

INDUSTRIAL MINERALS LTD

ACN 648 183 297

OPTIONS PROSPECTUS

For the offers of up to:

- (a) 4,187,500 New Options to Placement Participants on the basis of one (1) New Option for every two (2) Shares subscribed for and issued under the Placement (**Placement Offer**);
- (b) 562,500 New Options to Directors on the basis of one (1) New Option for every two (2) Shares subscribed for and issued under the Placement (**Director Offer**);
- (c) 1,000,000 New Options to Evolution Capital Pty Ltd (**Broker Offer**); and
- (d) 1,031,250 New Options to SPP Participants on the basis of one (1) New Option for every two (2) Shares subscribed for and issued under the SPP (**SPP Offer**),

(together, the **Offers**).

IMPORTANT NOTICE

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

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

IMPORTANT NOTICE

This Prospectus is dated 16 October 2024 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 Options 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 Options offered by this Prospectus should be considered as highly speculative.

Applications for Options offered pursuant to this Prospectus can only be made by an 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 Options under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

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

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

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

control of the Company, the Directors and the Company's management.

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

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

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

Overseas Applicants

The Offers do 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 Director Offer, Broker Offer and SPP Offer are not being extended and New Options will not be issued to Applicants with a registered address which is outside Australia and New Zealand.

The Placement Offer is not being extended and New Options will not be issued to Applicants with a registered address which is outside Australia, New Zealand, the United Kingdom, Germany and Switzerland.

For further information on overseas Applicants please refer to Section 2.14.

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 Options.

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

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

that information available to the stock market conducted by ASX.

Please refer to Section 6.2. for further details.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (www.industmin.com). By making an application under the Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

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

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 6270 6316 during office hours or by emailing the Company atadmin@industmin.com.

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

Company Website

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

Financial forecasts

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

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

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of

Options 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 8.

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 Options, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 8 6270 6316.

CORPORATE DIRECTORY

Directors

Jeffrey Sweet
CEO and Managing Director

Ashley Pattison
Non-Executive Chairman

Alex Neuling
Non-Executive Director

Melanie Leighton
Non-Executive Director

Company Secretary

Natalie Madden

Registered Office

Unit 20
460 Stirling Highway
PEPPERMINT GROVE WA 6011

Telephone: + 61 8 6270 6316

Email: admin@industmin.com

Website: www.industmin.com

ASX Code

IND

Legal advisers

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Lawyers and Consultants
Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

Auditor*

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

Share Registry*

Automic Group
Level 5
191 St Georges Terrace
PERTH WA 6000

Telephone: +61 1300 288 664

Lead Manager

Evolution Capital Pty Ltd
Level 8
143 Macquarie Street
SYDNEY NSW 2000

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

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1. INDICATIVE TIMETABLE

ACTION	DATE
Record Date	Tuesday, 30 July 2024 (5:00pm AWST)
General Meeting of Shareholders	7 October 2024
Lodgement of Prospectus with the ASIC	16 October 2024
Lodgement of Prospectus and Appendix 3B with ASX	16 October 2024
Opening Date of the Offers	18 October 2024
Closing Date of the Offers	Friday, 1 November 2024
Issue date of the New Options	4 November 2024
Lodgement of Appendix 3G in respect of the New Options with ASX	4 November 2024

** The above dates are indicative only and may change without notice. The Directors reserve the right to bring forward or extend the Closing Date of the Offers at any time after the Opening Date of the Offers without notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of New Options to applicants.*

2. DETAILS OF THE OFFERS

This Section is not intended to provide full information for investors intending to apply for New Options pursuant to this Prospectus. Prospective investors should read this Prospectus in full before deciding whether to invest in New Options.

2.1 Background to the Offers

The Company announced on 31 July 2024 that it had received firm commitments from new and existing sophisticated, professional and institutional investors (**Placement Participants**), to subscribe for 9,500,000 fully paid ordinary shares in the capital of the Company (**Placement Shares**) at an issue price of \$0.20 per Placement Share, together with one free-attaching option exercisable at \$0.30 on or before the date that is three (3) years from the date of issue for every two (2) New Shares subscribed for and issued (**New Option**), to raise approximately \$1,900,000 (before costs) (**Placement**). The Company's Directors have agreed to subscribe for a minimum of \$225,000 of Shares under the Placement.

On 7 August 2024 the Company issued 8,375,000 Placement Shares to the Placement Participants pursuant to the Company's placement capacity as follows:

- (a) 3,876,500 Shares under ASX Listing Rule 7.1; and
- (b) 4,498,500 Shares under ASX Listing Rule 7.1A.

In the same announcement, the Company announced that it would be offering Shareholders the opportunity to participate in a share purchase plan (**SPP**) on the same terms as the Placement, to raise up to an additional \$500,000 (before costs), through the issue of up to 2,500,000 Shares at an issue price of \$0.20 per Share (**SPP Shares**) together with one (1) New Option for every for every two (2) Shares subscribed for and issued under the SPP, with the ability to accept oversubscriptions or scale back at the Board's absolute discretion.

Participation in the SPP was optional and open exclusively to Shareholders who were registered holders of Shares at the record date of 5:00pm (WST) on 30 July 2024 (**Record Date**) and whose registered address is in Australia or New Zealand.

2.2 The Placement Offer

By this Prospectus, the Company makes the Placement Offer, which invites Placement Participants to apply for one (1) free New Option for every two (2) Shares subscribed for under the Placement.

The purpose of the Placement Offer being made under this Prospectus is to make the offer of approximately 4,187,500 New Options (subject to rounding of allocations under the Placement) to Placement Participants.

The Company intends to issue the New Options offered under the Placement Offer utilising its available placement capacity under ASX Listing Rule 7.1. The Placement Offer is extended to the Placement Participants only. Accordingly, Application Forms will only be provided by the Company to these persons. No funds will be raised from the Placement Offer as the New Options are being issued for nil consideration.

All Options offered under the Placement Offer will be issued on the terms set out in Section 4.1. All Shares issued on exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

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

Further information in relation to the Placement is set out in the Company's ASX announcement released on 31 July 2024 and the Company's notice of general meeting dated 3 September 2024 convening the General Meeting (**Notice of Meeting**).

2.3 Director Offer

The Company's Directors wish to participate in the Placement on the same terms as Placement Participants (**Director Participation**), for an aggregate of up to 1,125,000 Placement Shares, together with 562,500 free attaching New Options, at an issue price of \$0.20 per Share (together, the **Director Participation Securities**) as follows:

- (a) Ashley Pattison (Non-Executive Chairman) proposes to subscribe for \$100,000 under the Placement, comprising 500,000 Placement Shares and 250,000 free attaching New Options;
- (b) Jeffrey Sweet (CEO & Managing Director) proposes to subscribe for \$100,000 under the Placement, comprising 500,000 Placement Shares and 250,000 free attaching New Options; and
- (c) Alex Neuling (Non-Executive Director) proposes to subscribe for \$25,000 under the Placement, comprising 125,000 Placement Shares and 62,500 free attaching New Options.

Messrs Pattison, Sweet and Neuling are herein referred to as the **Participating Directors**.

This Prospectus includes the offer of an aggregate 562,500 New Options to the Participating Directors.

The Company obtained Shareholder approval for the issue of the Director Participation Securities at the General Meeting.

All Options offered under the Director Offer will be issued on the terms set out in Section 4.1. All Shares issued on exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus. The Company will apply for Official Quotation of the New Options offered pursuant to the Director Offer.

Only the Participating Directors (or their nominees that are eligible shareholders) may accept the Director Offer, by using the relevant Application Form in relation to the Director Offer. No funds will be raised from the Director Offer as the New Options are being issued for nil consideration.

2.4 The SPP Offer

By this Prospectus, the Company makes the SPP Offer, which invites all participants in the SPP (**SPP Participants**) to apply for one (1) New Option for every two (2) Shares subscribed for under the SPP.

The maximum number of New Options to be issued under the SPP Offer is 1,031,250, being half the number of Shares issued under the SPP to the unrelated SPP Participants.

The SPP Offer is extended to the SPP Participants only. Accordingly, Application Forms will only be provided by the Company to these persons. No funds will be raised from the SPP Offer as the New Options are being issued for nil consideration.

All Options offered under the SPP Offer will be issued on the terms set out in Section 4.1. All Shares issued on exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

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

2.5 The Broker Offer

Evolution Capital Pty Ltd (ACN 652 397 263) (**Evolution Capital** or **Lead Manager**) acted as the lead manager and book runner to the Placement and SPP pursuant to an agreement dated 29 July 2024 (**Lead Manager Mandate**).

Under the Lead Manager Mandate, in consideration for lead manager services provided in relation to the Placement and SPP, the Company agreed to pay or issue the Lead Manager (as the context requires):

- (a) a management fee and selling fee of 6.0% of the amount raised under the Placement (plus GST);

- (a) a cash fee 6.0% of any underwritten amount or any shortfall amount placed from the SPP (plus GST), subject to completion of the SPP; and
- (b) 1,000,000 New Options in the Company (being the New Options the subject of the Broker Offer).

The Lead Manager Mandate otherwise contains terms and conditions considered standard for an agreement of its kind.

The purpose of the Broker Offer being made under this Prospectus is to make the offer of 1,000,000 New Options to the Lead Manager.

Only the Lead Manager (or its nominee/s) may accept the Broker Offer, by using the relevant Application Form in relation to the Broker Offer. No funds will be raised from the Broker Offer as the New Options are being issued in consideration for services provided by Evolution Capital.

All New Options offered under the Broker Offer will be issued on the terms set out in Section 4.1. All Shares issued on exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

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

2.6 Use of funds

The Company intends to apply the funds raised under the Placement and the SPP to:

- (a) complete a resource infill drilling program at the Pippingarra and Mukinbudin HPQ Projects, consisting of both RC and diamond drilling. This will allow the Company to prepare a Mineral Resource Estimate and progress through to feasibility level studies;
- (b) progress the HPQ metallurgical process testwork, with samples being sent to leading HPQ Consultants ANZAPLAN, a specialist consultancy with unique expertise in designing flowsheets tailored to remove impurities at trace levels, ensuring that even the most stringent customer requirements are met;
- (c) continue product marketing to advance offtake discussions. The Company will build on the relationships built to date and engage with leading companies in HPQ industries; and
- (d) general working capital and costs of the offer.

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

2.7 Minimum subscription

There is no minimum subscription.

2.8 Oversubscriptions

No oversubscriptions will be accepted by the Company.

2.9 Applications

Applications for Options can only be made by Placement Participants, SPP Participants, Participating Directors and the Lead Manager (or its nominee/s) at the direction of the Company and must be made using the appropriate Application Form accompanying this Prospectus. Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than the Closing Date. The New Options are being issued for nil cash consideration and therefore the Applicants are not required to pay any funds with their application.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than the Closing Date.

The Company reserves the right to close the Offers early.

2.10 Implications of Completing an Application Form

By completing an Application Form, Applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of this Prospectus.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by no later than 5.00pm (AWST) on the Closing Date, which is currently scheduled to occur on 17 May 2024.

If you require assistance in completing an Application Form, please contact the Share Registry on +61 1300 288 664 or the Company Secretary, on +61 8 6270 6316.

2.11 Not underwritten

The Offers are not underwritten.

2.12 ASX listing

The Company will apply for Official Quotation of the New Options.

2.13 Issue of New Options

Application for Official Quotation of the New Options pursuant to this Prospectus will be made within seven (7) days after the date of this Prospectus, in accordance with the ASX Listing Rules and timetable set out in Section 1 of this Prospectus. If ASX does not grant Official Quotation of the New Options pursuant to this Prospectus before the expiration of three (3) months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Options.

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

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

2.14 Overseas shareholders

The Offers do not, and are 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 distribution of this Prospectus in jurisdictions outside Australia, New Zealand, the United Kingdom, Germany and Switzerland may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

The Director Offer, Broker Offer and SPP Offer are not being extended and New Options will not be issued to Applicants with a registered address which is outside Australia and New Zealand.

The Placement Offer is not being extended and New Options will not be issued to Applicants with a registered address which is outside Australia, New Zealand, the United Kingdom, Germany and Switzerland.

2.14.1 New Zealand

The New Options 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.

2.14.2 United Kingdom – the Placement Offer

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 Options.

The New Options 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 Options 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 ("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.

2.14.3 Germany– the Placement Offer

This document has not been, and will not be, registered with or approved by any securities regulator in Germany or elsewhere in the European Union. Accordingly, this document may not be made available, nor may the New Options be offered for sale, in Germany except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation"). In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Options in Germany is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

2.14.4 Switzerland – the Placement Offer

The New Options may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Options constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the New Options has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Options will not be supervised by, the Swiss Financial Market Supervisory Authority (**FINMA**).

Neither this document nor any other offering or marketing material relating to the New Options may be publicly distributed or otherwise made publicly available in Switzerland. The New Options will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

2.14.5 Nominees and custodians

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

2.15 Enquiries

Any questions concerning the Offers should be directed to the Company Secretary, on +61 8 6270 6316.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers

The purpose of the Placement Offer is to offer Placement Participants one (1) free New Option for every two (2) Shares subscribed for under the Placement.

The purpose of the Director Offer is to offer the Participating Directors who participated in the Placement one (1) free New Option for every two (2) Shares subscribed for under the Placement.

The purpose of the SPP Offer is to offer SPP Participants one (1) free New Option for every two (2) Shares subscribed for under the SPP.

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

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

- (a) the New Options offered under this Prospectus are being issued with disclosure under this Prospectus (which is a disclosure document under Part 6D.2 of the Corporations Act); and
- (b) the Offers are being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

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

No funds will be raised from Offers as the New Options are being issued for nil cash consideration. However, if all New Options are exercised into Shares, the Company will receive approximately \$2,034,375.

3.2 Effect of the Offers

The principal effect of the Offers, assuming all New Options offered under the Prospectus are subscribed for and issued, will be to:

- (a) increase the total number of Options on issue from 2,500,000 as at the date of this Prospectus to 9,281,250 Options; and
- (b) remove any trading restrictions attaching to the New Options and to enable the on-sale of any Shares issued on exercise of the New Options issued under this Prospectus.

3.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company is set out below.

SHARES	NUMBER
Shares currently on issue ^{1,3}	79,197,500
Placement Shares to be issued to Directors ²	1,125,000
Shares offered pursuant to the Offers	Nil
Total Shares on issue after completion of the Offers	80,322,500

Notes:

- 1. Includes the 2,062,500 Shares issued on 6 September 2024 pursuant to the SPP and the 8,375,000 Placement Shares issued on 7 August 2024 to the Placement Participants pursuant to the Company's placement capacity as follows:
 - (a) 3,876,500 Shares under ASX Listing Rule 7.1; and

- (b) 4,498,500 Shares under ASX Listing Rule 7.1A.
- The Company obtained shareholder approval for the issue of the Director Participation Securities at the General Meeting.
 - The rights attaching to the Shares are summarised in Section 4.2 of this Prospectus.

OPTIONS	NUMBER
Options currently on issue	2,500,000
Placement Offer ¹	4,187,500
Director Offer ^{1,2}	562,500
SPP Offer ¹	1,031,250
Broker Offer ¹	1,000,000
Total New Options offered pursuant to the Offers	6,781,250
Total Options on issue after completion of the Offers	9,281,250

Notes:

- The rights attaching to the New Options are summarised in Section 4.1 of this Prospectus.
- The Company notes that the issue of the New Options pursuant to the Director Offer were approved by Shareholders at the General Meeting.

3.4 Dilutionary effects

The capital structure of the Company on a fully diluted basis as at the date of this Prospectus would be 81,697,500 Shares and on completion of the Offers (assuming all New Options are accepted, and no other Securities are issued) would be 88,478,750 Shares.

Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offers, are likely to be diluted by an aggregate of approximately 7.79% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

3.5 Details of substantial holders

Based on publicly available information 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 ¹	SHARES	% ²
Tolga Kumova	7,625,420	9.63
Robert Jewson and Geonomics Australia Pty Ltd	7,308,334	9.23
Peter Gianni	4,033,333	5.09
Tristar Nominees Pty Ltd ⁴	4,815,000	6.08
Gundara Enterprises Pty Ltd	4,075,000	5.15

Notes:

- The Company confirms that no substantial holder participated in the SPP.
- Based on the total issued capital of 79,197,500 Shares prior to the issue of this Prospectus.
- Tristar Nominees Pty Ltd is an entity controlled by Mr Ashley Pattison, a Director of the Company.
- Gundara Enterprises Pty Ltd is an entity controlled by Mr Jeffrey Sweet, a Director of the Company.

There will be no change to the substantial holders on completion of the Offers.

The Company confirms that no existing Shareholder will increase its shareholding to above 19.9% as a result of the Offers.

3.6 Financial effect of the Offers

The expenses of the Offers are estimated to be approximately \$36,826. The Offers are not expected to have any material financial effect on the Company.

The expenses of the Offers will be met utilising the Company's existing cash reserves. Accordingly, the financial effect of the Offers will be to reduce the Company's existing cash reserves by \$36,826.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Terms and conditions of New Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.30 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is three (3) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

4.2 Rights and liabilities attaching to Shares

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

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

(a) **General meetings**

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

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

(b) **Voting rights**

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

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

(c) **Dividend rights**

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

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

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are

participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

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

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

(e) **Shareholder liability**

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

(f) **Transfer of shares**

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

(g) **Future increase in capital**

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

(h) **Variation of rights**

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

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

(i) **Alteration of constitution**

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

5. RISK FACTORS

5.1 Introduction

The New Options 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 information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for New Options pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities. The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

5.2 Company specific

RISK CATEGORY	RISK
Potential for dilution	<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 pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offers, are likely to be diluted by an aggregate of approximately 7.79% (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 Offers being implemented and the 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 \$0.18 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offers.</p>
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. 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. However, there is 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>
Exploration and operating	<p>The mineral exploration licences comprising the Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs,</p>

RISK CATEGORY	RISK
	<p>industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, 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 being able to maintain title to the mineral exploration licences comprising the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Projects.</p>
<p>Tenure, access and grant of applications</p>	<p>Applications</p> <p>The Company's exploration tenements (Tenements) are at various stages of application and grant. There can be no assurance that the tenement applications that are currently pending will be granted. There can be no assurance that when the tenement is granted, it will be granted in its entirety. Additionally, some of the tenement areas applied for may be excluded. The Company is unaware of any circumstances that would prevent the tenement application from being granted.</p> <p>Renewal</p> <p>Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.</p> <p>The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Western Australia and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted tenements for reasons beyond the control of the Company could be significant.</p> <p>Access</p> <p>A number of the Tenements overlap certain third-party interests that may limit the Company's ability to conduct exploration and mining activities including Crown land, flora and fauna reserves, pastoral leases, private land and encroachment by other tenements/tenement applications.</p> <p>Forfeiture</p> <p>The Company notes that E47/3144 is currently subject to forfeiture due to non-compliance with reporting requirements. All reporting requirements have subsequently been satisfied, and a written submission opposing forfeiture and penalty has been submitted with the Department of Energy, Mines, Industry Regulation and Safety. The Department is yet to process the matter for determination, however the Company believes that such a determination will be provided in due course.</p> <p>Further, the Company notes that this Tenement does not have a material carrying value in the Company's accounts, and if the Tenement is subject to forfeiture (which the Company considers unlikely), the Company believes that there will be little resulting financial impact.</p>

RISK CATEGORY	RISK
Private Land	<p>Some of the Company's Tenements encroach on 687 parcels of private land, with varying degrees of overlap.</p> <p>Searches of the Certificate of Title information by Landgate have confirmed certain of the Tenements comprise parcels of private land that were granted prior to 1 January 1899.</p> <p>Most grants of freehold that were made prior to 1899 in Western Australian included the grant of minerals other than gold, silver and precious minerals, which were reserved to the Crown. This land is commonly referred to as 'minerals to owner' land as the landowner owns all other minerals and has the right to deal with those minerals as it sees fit. In such a situation, a mining tenement granted under the Mining Act 1978 (WA) will confer on the tenement holder the right to explore for, or mine gold, silver and precious metals only but will not give any rights to exploit any other mineral.</p> <p>It is noted that the searches that were undertaken identify the Crown allotment parcel only. They do not constitute a full chain of title search and do not capture all records within the chain. Further investigations would be required to trace the passage of mineral ownership over time.</p> <p>As the Company defines exploration targets on the affected Tenements, and prior to commencing ground disturbing activities, the Company will conduct its own investigations to confirm whether the relevant private land parcels are 'minerals to owner'.</p> <p>Approvals for mining gold, silver and precious metals on pre-1899 land have generally been granted by Local Government as an Extractive Industry Licence ("EIL"; Local Government Act 1995) or Development Approval ("DA"; Planning and Development Act 2005). A miner wishing to mine minerals other than the gold, silver and precious metals located on pre-1899 land will need to negotiate an access and compensation agreement with the owner of the land (and owner of the minerals) and obtain permission either through a EIL or DA. Any significant proposal may require assessment by the Environment Protection Authority and any mining activity will be subject to the Mines Safety and Inspection Act 1994.</p>
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

RISK CATEGORY	RISK
	change may significantly change the industry in which the Company operates.

5.3 Industry specific

RISK CATEGORY	RISK
Native title and Aboriginal Heritage	<p>In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.</p> <p>There are currently five registered native title claims over certain of the Tenements as well as four native title determinations.</p> <p>Further to this, there are Indigenous Land Use Agreements (ILUA) registered against one or more of the tenements in which the Company has an interest.</p> <p>In addition, certain of the Tenements contain Aboriginal heritage sites of significance which have been registered with the Department of Indigenous Affairs. The existence of the Aboriginal heritage sites within the Tenements may lead to restrictions on the areas that the Company will be able to explore and mine.</p> <p>The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.</p>
Exploration costs	<p>The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the 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 impact the Company's viability.</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. Insufficient data however, exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work 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> <p>Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.</p>
Grant of future authorisations to explore and mine	<p>If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licence and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are</p>

RISK CATEGORY	RISK
	<p>delayed, the Company's operational and financial performance may be materially adversely affected.</p>
<p>Mine development</p>	<p>Possible future development of mining operations at the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production on one of the Projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Projects. The risks associated with the development of a mine will be considered in full should the Projects reach that stage and will be managed with ongoing consideration of stakeholder interests.</p>
<p>Environmental</p>	<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 programmes or mining activities.</p>
<p>Regulatory Compliance</p>	<p>The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.</p>

RISK CATEGORY	RISK
	<p>While the Company believes that it is in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects.</p> <p>Obtaining necessary permits can be a time-consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.</p>

5.4 General risks

RISK CATEGORY	RISK
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> <p>The Company may not be able to replace its senior management or key personnel with persons of equivalent expertise and experience within a reasonable period of time or at all and the Company may incur additional expenses to recruit, train and retain personnel. Loss of such personnel may also have an adverse effect on the performance of the Company.</p>
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.
Competition risk	The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.
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.

RISK CATEGORY	RISK
	<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>
Commodity price volatility and exchange rate risks	<p>The value of the Company's assets and potential earnings may be affected by fluctuations in commodity prices and exchange rates.</p> <p>These prices can significantly fluctuate and are exposed to numerous factors beyond the control of the Company, such as world demand for energy, forward selling by producers and production cost levels in major coal and gas producing regions. Other factors include expectations regarding inflation, the financial impact of movements in interest rates, global economic trends and domestic and international fiscal, monetary and regulatory policy settings.</p> <p>At this time, the Company has not put any hedging arrangements in place but may do so in future when the Directors consider it appropriate.</p>
Government policy changes	<p>Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Western Australia may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.</p>
Insurance	<p>The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.</p> <p>Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.</p>
Litigation risks	<p>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 and its subsidiaries are not currently engaged in any litigation.</p>
Dividends	<p>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.</p>
Force Majeure	<p>The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.</p>
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of</p>

RISK CATEGORY	RISK
	<p>each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for New Options under this Prospectus.</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>
Climate Risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>

5.5 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 Options.

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

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

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

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 or its subsidiaries.

6.2 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
11 October 2024	Date of AGM and Closing Date for Director Nominations
7 October 2024	Results of Meeting
30 September 2024	Corporate Governance Statement and Appendix 4G
30 September 2024	Annual Report to shareholders

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.industmin.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 three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	(\$)	DATE
Highest	\$0.27	26 July 2024, 29 July 2024 and 30 July 2024
Lowest	\$0.16	6 August 2024 and 17 September 2024
Last	\$0.18	16 October 2024

6.4 Interests of Directors

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

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

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

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

Security holdings

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus and following completion of the Offers (assuming all Options are issued under the Offers) is set out in the table below.

Date of this Prospectus

DIRECTOR	SHARES	OPTIONS
Ashley Pattison	4,890,000	Nil
Jeffrey Sweet	4,075,000	1,250,000
Alexander Neuling	300,000	Nil
Melanie Leighton	Nil	1,250,000

Completion of the Offers¹

DIRECTOR	SHARES	OPTIONS
Ashley Pattison ²	5,390,000	250,000
Jeffrey Sweet	4,575,000	1,500,000
Alexander Neuling	425,000	62,500
Melanie Leighton	Nil	1,250,000

Notes:

- At the General Meeting scheduled held on 7 October 2024, the Company obtained shareholder approval for the following Directors who intend to participate in the Placement and apply for New Options on the same terms as the Placement Participants under the Placement Offer, comprising the following:
 - 250,000 New Options to Ashley Pattison;
 - 250,000 New Options to Jeffrey Sweet; and
 - 62,500 New Options to Alexander Neuling.These Securities will be issued under the Director Offer.

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 \$300,000 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 Annual Report for the financial year ended 30 June 2023.

DIRECTORS	FINANCIAL YEAR ENDED 30 JUNE 2023 (ACTUAL)	FINANCIAL YEAR ENDED 30 JUNE 2024 (ACTUAL)	FINANCIAL YEAR ENDED 30 JUNE 2025 (PROPOSED) ³
Ashley Pattison ¹	\$94,220	\$93,240	\$93,660
Jeffrey Sweet ²	\$536,750	\$264,000	\$267,600
Alexander Neuling ¹	\$52,580	\$53,280	\$53,520
Melanie Leighton ³	\$354,540	\$53,280	\$53,520

Notes:

- Comprised of salary and fees.
- Comprised of salary and fees and security based payments.
- Comprised of salary and fees, superannuation and security based payments.

6.5 Interests of experts and advisers

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

- 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 two years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

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

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

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$20,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$29,742 (excluding GST and disbursements) for legal services provided to the Company.

Evolution Capital have acted as the Lead Manager to the Offers. Refer to Section 2.5 of this Prospectus for the fees to be paid to Evolution Capital. During the 24 months preceding lodgement of this Prospectus with the ASIC, Evolution Capital has received \$86,020 (excluding GST) for lead management and corporate advisory services provided to Company.

6.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, 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.

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

Evolution Capital has given its written consent to being named as the Lead Manager used by the Company for the Placement and SPP in this Prospectus. Evolution Capital has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

6.7 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$36,826 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	10,120
Legal fees	20,000
Printing and distribution	3,500
Total	36,826

7. DIRECTORS' AUTHORISATION

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

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

8. GLOSSARY

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

Applicant means an investor that applies for New Options pursuant to the Placement Offer, SPP Offer, Director Offer or Broker Offer (as the case may be).

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

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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

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

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.

Broker Offer means the offer of New Options to the Lead Manager as set out in Section 2.5.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus, unless extended by the Directors.

Company means Industrial Minerals Ltd (ACN 648 183 297).

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

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

Director Offer means the offer of New Options to the Participating Directors as set out in Section 2.3.

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

General Meeting means the general meeting of the Company held on 7 October 2024.

Lead Manager means Evolution Capital Pty Ltd (ACN 652 397 263).

Lead Manager Mandate means the binding agreement between the Company and the Lead Manager dated 29 July 2024 as set out in Section 2.5.

New Options means an Option to be issued pursuant to the Offers on the terms and conditions set out in Section 4.1.

Offer means the offer of New Options to Applicants pursuant to the Offers (as applicable).

Offers means the Placement Offer, Broker Offer, the Director Offer and/or the SPP Offer (as applicable).

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share, including the New Options (as applicable).

Optionholder means a holder of an Option.

Participating Directors has the meaning given in Section 2.3.

Placement has the meaning set out in Section 2.1.

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

Placement Participants has the meaning set out in Section 2.1.

Placement Shares has the meaning set out in Section 2.1.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus, and as set out in Section 2.1.

Securities means a Share or an Option or both, as the context requires.

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

Shareholder means a holder of a Share.

SPP has the meaning set out in Section 2.1.

SPP Offer means the offer of New Options to SPP Participants as set out in section 2.4.

SPP Participants has the meaning given in Section 2.4.

SPP Shares has the meaning set out in Section 2.1.