Lake
13 October 2023	Notice of Annual General Meeting/Proxy Form
09 October 2023	Loyal Exercises Option to Acquire the Trieste Property
02 October 2023	Investor Presentation
29 September 2023	Exploration Target Defined at Scotty Lithium Project, Nevada
28 September 2023	Drilling Underway at the Trieste Lithium Project, James Bay
21 September 2023	Collaboration MOU with Winsomes' Adina Lithium Project
21 September 2023	Change in substantial holding
21 September 2023	WR1: WR1 signs MOU with neighbouring Loyal Lithium
21 September 2023	Application for quotation of securities - LLI
21 September 2023	Application for quotation of securities - LLI
19 September 2023	Proposed issue of securities - LLI
19 September 2023	Cleansing Prospectus
14 September 2023	Proposed issue of securities - LLI
14 September 2023	Loyal Lithium Raises \$5M in Institutional Placement
13 September 2023	Trading Halt
13 September 2023	Half Year Accounts - 30 June 2023
7 September 2023	Drilling to Commence at Trieste Lithium Project - QC Canada
22 August 2023	Additional Spodumene Zones Discovered at Hidden Lake
18 August 2023	Notification regarding unquoted securities - LLI
18 August 2023	TERMS AND CONDITIONS OF OPTIONS
18 August 2023	Application for quotation of securities - LLI
17 August 2023	Proposed issue of securities - LLI
17 August 2023	Cleansing Prospectus
16 August 2023	Spodumene Pegmatites Discovered at Trieste Lithium Project
15 August 2023	Application for quotation of securities - LLI
11 August 2023	Lithium Discovery at the Scotty Lithium Project
8 August 2023	Inaugural Field Program Commenced at Trieste Lithium Project
4 August 2023	Change of Director's Interest Notice - AR
4 August 2023	NOTICE UNDER ASX LISTING RULE 3.10A
4 August 2023	Application for quotation of securities - LLI
4 August 2023	Vesting of CEO Performance Rights
3 August 2023	Change in substantial holding
3 August 2023	Becoming a substantial holder
3 August 2023	Exploration Underway at Hidden Lake Lithium
2 August 2023	Reinstatement to Quotation

Date	Description of Announcement
2 August 2023	Pre-Reinstatement Confirmations
2 August 2023	Top 20 Holders
2 August 2023	Distribution Schedule
2 August 2023	Long Term Incentive Plan
2 August 2023	Securities Trading Policy
2 August 2023	Annual Reports 30 December 2021 and 2022
2 August 2023	Constitution
2 August 2023	Annexure 1 - Mining Entities
2 August 2023	Information Form and Checklist
2 August 2023	Appendix 1A
2 August 2023	Anticipated Reinstatement to Quotation
31 July 2023	Quarterly Activities/Appendix 5B Cash Flow Report
31 July 2023	Change of Director's Interest Notice - Revised PS
28 July 2023	Notification regarding unquoted securities - LLI
28 July 2023	Change of Director's Interest Notice - PS
28 July 2023	Change of Director's Interest Notice - AR
28 July 2023	Notification regarding unquoted securities - LLI
28 July 2023	Notification regarding unquoted securities - LLI
28 July 2023	Notification regarding unquoted securities - LLI
28 July 2023	Notification regarding unquoted securities - LLI
28 July 2023	Application for quotation of securities - LLI
28 July 2023	Notification of cessation of securities - LLI
27 July 2023	SUPPLEMENTARY PROSPECTUS
13 July 2023	Application for quotation of securities - LLI
30 June 2023	Trieste Lithium Project Update
27 June 2023	Revised - Results of Meeting
26 June 2023	Results of Meeting
23 June 2023	Drilling at Scotty Shows Potential for Sedimentary Basin
16 June 2023	Land & Community Manager Appointed
15 June 2023	Prospectus Closed
13 June 2023	Loyal Lithium Limited – Priority Offer
8 June 2023	Proposed issue of securities - LLI
8 June 2023	Proposed issue of securities - LLI
8 June 2023	Proposed issue of securities - LLI
8 June 2023	Notice under ASX Listing Rule 3.10A
5 June 2023	Disclosure Document - Prospectus
2 June 2023	Notification regarding unquoted securities - LLI
31 May 2023	Results of Meeting
26 May 2023	Notice of Extraordinary General Meeting/Proxy Form
18 May 2023	Battery Metals Forum
16 May 2023	Ceasing to be a substantial holder - ASR
8 May 2023	Investor Presentation - May 2023
8 May 2023	Drilling 50% Complete at Scotty Lithium Project, Nevada
4 May 2023	12-week Summer Field Program to Commence at Trieste
2 May 2023	Notice of Annual General Meeting/Proxy Form
28 April 2023	Quarterly Activities/Appendix 5B Cash Flow Report
19 April 2023	Notice Regarding Securities Subject to Voluntary Escrow
12 April 2023	Transformational Acquisition of Advanced Lithium Project
3 April 2023	Appendix 4G and Corporate Governance Statement

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

The announcements are also available through the Company's website at www.loyallithium.com.

6.3 Market price of Shares

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

The highest, lowest and last market sale prices of the Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

	\$	Date
Highest	0.45	5 January 2024
Lowest	0.215	29 January and 6 February 2024
Last	0.305	27 March 2024

6.4 Details of substantial holders

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

Shareholder	As at the date of this Prospectus	
	Shares ¹	%
Tobias Denniss	8,501,603	8.28
Youssa Pty Ltd	14,220,000	13.87

Note:

1. The information relating to Shares held as at the date of this Prospectus is based on publicly available information as at the date of this Prospectus.
2. This includes the issue of vendor shares and management shares.

6.5 Board of Directors

The Board presently comprises:

Adam Ritchie, Managing Director

Mr Ritchie has over 20 years' experience in the resources industry and has been heavily focused on project delivery in senior positions for many of Australia's best performing companies in the mining and minerals sector including Pilbara Minerals, FMG, Rio Tinto and BHP.

Mr Ritchie is known for delivering complex projects with a particular focus on high-value mineral processing assets and is recognised for his contributions to major Australian Lithium and Iron Ore projects, delivering across all project stages.

He holds a Masters degree in Engineering, is committed to a sustainable future and harbors a long term-personal passion for technology and innovation.

Peretz Schapiro, Executive Chairman

Mr Schapiro holds a Master of Applied Finance and has been a global investor for more than a decade, with a particular focus in the resources sector. He understands the fundamental parameters, strategic drivers, market requirements and what it takes for a high growth business.

In addition to being the founding chairman of Loyal, Mr Schapiro has a diverse professional background, with deep experience in resource exploration, corporate finance, management consulting, marketing and fundraising. Mr Schapiro is also Chairman of Summit Minerals (ASX:SUM), Director at Snow Lake Resources (NASDAQ:LITM) and has previously held directorships at Asra Minerals Limited (ASX:ASR) and Okapi Resources (ASX:OKR).

Andrew Graham, Non-Executive Director

Mr Graham has 33 years of experience in the resources sector across both private and public corporations in senior technical and managerial roles. Mr Graham holds a Bachelor of Applied Science (Applied Geology), a Master of Economic Geology, a Diploma of Management, a Quarry Managers

Certificate and is a Member of the Australian Institute of Mining and Metallurgy and the Institute of Quarrying.

Mr Graham is currently the Managing Director of Mineral Strategies Pty Ltd and a Director of Eco Cu Pty Ltd.

6.6 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offer.

Security holdings

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

Director	Shares	Options	Performance Rights
Adam Ritchie ¹	1,013,473 ¹	1,000,000 ¹	5,500,000 ²
Peretz Schapiro	291,000 ³	1,000,000 ⁴	1,000,000 ⁴
Andrew Graham	Nil	900,000	Nil

Notes:

1. All shares and options held by Adam Ritchie are held indirectly through Vector Concepts Pty Ltd
2. 500,000 Performance Rights are held indirectly through Vector Concepts Pty Ltd and 5,000,000 Performance Rights are held indirectly by Adam Caine Ritchie as trustee for the Cayman Investment Trust.
3. Shares held by Peretz Schapiro are held indirectly through Breakout Star Holdings Pty Ltd.
4. Options and Performance Rights held by Peretz Schapiro are held indirectly through Sapphires Holdings Pty Ltd, as trustee for the Sapphires Holdings Family Trust.

No Director will be issued any Shares under the Offer.

Remuneration of Directors

The Directors may be paid such remuneration as is from time to time determined by the Company in general meeting. The Directors' remuneration is deemed to accrue from day to day and the remuneration is to be provided wholly in cash unless the Directors, with the agreement of the Director concerned, determine that part is to be satisfied in the form of non-cash benefits, including the issue or purchase of Shares or the grant of Options.

The following table shows the total (and proposed) annual remuneration paid to the Directors. Directors are not required under the Constitution to hold any Shares.

Details of the Directors' remuneration as at the date of this Prospectus is set out below.

Director	Remuneration for year ended 31 Dec 2023 ¹	Proposed remuneration for year ending 31 Dec 2024 ¹
Adam Ritchie	\$350,000	\$350,000 ³

Director	Remuneration for year ended 31 Dec 2023 ¹	Proposed remuneration for year ending 31 Dec 2024 ¹
Peretz Schapiro	\$180,000	\$180,000 ⁴
Andrew Graham	\$36,000	\$36,000 ³

Notes:

1. Does not include share-based remuneration and payment.
2. Includes superannuation.
3. Excludes superannuation.

6.7 Interests of Experts and Advisors

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) a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

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

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

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

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

Allion Partners Pty Ltd has acted as the Australian solicitors to the Company in relation to the Offer. The Company estimates it will pay Allion Partners \$3,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with ASIC, Allion Partners has been paid fees totalling \$450,733 (exclusive of GST and disbursements) for legal services provided to the Company.

6.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), 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 6.8:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section 6.8; and
- (b) 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 6.8.

Allion Partners Pty Ltd has given its written consent to being named as the solicitors to the Company in the form and context in which it is named and has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

6.9 Expenses of the Offer

The estimated expenses of the Offer are estimated to be approximately \$6,214 (excluding GST) and are expected to comprise legal fees and other administrative expenses, including ASIC fees. The estimated expenses will be paid out of the Company's existing working capital.

6.10 Electronic Prospectus

Pursuant to Regulatory Guide 107, ASIC wishes to encourage the distribution of an electronic prospectus and electronic Application Form, subject to compliance with certain requirements.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at www.loyallithium.com.

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

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

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

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

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

6.12 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.

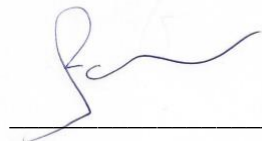
Collection, maintenance and disclosure of certain personal information are governed by legislation including the *Privacy Act 1988* (Cth), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application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

7. DIRECTORS' AUTHORISATION

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

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

Signed on behalf of the Directors pursuant to a resolution of the Board.



Ian Pamensky
Company Secretary
For and on behalf of Loyal Lithium Limited

8. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

\$ or AUD means an Australian dollar.

Applicants means an investor that applies for Shared pursuant to the Offer.

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

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the official listing rules of the ASX.

ASX Settlement Operating Rules means the rules of the ASX as amended, varied or waived from time to time.

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

CDN means a Canadian dollar.

CHESS means Clearing House Electronic Sub-Register System.

Closing Date means the date the date specified in the timetable in Section 1.1 of this Prospectus (unless extended or brought forward).

Company means Loyal Lithium Limited (ACN 644 564 241).

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

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

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

Management Shares has the meaning given in Section 3.1.

Offer means the offer of the Shares referred to in the “Details of the Offer” section of this Prospectus.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offer as specified in the timetable set out in Section 1.1 of this Prospectus (unless varied).

Option means an option to acquire a Share.

Osisko means Osisko Development Corp.

Prospectus means this prospectus.

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

Shareholder means a shareholder of the Company.

Vendor Shares has the meaning given in Section 3.1.