



# Prospectus

Anax Metals Limited  
(ACN 106 304 787)

This Prospectus is being issued for the offer of:

- (a) up to 169,650,712 Quoted Options to Placement Participants, on the basis of one (1) free-attaching Quoted Option for every one (1) Placement Share subscribed for and issued under the Placement (**Placement Options Offer**); and
  - (b) up to 19,085,705 Quoted Options to the Joint Lead Managers (or their respective nominees) (**Joint Lead Manager Offer**),
- (together, the **Offers**).

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

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR SUITABLY QUALIFIED PROFESSIONAL ADVISER WITHOUT DELAY.**

**THE SECURITIES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.**

\*The Company reserves the right, subject to the Corporations Act and Listing Rules to extend the Closing Date.

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## Important information

### General

This Prospectus is issued by Anax Metals Limited (ACN 106 304 787) (**Company**) for the purposes of Chapter 6D of the Corporations Act. This Prospectus is dated 19 December 2024 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Quoted Options will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

Application will be made to the ASX within seven days after the Prospectus Date for quotation of the Quoted Options the subject of this Prospectus.

The Quoted Options offered by this Prospectus should be considered speculative. Please refer to Section 3 for details relating to investment risks.

A copy of this Prospectus is available for inspection at the registered office of the Company at 2/20 Kings Park Rd, West Perth WA 6005, during normal business hours. The Prospectus will also be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's registered office by contacting the Company. The Offers contemplated by this Prospectus are only available in electronic form to persons receiving an electronic version of this Prospectus within Australia.

The Company will also provide copies of other documents on request free of charge (see Section 5.2).

This Prospectus is a "transaction specific" prospectus for an offer of options to acquire continuously quoted Shares 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, amongst other things, 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.

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

### No investment advice

The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. It is important that you read this Prospectus in its entirety and seek professional advice where necessary.

This document is important and should be read in its entirety before deciding to participate in the Offers.

Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to their particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult their stockbroker, solicitor, accountant or other suitably qualified professional adviser without delay.

### Disclosing entity

As a disclosing entity, the Company has issued this Prospectus in accordance with section 713 of the Corporations Act applicable to prospectuses for an offer of options to acquire Shares which are quoted enhanced disclosure Shares and the Shares are in a class of securities that were quoted enhanced disclosure Shares at all times in the three months before the issue of this Prospectus.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to the ASX and does not include all 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 about whether to invest.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the requirements of the ASX as applicable to disclosing entities from time to time, and which require the Company to notify ASIC of information available to the stock market conducted by the ASX, throughout the three months before the issue of this Prospectus.

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.

### **Overseas Shareholders**

The Offers constituted by this Prospectus in electronic form is only available to persons receiving an electronic version of this Prospectus and accompanying Application Form within Australia.

No action has been taken to permit the offer of Quoted Options under this Prospectus in any jurisdiction other than Australia.

The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus outside of Australia should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer of Quoted Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus. In particular, this Prospectus may not be distributed to any person, and the Quoted Options may not be offered or sold, in any country outside Australia except to the extent permitted below.

### **Germany**

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 Quoted 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 Quoted Options in Germany is limited to persons who

are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

### **Hong Kong**

**WARNING:** This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). Accordingly, this Prospectus may not be distributed, and the Quoted Options may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Quoted Options has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Quoted Options that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Quoted Options may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

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

### **New Zealand**

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the **FMC Act**).

The Quoted Options are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;

- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

### **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 Quoted 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 (<https://anaxmetals.com.au/>). By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

### **Forward-looking statements**

This Prospectus includes forward looking statements that have been based on current expectations about future acts, events and circumstances. These forward looking statements are, however, subject to risks,

uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in the forward looking statements. The Directors cannot and do 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 Directors have 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.

### **Definitions, time and currency**

Definitions of certain terms used in this Prospectus are contained in Section 7.

All references to currency are to Australian dollars and all references to time are to AWST, unless otherwise indicated.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

## Corporate directory

### Directors

Phillip Jackson	Non-Executive Chairman
Geoff Laing	Managing Director
Peter Cordin	Non-Executive Director
Philip Warren	Non-Executive Director

### Joint Company Secretaries

Steven Wood  
Daniel Coletta

### Registered Office

Suite 1B, Ground Floor  
20 Kings Park Rd  
West Perth WA 6005  
Phone: +61 8 6143 1840  
Email: [info@anaxmetals.com.au](mailto:info@anaxmetals.com.au)  
Website: [www.anaxmetals.com.au](http://www.anaxmetals.com.au)

### Share Registry\*

Automic Pty Ltd  
Level 5, 191 St Georges Terrace  
Perth WA 6000  
Telephone: 1300 288 664

### Auditor\*

Pitcher Partners BA&A Pty Ltd  
Level 11, 12-14 The Esplanade  
Perth WA 6000

### Solicitors

Hamilton Locke  
Central Park Building  
Level 39, 152 - 158 St Georges Terrace  
Perth WA 6000

### ASX Code: ANX

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

## Indicative timetable

Event	Date
Lodgement of Prospectus with ASIC	Thursday, 19 December 2024
Opening Date of Offers	Friday, 20 December 2024
Closing Date of Offers	5.00pm (AWST) on Friday, 27 December 2024
Anticipated date of issue of Quoted Options Lodgement of Appendix 2A applying for Official Quotation of Quoted Options	Friday, 27 December 2024
Anticipated date for commencement of Quoted Options trading on a normal settlement basis	Monday, 30 December 2024

**Note:** The above dates are indicative only and may change without notice. The Company reserves the right to vary any and all of the above dates without notice, subject to the Corporations Act, Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Opening Date and the Closing Date without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their Application Form as soon as possible after the Opening Date if they wish to invest in the Company. The Company also reserves the right not to proceed with the Offers at any time before the issue of Quoted Options.



## Key details of the Offers

<b>Size</b>	A maximum of 188,736,417 Quoted Options.
<b>Issue price</b>	Nil.
<b>Eligibility to participate in the Offers</b>	<ul style="list-style-type: none"> <li>• <b>Placement Options Offer</b> – the Placement Options Offer is open to Placement Participants only. Placement Participants will be entitled to apply for Quoted Options under the Placement Options Offer, on the basis of one (1) Quoted Option for every one (1) Placement Share subscribed for and issued under the Placement.</li> <li>• <b>Joint Lead Manager Offer</b> – the Joint Lead Manager Offer is open to the Joint Lead Managers and only the Joint Lead Managers (or their respective nominees) may apply for Quoted Options under the Joint Lead Manager Offer.</li> </ul>

## Capital structure

Indicative capital structure	
Securities on issue as at the Prospectus Date	
Shares	876,451,742
Options <sup>1</sup>	259,505,150
Performance Rights <sup>2</sup>	42,000,000
Securities on issue on completion of the Offers <sup>4</sup>	
Shares	876,451,742
Options	
• Unquoted Options <sup>1</sup>	259,505,150
• Quoted Options <sup>3</sup>	188,736,417
Performance Rights <sup>2</sup>	42,000,000

### Notes:

1. Unquoted Options with varying exercise prices of between \$0.03 to \$0.12 and expiry dates of between 13 December 2024 to 20 September 2026.
2. Subject to the satisfaction of various milestones and expiring on various dates between 31 December 2024 to 31 December 2026.
3. See Section 4.2 for the terms and conditions of the Quoted Options. The issue of the Quoted Options is conditional upon (amongst other things) ASX agreeing to grant Official Quotation of the Quoted Options on ASX by the time required under the Corporations Act (subject to compliance with the requirements of ASX and the Listing Rules for the quotation of a new class of Securities).
4. Assumes that the Offers are fully subscribed, and no further Securities are issued.

## Investment overview

This Section is intended to highlight key information for potential investors. It is an overview only and is not intended to replace the Prospectus.

Potential investors should read the Prospectus in full before deciding to invest in Quoted Options.

Key Information	Further Information
<p><b>Transaction specific prospectus</b></p> <p>This Prospectus is a transaction specific prospectus for an offer of options to acquire 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.</p>	-
<p><b>What are the Offers being made under the Prospectus?</b></p> <p>By this Prospectus, the Company is offering:</p> <ul style="list-style-type: none"> <li>up to 169,650,712 Quoted Options to Placement Participants, on the basis of one (1) free-attaching Quoted Option for every one (1) Placement Share subscribed for and issued under the Placement (<b>Placement Options Offer</b>); and</li> <li>up to 19,085,705 Quoted Options to the Joint Lead Managers (or their respective nominees) (<b>Joint Lead Manager Offer</b>),</li> </ul> <p>(together, the <b>Offers</b>).</p>	Section 1.1
<p><b>What is the purpose of this Prospectus?</b></p> <p>The primary purpose of this Prospectus is to:</p> <ul style="list-style-type: none"> <li>make the offers of Quoted Options under the Placement Options Offer and the Joint Lead Manager Offer; and</li> <li>ensure that the on-sale of the Shares issued on conversion of the Quoted Options do not breach section 707(3) of the Corporations Act.</li> </ul>	Section 1.4
<p><b>What is the intended use of funds from the Offers?</b></p> <p>No funds will be raised from the issue of the Quoted Options pursuant to this Prospectus as:</p> <ul style="list-style-type: none"> <li>the Placement Options are free-attaching to the Placement Shares issued under the Placement; and</li> <li>the Joint Lead Manager Options are being issued to the Joint Lead Managers (or their respective nominees) as part consideration for the provision joint lead manager and bookrunner services in connection with the Placement.</li> </ul>	Section 2.2
<p><b>Who is eligible to subscribe under the Offers?</b></p> <ul style="list-style-type: none"> <li><b>The Placement Options Offer</b> - the Placement Options Offer is open to Placement Participants only.</li> <li><b>The Joint Lead Manager Offer</b> - the Joint Lead Manager Offer is open to the Joint Lead Managers and only the Joint Lead Managers (or their respective nominees) may apply for Quoted Options under the Joint Lead Manager Offer.</li> </ul>	Section 1.1

Key Information	Further Information																						
<p><b>What are the terms of the Quoted Options?</b></p> <p>The Quoted Options will be exercisable at \$0.025 each and will expire three (3) years from the date of issue.</p> <p>The full terms of the Quoted Options are set out in Section 4.2.</p>	Section 4.2																						
<p><b>Are the Offers underwritten?</b></p> <p>The Offers are not underwritten.</p>	Section 1.7																						
<p><b>What is the effect of the Offers?</b></p> <p>The effect of the Offers on the capital structure is set out below (assuming no other Securities are issued and no existing Options are exercised):</p> <table border="1"> <thead> <tr> <th colspan="2">Indicative capital structure</th></tr> <tr> <th colspan="2">Securities on issue as at the Prospectus Date</th></tr> </thead> <tbody> <tr> <td>Shares</td><td>876,451,742</td></tr> <tr> <td>Options</td><td>259,505,150</td></tr> <tr> <td>Performance Rights</td><td>42,000,000</td></tr> <tr> <th colspan="2">Securities on issue on completion of the Offers</th></tr> <tr> <td>Shares</td><td>876,451,742</td></tr> <tr> <td>Options</td><td></td></tr> <tr> <td>• <i>Unquoted Options</i></td><td>259,505,150</td></tr> <tr> <td>• <i>Quoted Options</i></td><td>169,650,712</td></tr> <tr> <td>Performance Rights</td><td>42,000,000</td></tr> </tbody> </table> <p>It is not expected that the Offers will have any effect on the control of the Company.</p> <p>The Company does not consider that the Offers will have a material effect on the financial position of the Company. The expenses of the Offers will be met from the Company's existing cash reserves. The Offers will have an effect on the Company's financial position of reducing the cash balance by approximately \$44,206. Please refer to Section 5.10 for further details on the estimated expenses of the Offers.</p>	Indicative capital structure		Securities on issue as at the Prospectus Date		Shares	876,451,742	Options	259,505,150	Performance Rights	42,000,000	Securities on issue on completion of the Offers		Shares	876,451,742	Options		• <i>Unquoted Options</i>	259,505,150	• <i>Quoted Options</i>	169,650,712	Performance Rights	42,000,000	Section 2
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<p><b>Risk factors</b></p> <p>Potential investors should be aware that subscribing for Quoted Options involves a number of risks. The key risk factors of which investors should be aware are set out in Section 3, including (but not limited to) risks in respect of:</p> <p><b>Future capital and funding requirements:</b> The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. Should the Company require additional funding,</p>	Section 3																						

Key Information	Further Information
<p>there can be no assurance that additional financing will be available on acceptable terms or at all. Any inability to obtain additional financing, if required, would have a material adverse effect on the Company's business, financial condition and results of operations.</p> <ul style="list-style-type: none"> <li> <b>Mine development:</b> Possible future development of mining operations at the Company's 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, cost overruns, access to the required level of funding and contracting risk for third parties providing essential services.  No assurance can be given that any of the Company's projects will achieve commercial viability. The risks associated with the development of a mine will be considered in full as part of the Company's exploration activities and will be managed with ongoing consideration of stakeholder interests. </li> <li> <b>Native title and Aboriginal heritage:</b> Pursuant to the terms of the heritage deed between the National Aboriginal Conference (<b>NAC</b>) and the Company (<b>Heritage Deed</b>), prior to commencing mining operations at Evelyn (M47/1455), the Company must negotiate in good faith with NAC with the object of reaching an agreement as to the consent of NAC to the mining operations, including compensation to NAC in relation to those productive mining activities. If an agreement is not reached in the timeframes provided in the Heritage Deed, the matter must be determined by a private arbitration process outlined in the Heritage Deed. There is risk that the outcome of those negotiations may result in a less economic outcome, or that the time taken to reach agreement may delay commencement of productive mining on M47/1455. </li> <li> <b>Environmental risk:</b> 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 noncompliance with environmental laws or regulation. </li> <li> <b>Loan risk:</b> On 7 December 2022, the Company entered into an unsecured loan agreement with substantial Shareholder Jetosea Pty. Limited (<b>Jetosea</b>) (as amended on 29 June 2023, 29 January 2024, and 29 May 2024), pursuant to which Jetosea agreed to loan the Company an aggregate \$3,100,000 at an interest rate of 6% per annum (<b>Loan</b>).   As announced on 30 May 2024, the Company varied the terms of the Loan to extend the repayment date to 31 December 2025 in exchange for the Company granting Jetosea (amongst other things) a security over the Company's 80% participating interest in the Whim Creek Project held via Whim Creek Metals Pty Ltd (<b>WCM</b>), a wholly owned subsidiary of the Company (<b>Jetosea Security</b>).   The Jetosea Security only becomes by enforceable by Jetosea in the event WCM defaults on the Loan, such as failing to pay any cash calls or other monies due. Upon such an event occurring, Jetosea will be entitled to exercise certain powers </li> </ul>	

Key Information	Further Information
<p>under the Jetosea Security, including the power to sell, transfer or otherwise dispose all or any part of the Company's interest in the Whim Creek Project and to use and apply any moneys realised from the exercise of such power to remedy the default and recover the outstanding amount on the Loan.</p> <p>There is no guarantee the Company will have sufficient capital available to repay the Loan. Accordingly, the Company may be required to seek urgent alternative funding arrangements, whether that be through a debt provider or through an equity raising. The Company cautions investors that there can be no certainty that such alternate funding will be available on acceptable terms, or indeed at all. Failure to obtain such alternate funding would have a material adverse effect on the Company's operations, financial performance and financial position. Furthermore, failure to repay the funds owing under the Loan may have a significant adverse impact on the Company's ability to continue as a going concern.</p>	
<p><b>Forward looking statements</b></p> <p>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.</p> <p>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 considered reasonable.</p> <p>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 management.</p> <p>The Directors cannot and do 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.</p> <p>The Directors have 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.</p> <p>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 3.</p>	Section 3

## 1. Background to the Offers

### 1.1 Background

On 11 October 2024, the Company announced a capital raising of approximately \$2.54 million (before costs) (**Placement**). The Placement is comprised of the following two tranches:

- (a) the issue of 169,650,712 Shares to unrelated parties (**Placement Participants**) at an issue price of \$0.015 per Share (**Placement Shares**); and
- (b) the issue of up to 169,650,712 Quoted Options to Placement Participants (**Placement Options**), on the basis of one (1) free-attaching Placement Option for every one (1) Placement Share subscribed for and issued under the Placement.

Evolution Capital Pty Ltd and Shaw and Partners Limited acted as joint lead managers and bookrunners to the Placement (**Joint Lead Managers**). As part consideration for the provision of joint lead manager and bookrunner services, the Company agreed to issue up to 19,085,705 Quoted Options to the Joint Lead Managers (or their respective nominees) on the same terms as the Placement Options (**Joint Lead Manager Options**).

On 17 October 2024, the Company issued the Placement Shares to the Placement Participants using the Company's available placement capacity under Listing Rules 7.1 and 7.1A.

Shareholder approval for the issue of the Placement Options and Joint Lead Manager Options was obtained at the Company's annual general meeting convened on 25 November 2024.

### 1.2 The Offers

The Company is offering pursuant to this Prospectus a maximum of 188,736,417 Quoted Options each exercisable at \$0.025 each and expiring three (3) years from the date of issue.

#### (a) Placement Options Offer

The Placement Options Offer is an offer of one (1) free-attaching Quoted Option for every one (1) Placement Share subscribed for and issued under the Placement.

Only Placement Participants who participated in the Placement and were issued Placement Shares are eligible to participate in the Placement Options Offer.

Based on the number of Shares issued under the Placement, 169,650,712 Quoted Options may be issued under the Placement Options Offer. No funds will be raised from the issue of the Placement Options under this Prospectus.

The Quoted Options offered under the Placement Options Offer will be exercisable at \$0.025 each and expire 3 years from the date of issue. The Placement Options are otherwise subject to the terms and conditions set out in Section 4.2.

Shares issued on exercise of the Placement Options will rank equally with the Shares on issue at the Prospectus Date. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

#### (b) Joint Lead Manager Offer

The Joint Lead Manager Offer is an offer of up to 19,085,705 Quoted Options to the Joint Lead Managers (or their respective nominees) as part consideration for the provision of joint lead manager and bookrunner services provided to the Company in connection with the Placement.

Only the Joint Lead Managers (or their respective nominees) may participate in the Joint Lead Manager Offer.

The Quoted Options offered under the Joint Lead Manager Offer will be exercisable at \$0.025 each and expire 3 years from the date of issue and are on the same terms as those Quoted Options to be issued to the Placement Participations. The Joint Lead Manager Options are otherwise subject to the terms and conditions set out in Section 4.2.

Shares issued on exercise of the Joint Lead Manager Options will rank equally with the Shares on issue at the Prospectus Date. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

The Offers are not open to the general public.

### **1.3 Conditional Offers**

The issue of the Quoted Options under the Offers is subject to ASX agreeing to grant Official Quotation of the Quoted Options on ASX by the time required under the Corporations Act (subject to compliance with the requirements of ASX and the Listing Rules for the quotation of a new class of Securities).

As required by Listing Rule 2.5 condition 6, the Quoted Options to be issued under this Prospectus will only be admitted to Official Quotation by ASX if the conditions for quotation of a new class of Securities are satisfied, which include (amongst other things):

- (a) there being a minimum of 100,000 Quoted Options on issue; and
- (b) there being at least 50 holders with a marketable parcel (as defined in the Listing Rules).

If the Quoted Options to be issued under this Prospectus are not admitted to quotation within a period of three months from the Prospectus Date, any issue or transfer of Quoted Options (or Shares issued on exercise of those Quoted Options) will be void in accordance with section 723 of the Corporations Act and the Offers will not proceed.

Each of the conditions above in Section 1.3(a) and (b) are “inter-conditional”, meaning that the Quoted Options will only be issued under this Prospectus if both conditions are satisfied.

### **1.4 Purpose of this Prospectus**

Section 707(3) of the Corporations Act generally requires that a prospectus is issued in order for a person to whom Securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those Securities within 12 months of the date of their issue.

The Corporations Act provides an exception to section 707(3) where an entity issues a ‘cleansing’ notice under section 708A(5). However, the Company is precluded from issuing a ‘cleansing’ notice in respect of the Quoted Options as they are not in a class of Securities that were quoted Securities at all times in the last 3 months.

Consequently, the Company has issued this Prospectus for the offers of the Quoted Options to the Placement Participants and the Joint Lead Managers (or their respective nominees).

This Prospectus has also been issued to facilitate secondary trading of the Shares to be issued upon exercise of the Quoted Options to be issued under the Offers. Issuing the Quoted Options under this Prospectus will enable persons who are issued the Quoted Options to on-sell the Shares issued on exercise of the Quoted Options pursuant to *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

Accordingly, the primary purpose of this Prospectus is to:

- (a) make the offers of Quoted Options under the Placement Options Offer and the Joint Lead Manager Offer; and

- (b) ensure that the on-sale of the Shares issued on conversion of the Quoted Options do not breach section 707(3) of the Corporations Act.

## **1.5 Opening and Closing Date**

As set out in the Timetable, the Offers will open on 20 December 2024 (**Opening Date**) and are anticipated to close at 5.00pm (AWST) on 27 December 2024 (**Closing Date**).

The above dates are indicative only and subject to change without notice. The Company may vary these dates, including to close the Offers early, extend the Closing Date or to withdraw the Offers at any time prior to issue of the Quoted Options. If any of the dates are changed, subsequent dates may also change. You are encouraged to lodge your Application Form as soon as possible after the Opening Date.

The Company will accept Application Forms for the Offers from the Opening Date until 5.00pm (AWST) on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules and the Corporations Act.

## **1.6 Minimum subscription**

There is no minimum subscription under the Offers.

## **1.7 No underwriting**

The Offers are not underwritten.

## **1.8 No rights trading**

The rights to Quoted Options under the Offers are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your right to receive some or all of the Quoted Options to any other party. If you do not take up your right to receive the relevant Quoted Options by the Closing Date, the offer to you will lapse.

## **1.9 Application Forms**

Applications must be made using the relevant Application Form attached to or made available with a copy of this Prospectus. The Application Form must be completed in accordance with the instructions set out on the form. To the maximum extent permitted by law, the Directors will have discretion over which Applications to accept.

Completed Application Forms must be received by the Company prior to the Closing Date. Application Forms should be delivered in accordance with the instructions contained in the Application Form.

If the number of Quoted Options subscribed for under the Placement Options Offer is more than the number of Quoted Options to which the Applicant is entitled under the Placement Options Offer, the Company reserves the right to return the Application Form and not issue any Quoted Options to the Applicant or to accept it in respect of a lesser number of Quoted Options.

If you are in doubt as to the course of action, you should consult your suitably qualified professional advisor.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Quoted Options accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of Quoted Options under an Offer. If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form, is final.



By completing and returning an Application Form, Applicants will be deemed to have represented and warranted on behalf of themselves or each person on whose account they are acting, that the law in their place of residence and/or where they have been given the Prospectus does not prohibit them from being given the Prospectus and that they:

- (a) agree to be bound by the terms of the relevant Offer;
- (b) declare that all details and statements in the Application Form are complete and accurate;
- (c) declare that they are over 18 years of age and have full legal capacity and power to perform all their rights and obligations under the Application Form;
- (d) authorise the Company and its respective officers or agents, to do anything on their behalf necessary for the Quoted Options to be issued to them, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;
- (e) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Quoted Options are suitable for them given their investment objectives, financial situation or particular needs;
- (f) acknowledge that the Quoted Options have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia; and
- (g) meet the eligibility criteria of the expected target market for the Quoted Options outlined in the TMD, a copy of which can be accessed at the Company's website (<https://anaxmetals.com.au/>).

#### **1.10 Issue date and dispatch**

The Quoted Options will be issued only after ASX has granted permission for the Quoted Options to be quoted. It is expected that Quoted Options will be issued and quoted by ASX in accordance with the dates specified in the Timetable.

It is the responsibility of Applicants to determine their allocation prior to trading in the Quoted Options. Applicants who sell Quoted Options before they receive their holding statements do so at their own risk.

#### **1.11 ASX quotation**

Application for quotation of the Quoted Options will be made to ASX in accordance with the Timetable.

The fact that ASX may grant Official Quotation of the Quoted Options is not to be taken in any way as an indication of the merits of the Company or the Quoted Options offered pursuant to this Prospectus. ASX takes no responsibility for the contents of this Prospectus.

#### **1.12 CHESS**

The Company participates in the Clearing House Electronic Sub-register System known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities pursuant to their acceptance of an Offer.

Shareholders who are broker sponsored will receive a CHESS statement from ASX Settlement.

The CHESS statement will specify the number of Quoted Options issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Quoted Options.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by the Share Registry and will contain the number of Quoted Options issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Security holders at the end of any calendar month during which the balance of their Security holding changes. Security holders may request a statement at any other time; however, a charge may be made for additional statements.

### **1.13 Residents outside Australia**

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any such restrictions, including those set forth below. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of Quoted Options in any jurisdiction in which it would be unlawful. In particular, this Prospectus, and any accompanying Application Form, may not be distributed to any person, and the Quoted Options may not be offered or sold, in any country outside Australia except to the extent permitted in Sections 1.14 to 1.16.

### **1.14 Germany**

This Prospectus 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 Prospectus may not be made available, nor may the Quoted 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 Quoted Options in Germany is limited to persons who are “qualified investors” (as defined in Article 2(e) of the Prospectus Regulation).

### **1.15 Hong Kong**

**WARNING:** This Prospectus may be distributed in Hong Kong only to professional investors as defined in the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the “**SFO**”).

This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the SFO.

No advertisement, invitation or document relating to the Quoted Options has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Quoted Options that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Quoted Options may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

This Prospectus has not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offers. If you are in doubt about any contents of this document, you should obtain independent professional advice.

### **1.16 New Zealand**

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “**FMC Act**”).

The New Options are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

### **1.17 Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Quoted Options.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Quoted Options.

### **1.18 Major activities and financial information**

A summary of the major activities and financial information relating to the Company, for the financial year ended 30 June 2024, can be found in the Company's Annual Report announced on ASX on 27 September 2024.

The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Financial Report on 27 September 2024 are listed in Section 5.2.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that potential Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

### **1.19 Privacy**

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the application and, if the application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your application.

An Applicant has an entitlement to gain access to, correct and update the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests can be made in accordance with Principle 12 of the Australian Privacy Principles and may be made in writing to the Company's registered office.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

#### **1.20 Enquiries concerning this Prospectus**

For enquiries relating to this Prospectus and general shareholder enquiries, please contact the Company Secretary by email via [info@anaxmetals.com.au](mailto:info@anaxmetals.com.au).

## 2. Effect of the Offers

### 2.1 Capital structure on completion of the Offers

The principal effect of the Offers, assuming all Quoted Options offered under this Prospectus are issued, will be to increase the number of Options currently on issue by a maximum of 188,736,417 Options. Application will be made for these Quoted Options to be quoted on ASX, creating a new class of quoted Options.

Assuming that no further Shares are issued and none of the existing unquoted Options or Performance Rights are converted, the effect of the Offers on the Company's issued capital as at the Prospectus Date is as shown in the following table.

Indicative capital structure	
Securities on issue as at the Prospectus Date	
Shares	876,451,742
Options <sup>1</sup>	259,505,150
Performance Rights <sup>2</sup>	42,000,000
Securities on issue on completion of the Offers <sup>4</sup>	
Shares	876,451,742
Options	
• Unquoted Options <sup>1</sup>	259,505,150
• Quoted Options <sup>3</sup>	188,736,417
Performance Rights <sup>2</sup>	42,000,000

**Notes:**

1. Unquoted Options with varying exercise prices of between \$0.03 to \$0.12 and expiry dates of between 13 December 2024 to 20 September 2026.
2. Subject to the satisfaction of various milestones and expiring on various dates between 31 December 2024 to 31 December 2026.
3. See Section 4.2 for the terms and conditions of the Quoted Options. The issue of the Quoted Options is conditional upon (amongst other things) ASX agreeing to grant Official Quotation of the Quoted Options on ASX by the time required under the Corporations Act (subject to compliance with the requirements of ASX and the Listing Rules for the quotation of a new class of Securities).
4. Assumes that the Offers are fully subscribed, and no further Securities are issued.

### 2.2 Proposed use of funds

No funds will be raised from the issue of the Quoted Options pursuant to this Prospectus as:

- (a) the Placement Options are free-attaching to the Placement Shares issued under the Placement; and
- (b) the Joint Lead Manager Options are being issued to the Joint Lead Managers (or their respective nominees) as part consideration for the provision of joint lead manager and bookrunner services in connection with the Placement.

The Company will receive \$0.025 for each Quoted Option exercised. If all Quoted Options are issued and exercised, the Company will receive approximately \$4,718,410 (before costs). There is no certainty that any Quoted Options issued under the Offers will be exercised.

It is currently intended that funds raised from the Placement and any funds raised from the exercise of the Quoted Options will be applied towards:

- (a) further exploration of existing assets;
- (b) progressing projects and studies;
- (c) the potential acquisition of new assets;
- (d) costs of the Offers and Placement; and
- (e) general working capital.

The above is a statement of current intentions at the Prospectus Date. 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 the funds are applied on this basis.

The application of any funds from the exercise of Quoted Options will depend on when Quoted Options are exercised and the status of the Company's projects and requirements at the relevant time.

## 2.3 Effect on control of the Company

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

The maximum number of Quoted Options proposed to be issued under the Offers is 188,736,417. If all of these Quoted Options are exercised, the Shares issued on exercise will constitute approximately 17.80% of the Shares on issue following completion of the Offers (assuming the Offers and fully subscribed and no further Securities are issued).

## 2.4 Substantial Shareholders

Based on information known to the Company as at the date of this Prospectus, those persons which together with their associates have a voting power in 5% or more of the Shares on issue are set out below:

Substantial Shareholder	Number of Shares	Voting power (%)
Jetosea Pty. Limited	146,997,903	16.77
Holihox Pty. Ltd. <PSR Superannuation Fund A/C> <sup>1</sup>	76,794,293	8.76

**Note:** Mr Phillip Jackson has an indirect interest in these Shares by virtue of being the sole director and shareholder of this entity.

## 2.5 Financial effect of the Offers

The Company does not consider that the Offers will have a material effect on the financial position of the Company.

If all Quoted Options are issued and exercised (which is not certain), it would have the effect on the Company's financial position of increasing the cash balance by approximately \$4,718,410 (before costs).

The expenses of the Offers will be met from the Company's existing cash reserves. The Offers will have an effect on the Company's financial position of reducing the cash balance by approximately \$44,315. Please refer to Section 5.10 for further details on the estimated expenses of the Offers.

### **3. Risk factors**

An investment in Quoted Options offered by this Prospectus should be regarded as speculative. Activities in the Company, as in any business, are subject to risks which may impact on the Company's future performance. The Company has implemented appropriate strategies, actions, systems and safeguards for known risks, however some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which prospective investors need to be aware of in evaluating the Company's business and the risks of investing in the Company. Prospective investors should carefully consider the following factors in addition to the other information presented in the Prospectus.

The principal risks include, but are not limited to, the following:

#### **3.1 Risks specific to the Company**

##### **(a) Future capital and funding requirements**

The Company does not have operating revenue and is unlikely to generate any operating revenue unless and until a project or projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities.

In order to successfully develop its projects and for production to commence, the Company will require further 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.

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's activities including resulting in the tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Securities in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing Shareholders will be diluted.

##### **(b) Mine development**

Possible future development of mining operations at the Company's 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, cost overruns, access to the required level of funding and contracting risk for third parties providing essential services.

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

(c) **Limited operational history**

The Company has no operating assets and its flagship project is in the pre-development stage. The Company therefore has limited operational history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration and mining sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, its projects. Until the Company is able to realise value from its projects, it is likely to incur operational losses.

(d) **Joint venture risks**

The Company is currently and may in the future become a party to joint venture agreements governing the exploration and development of its projects. There is a risk that one of the Company's joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. This may have an adverse effect on the interests and prospects of the Company.

As with any joint venture, the Company is subject to the risk that changes in the status of its joint venture partner (including changes caused by financial failure or default by a participant in the joint venture) or acts or omissions by its joint venture partner may adversely affect the position of the Company.

(e) **Loan risk**

On 7 December 2022, the Company entered into an unsecured loan agreement with substantial Shareholder Jetosea Pty. Limited (**Jetosea**) (as amended on 29 June 2023, 29 January 2024, and 29 May 2024), pursuant to which Jetosea agreed to loan the Company an aggregate \$3,100,000 at an interest rate of 6% per annum (**Loan**).

As announced on 30 May 2024, the Company varied the terms of the Loan to extend the repayment date to 31 December 2025 in exchange for the Company granting Jetosea (amongst other things) a security over the Company's 80% participating interest in the Whim Creek Project held via Whim Creek Metals Pty Ltd (**WCM**), a wholly owned subsidiary of the Company (**Jetosea Security**).

The Jetosea Security only becomes enforceable by Jetosea in the event WCM defaults on the Loan, such as failing to pay any cash calls or other monies due. Upon such an event occurring, Jetosea will be entitled to exercise certain powers under the Jetosea Security, including the power to sell, transfer or otherwise dispose all or any part of the Company's interest in the Whim Creek Project and to use and apply any moneys realised from the exercise of such power to remedy the default and recover the outstanding amount on the Loan.

There is no guarantee the Company will have sufficient capital available to repay the Loan. Accordingly, the Company may be required to seek urgent alternative funding arrangements, whether that be through a debt provider or through an equity raising. The Company cautions investors that there can be no certainty that such alternate funding will be available on acceptable terms, or indeed at all. Failure to obtain such alternate funding would have a material adverse effect on the Company's operations, financial performance and financial position. Furthermore, failure to repay the funds owing under the Loan may have a significant adverse impact on the Company's ability to continue as a going concern.

(f) **New projects and potential acquisitions**

The Company will actively pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct



project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.

The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

**(g) Quotation risk**

The Company will apply for quotation of the Quoted Options subject to compliance with the requirements of ASX and the Listing Rules, however, the Quoted Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of Securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the Listing Rules)).

The Company makes no guarantee that any such application for quotation will be successful and there is a risk that the Company will not be able to satisfy the ASX requirements for quotation. In the event that the Company is unable to satisfy the ASX requirements, the Quoted Options will still be issued, but will be unquoted Options and there will be no public market for the Quoted Options. If the Quoted Options are admitted to official quotation by ASX, the price of the Quoted Options is subject to uncertainty and there can be no assurance that an active market for the Quoted Options will develop or continue after the Offers.

**(h) Option risk and dilution**

Options are, by their nature, only of value at times when the exercise price is lower than the price of the underlying Shares. There is no guarantee that the Quoted Options offered under this Prospectus will, at any particular time, have an exercise price which is lower than the price of the Shares.

There is a risk that the Quoted Options may expire at a time when they have little or no value.

On completion of the Offers, assuming the Offers are fully subscribed and ASX's quotation conditions have been satisfied, there will be up to 188,736,417 Quoted Options on issue. If exercised, these Quoted Options will be converted into Shares, thereby causing the shareholdings of Shareholders to be diluted by up to 17.80% (on the basis that the Offers are fully subscribed and no other Securities are issued or exercised at the date of this Prospectus). However, each Quoted Option has an exercise price of \$0.025 which means that the Company will receive additional funds of up to approximately \$4,718,410 (before costs) upon exercise of the Quoted Options, assuming all Quoted Options the subject of the Offers are issued and subsequently exercised. There is no certainty that Quoted Options, if issued, will be exercised in full, or at all.

## **3.2 Mining industry risks**

### **(a) Resource risk**

There is inherent uncertainty with mineral resource estimates. In addition, there is no guarantee that inferred mineral resource estimates can successfully be converted to indicated or measured mineral resource estimates to allow potential reserve estimates. There remains risk, regardless of JORC Code 2012 or other status, with actual mining performance against any resource or reserve estimate.

### **(b) Operating risk**

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

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Unless and until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

### **(c) Metallurgy**

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

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

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

### **(d) Environmental risks**

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.

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 noncompliance with environmental laws or regulations.

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. 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.

(e) **Resource estimates and targets**

The Company has previously announced a maiden mineral resource estimate for the Whim Creek Project. Mineral resource and ore reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally made may alter significantly as new information becomes available.

In addition, by their very nature, resource and reserve estimates are imprecise and depend on interpretations which may prove to be inaccurate, and whilst the Company employs industry-standard techniques including compliance with the JORC Code 2012 to reduce the resource and reserve estimation risk, there is no assurance that this approach will alter the risk. As further information becomes available through additional fieldwork and analysis, reserve and resource estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect the Company.

(f) **Grant, tenure and forfeiture of licences**

The Company's tenements are subject to the applicable mining acts and regulations in Western Australia, pursuant to which mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. There is no guarantee that current or future tenements or future applications for production tenements will be approved. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. 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.

Prior to any development on any of its properties, subsidiaries of the Company must receive licences/permits from appropriate governmental authorities. Notwithstanding that all regulatory approvals from Department of Mines Industry Regulation and Safety (DMIRS) and Department of Water and Environmental Regulation (DWER) have been received to enable commencement of open pit mining and processing of Mons Cupri and Whim Creek ore (including construction of a three-cell In-Pit Tailings Storage facility (TSF) and accommodation village), additional regulatory approvals will be required for planned operations at Evelyn and Salt Creek. While this work is underway there is no certainty that these approvals will be granted, that they will be granted without undue delay, or that the Company can economically comply with any conditions imposed on any granted permits.

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 being budgeted by the Company. However, the consequences of forfeiture or involuntary surrender of a granted tenement for reasons beyond the control of the Company could be significant.

Similarly, the rights to mining leases and exploration licences carry with them various obligations which the holder is required to comply with in order to ensure the continued good standing of the lease or licence and, specifically, obligations in regard to minimum expenditure levels and responsibilities in respect of the environment and safety. Failure to observe these requirements could prejudice the right to maintain title to a given area and result in government action to forfeit a lease or leases or licence or licences. There is no guarantee that current or future exploration

applications or existing licence renewals will be granted, that they will be granted without undue delay, or that the Company can economically comply with any conditions imposed on any granted exploration permits.

(g) **Native title and Aboriginal heritage**

Pursuant to the terms of the heritage deed between the National Aboriginal Conference (**NAC**) and the Company (**Heritage Deed**), prior to commencing mining operations at Evelyn (M47/1455), the Company must negotiate in good faith with NAC with the object of reaching an agreement as to the consent of NAC to the mining operations, including compensation to NAC in relation to those productive mining activities. If an agreement is not reached in the timeframes provided in the Heritage Deed, the matter must be determined by a private arbitration process outlined in the Heritage Deed. There is risk that the outcome of those negotiations may result in a less economic outcome, or that the time taken to reach agreement may delay commencement of productive mining on M47/1455.

Access to land for exploration purposes can be adversely affected by land ownership, including private (freehold) land, pastoral lease and native title land or claims under the *Native Title Act 1993* (Cth) (**NTA**) (or similar legislation in the jurisdiction where the Company operates). The effect of the NTA is that existing and new tenements held by the Company may be affected by native title claims and procedures.

There is a risk that a determination could be made that native title exists in relation to land the subject of a tenement held or to be held by the Company which may affect the operation of the Company's business and development activities. In the event that it is determined that native title does exist, or a native title claim has been registered, the Company may need to comply with procedures under the NTA in order to carry out its operations or to be granted any additional rights required. Such procedures may take considerable time, involve the negotiation of significant agreements, may involve access rights, and require the payment of compensation to those persons holding or claiming native title in the land the subject of a tenement.

The involvement in the administration and determination of native title issues may have a material adverse impact on the position of the Company in terms of cash flows, financial performance, business development, and the Share price.

(h) **Third party tenure risks**

Under Western Australian and Commonwealth legislation, the Company may be required, in respect of exploration or mining activities on its tenements, to recognise the rights of, obtain the consent of, and/or pay compensation to the holders of third-party interests which overlay areas within the tenements, including other mining tenure, pastoral leases or petroleum tenure.

The Company will continue to be required to negotiate access arrangements and pay compensation to land owners, local authorities, traditional land users and others who may have an interest in the area covered by a tenement. The Company's ability to resolve access and compensation issues will have an impact on the future success and financial performance of the Company's operations. If the Company is unable to resolve such compensation claims on economic terms, this could have a material adverse effect on the business, results or operations and financial condition of the Company.

Any delays or costs in respect of conflicting third-party rights (for example, in relation to the assignment of any access agreements or the relocation of existing infrastructure on any existing miscellaneous licences that overlap with a tenement), obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas.

(i) **Commodity and currency price risk**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. The price of gold, lithium and other minerals fluctuate and are affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market values of gold, lithium, and other minerals could cause the development of, and eventually the commercial production from, the Company's projects and the Company's other properties to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of gold, lithium, and base metals are produced, a profitable market will exist for it.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

In addition to adversely affecting any potential future reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

(j) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition, including major mineral exploration and production companies. 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.

The Company's current and future potential competitors may include entities with greater financial and other resources than the Company which, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these entities.

(k) **Third party contractor risks**

The Company is unable to predict the risk of insolvency or managerial failure by any of the third-party contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity. The effects of such failures may have an adverse effect on the Company's activities.

(l) **Results of Studies**

Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in respect of its projects.

The Company has already completed a definitive feasibility study and heap leach scoping study in relation to the Whim Creek Project.

An additional heap leach scoping study in connection with the Whim Creek Project is currently underway as announced by the Company on 28 March 2024. Further studies may include scoping, pre-feasibility, definitive feasibility (in relation to other projects) and bankable feasibility studies.

These studies will be completed within parameters designed to determine the economic feasibility of the Company's projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Company's projects, or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

Even if a study confirms the economic viability of a project, there can be no guarantee that the Project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (for example, operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds.

The Company's scoping study in relation to the Whim Creek Project identified a number of specific risks that will be addressed part of future studies, including but not limited to: the absence of offtake agreements in place for produced concentrates, the requirement for consent and compensation in relation to heritage agreements with NAC at M47/1455, the Company's requirement for additional project funding in the future, fluctuations in copper price and Australian dollar exchange rate, cost escalation in light of the current high inflation environment, the costs involved with the Company's commitment to sustainability reporting, the recent changes to the *Aboriginal Cultural Heritage Act 2021* (WA) and project implementation and operational costs.

(m) **Budget risk**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of operations. 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.

(n) **Project implementation**

Construction of the Company's Whim Creek Project may not be completed on schedule or at the budgeted construction cost, while issues in commissioning the mine or the associated metallurgical processes may arise. Modular offsite construction of the process plant and simple site erection of the modules reduces this risk.

Skills shortages remain a key risk for the project development phase. There is a limited pool of experienced development and technical personnel with experience in developing remote mine sites in the Pilbara. This, combined with the low Australian unemployment rate increases the risk of finding and retaining a suitably skilled workforce.

These key risk areas will form the basis of a detailed risk register to be actively managed throughout the implementation phase through the development of risk controls and the implementation of appropriate standards and management systems.

(o) **Reliance on key personnel**

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

The novelty of the Company's Whim Creek Project introduces technical and commercial challenges. The loss of key executives and management with skills and experience with this could have an impact on activities and the ability to develop the Whim Creek Project.

(p) **Staffing**

It may be difficult for the Company to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants.

There is a limited pool of experienced development and technical personnel with experience in operating within remote mine sites in the Pilbara. This, combined with the low Australian unemployment rate increases the risk of finding and retaining a suitably skilled workforce.

(q) **Climate change**

There are a number of climate-related factors that may affect the Company's business. Climate change or prolonged periods of adverse weather and climatic conditions (including rising sea levels, floods, hail, drought, water, scarcity, temperature extremes, frosts, earthquakes and pestilences) may have an adverse effect on the Company's ability to access its Projects and therefore the Company's ability to carry out services.

Changes in policy, technological innovation and consumer or investor preferences could adversely impact the Company's business strategy, particularly in the event of a transition (which may occur in unpredictable ways) to a lower-carbon economy.

(r) **Occupational health and safety**

Site safety and occupational health and safety outcomes are a critical element in the reputation of the Company and its ability to retain and be awarded new contracts in the resources industry. While the Company has a strong commitment to achieving a safe performance on site a serious site safety incident could impact upon the reputation and financial outcomes for the Company. Operating a project in a remote location provides a range of health and safety risks that will need to be managed.

Additionally, laws and regulations as well as the requirements of customers may become more complex and stringent or the subject of increasingly strict interpretation and/or enforcement. Failure to comply with applicable regulations or requirements may result in significant liabilities, to suspended operations and increased costs.

Industrial accidents may occur in relation to the performance of the Company's services. Such accidents, particularly where a fatality or serious injury occurs, or a series of such accidents occurs, may have operational and financial implications for the Company which may negatively impact on the financial performance and growth prospects for the Company.

(s) **Insurance**

The Company intends to continue to insure its operations in accordance with industry practice. 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 against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(t) **Unforeseen expenses**

The Company's cost estimates and financial forecasts include appropriate provisions for material risks and uncertainties and are considered to be fit for purpose for the proposed activities of the Company. If risks and uncertainties prove to be greater than expected, or if new currently unforeseen material risks and uncertainties arise, the expenditure proposals of the Company are likely to be adversely affected.

### **3.3 General risks**

#### **(a) Infectious diseases**

The price of the Company's Securities may be adversely affected by the economic uncertainty caused by infectious diseases (including COVID-19). Measures to limit the transmission of infectious diseases implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations and may interrupt the Company carrying out its contractual obligations or cause disruptions to supply chains.

#### **(b) General economic climate**

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs. The Company's future income, asset values and share price can be affected by these factors and, in particular, by exchange rate movements.

#### **(c) Government and legal risk**

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Shares. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect its permits. However, changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's development plans or its rights and obligations in respect of its permits. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

#### **(d) Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

#### **(e) Force majeure**

Force majeure is a term used to refer to an event beyond the control of a party claiming that the event has occurred. Significant catastrophic events – such as war, acts of terrorism, pandemics, loss of power, cyber security breaches or global threats – or natural disasters – such as earthquakes, fire or floods or the outbreak of epidemic disease – could disrupt the Company's operations and interrupt critical functions, or otherwise harm the business. To the extent that such disruptions or uncertainties result in delays or cancellations of the deployment of the Company's products and solutions, its business, results of operations and financial condition could be harmed.



(f) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation point of view and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Securities under this Prospectus.

(g) **Unforeseen risk**

There may be other risks which the Directors are unaware of at the time of issuing this Prospectus which may impact on the Company, its operations and/or the valuation and performance of its Securities.

**3.4 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 its Securities. Investors should consider that the investment in the Company is high risk and should consult their professional adviser before deciding whether to apply for Quoted Options pursuant to this Prospectus.

## **4. Rights attaching to Securities**

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

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

#### **(a) General meetings**

Shareholders are entitled to be present in person, or by proxy, 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.

#### **(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 will, 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 the Share, but in respect of partly paid Shares will 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 will 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.

No dividend will carry interest as against the Company.

The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend. The Directors may capitalise any profits of the Company and distribute that capital to the Shareholders, in the same proportions as the Shareholders are entitled to a distribution by dividend.

#### **(d) Variation of rights**

If at any time the share capital is divided into different classes of shares, the rights attaching to the Shares may only be varied by the consent in writing of the holders of

three-quarters of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares in that class.

(e) **Transfer of Shares**

Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in any usual or common form, or in any other form that the Directors approve. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien. The Company must refuse to register a transfer of Shares where the Corporations Act, Listing Rules or ASX Settlement Operating Rules or a law about stamp duty requires the Company to do so.

(f) **Future increase in capital**

The issue of any Shares is under the control of the Board of the Company as appointed from time to time. Subject to restrictions on the issue or grant of Shares contained in the 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 and other Securities as they shall, in their absolute discretion, determine.

(g) **Rights on winding up**

If the Company is wound up, the liquidator may with the sanction of 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 the liquidator considers fair on 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.

(h) **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.

## 4.2 **Terms and conditions of Quoted Options**

The Quoted Options granted under the Offers (referred to as “**Options**” for the purpose of this Section 4.2) will be issued on the following terms and conditions:

- (a) **(Entitlement)**: Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **(Exercise Price)**: The amount payable upon exercise of each Option will be \$0.025 **(Exercise Price)**.
- (c) **(Expiry Date)**: Each Option will expire at 5:00pm (AWST) 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) **(Quotation)**: The Company will apply for quotation of the Options on ASX.
- (f) **(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.
- (g) **(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)**.
- (h) **(Timing of issue of Shares on exercise)**: As soon as practicable after the valid exercise of an Option and subject to paragraph (j), 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 required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act.

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure the sale of the Shares does not require disclosure to investors, Shares issued on exercise of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act. The Company is authorised by the holder to apply a holding lock on the relevant Shares during the period of such restriction from trading.

- (i) **(Shares issued on exercise)**: Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (j) **(Takeovers prohibition)**: The issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act.
- (k) **(Reconstruction of capital)**: If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) **(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.
- (m) **(Entitlement to dividends)**: The Options do not confer any entitlement to a dividend, whether fixed or at the discretion of the directors, during the currency of the Options without exercising the Options.
- (n) **(Entitlement to capital return)**: The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and similarly do not confer any right to participate in the surplus profit or assets of the Company upon a winding up, in each case, during the currency of the Options without exercising the Options.
- (o) **(Adjustment for reorganisation)**: If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.

- (p) **(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.
- (q) **(Adjustment for bonus issue):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
  - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
  - (ii) no change will be made to the Exercise Price.
- (r) **(Voting rights):** The Options do not confer any right to vote at meetings of members of the Company, except as required by law, during the currency of the Options without first exercising the Options.

## 5. Additional information

### 5.1 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit report or review. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.2 below). Copies of all documents announced to the ASX can be found at the Company's website ([www.anaxmetals.com.au](http://www.anaxmetals.com.au)).

### 5.2 Copies of documents

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

- (a) the financial statements of the Company for the financial year ended 30 June 2024 as lodged with ASX on 27 September 2024 (**Annual Report**), being the last financial statements for a financial year of the Company lodged with ASIC before the issue of this Prospectus; and
- (b) the following notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Report referred to in paragraph (a) above, until the date of this Prospectus:

Date lodged	Subject of Announcement
18 December 2024	<i>Cleansing Notice</i>
18 December 2024	<i>Application for quotation of securities - ANX</i>
18 December 2024	<i>High copper grades and new soil anomalies at Evelyn</i>
17 December 2024	<i>Producing construction materials from Whim Creek waste rock</i>
2 December 2024	<i>Assay results confirm high-grade intersections - Amended</i>
27 November 2024	<i>Assay results confirm high-grade intersections at Evelyn</i>
25 November 2024	<i>Results of Annual General Meeting</i>
22 November 2024	<i>Anax engages US investment bank Roc Global</i>
28 October 2024	<i>Change in substantial holding</i>
28 October 2024	<i>Change in substantial holding</i>
25 October 2024	<i>Quarterly Activities/Appendix 5B Cash Flow Report</i>
21 October 2024	<i>Notice of Annual General Meeting/Proxy Form</i>

Date lodged	Subject of Announcement
17 October 2024	<i>Allotment of Capital Raising Securities and Cleansing Notice</i>
17 October 2024	<i>Application for quotation of securities - ANX</i>
17 October 2024	<i>Application for quotation of securities - ANX</i>
11 October 2024	<i>Investor Presentation</i>
11 October 2024	<i>Proposed issue of securities - ANX</i>
11 October 2024	<i>Capital Raising</i>
9 October 2024	<i>Trading Halt</i>
27 September 2024	<i>Notice Required Under ASX Listing Rule 3.13.1</i>
27 September 2024	<i>Appendix 4G and Corporate Governance Statement</i>
27 September 2024	<i>Annual Report to shareholders</i>

The following documents are available for inspection throughout the period of the Offers during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.11 and the consents provided by the Directors to the issue of this Prospectus.

### 5.3 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

The Company is undertaking bacterial column leaching test work using Mons Cupri low grade copper-zinc middling from bulk ore sorting test work. As at the date of this Prospectus, the results from the test-work have not been finalised, remain otherwise confidential and incomplete and are too preliminary to warrant disclosure.

### 5.4 Determination by ASIC

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

### 5.5 Market price of Shares

The highest and lowest closing market sale prices of the Shares on ASX during the three months immediately preceding the date of the Offers, and the respective dates of those sales were:

**Lowest:** \$0.009 on 6 December 2024

**Highest:** \$0.024 on 27 September 2024

The latest available closing market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.011 per Share on 18 December 2024.

## 5.6 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

## 5.7 Interests of Directors

### (a) Security holdings

The relevant interest of each of the Directors (together with their associates) in Securities as at the date of this Prospectus is set out below:

Director <sup>1</sup>	Shares	Voting power (%) <sup>6</sup>	Unquoted Options	Performance Rights
Phillip Jackson <sup>2</sup>	76,794,293	8.76	23,661,786	4,000,000
Geoff Laing <sup>3</sup>	19,273,365	2.20	1,190,953	8,000,000
Peter Cordin <sup>4</sup>	5,756,578	0.66	1,791,000	3,000,000
Philip Warren <sup>5</sup>	3,143,808	0.36	1,464,404	4,500,000

**Notes:**

- The Directors did not participate in the Placement and are therefore not entitled to subscribe for Quoted Options under the Placement Options Offer.*
- Securities are held as follows:*
  - 100,456,079 Securities are held indirectly by Holihox Pty. Ltd. <PSR Superannuation Fund A/C>, of which Mr Jackson is the sole director shareholder of the entity, comprising:*
    - 76,794,293 Shares; and*
    - 23,661,786 unquoted Options exercisable at \$0.06 each and expiring on 31 December 2025; and*
  - 4,000,000 Performance Rights subject to certain vesting conditions and expiring on 31 December 2026 which are held directly.*
- Securities are held as follows:*
  - 1,710,702 Securities are held directly, comprising:*
    - 1,596,656 Shares; and*
    - 114,046 unquoted Options exercisable at \$0.06 each and expiring on 31 December 2025; and*
  - 26,753,616 Securities are held indirectly by The Laing Family Trust, of which Mr Laing is a beneficiary, comprising:*
    - 17,676,709 Shares;*
    - 1,076,907 unquoted Options exercisable at \$0.06 each and expiring on 31 December 2025; and*
    - 8,000,000 Performance Rights subject to various vesting conditions and expiring on various dates ranging between 2 June 2025 and 31 December 2026.*
- Securities are held as follows:*
  - 7,285,713 Securities are held directly, comprising:*
    - 2,857,142 Shares;*
    - 1,428,571 unquoted Options exercisable at \$0.06 each and expiring on 31 December 2025; and*
    - 3,000,000 Performance Rights subject to certain vesting conditions and expiring on 31 December 2026; and*
  - 3,261,865 Securities are held indirectly by Cordin Pty Ltd <Cordin Super Fund A/C>, or which Mr Cordin is a director of the entity, and a beneficiary of the ATO approved self-managed super fund, comprising:*
    - 2,899,436 Shares; and*
    - 362,429 Options exercisable at \$0.06 each and expiring on 31 December 2025.*
- Securities are held indirectly as follows:*
  - 7,928,571 Securities held by Philuchna Pty Ltd <PM & NA Warren Family A/C>, of which Mr Warren is a director of the entity, and a beneficiary of the trust, comprising:*
    - 2,285,714 Shares;*
    - 1,142,857 unquoted Options exercisable at \$0.06 each and expiring on 31 December 2025; and*
    - 4,500,000 Performance Rights subject to certain vesting conditions and expiring on 31 December 2026; and*



- (b) 1,179,641 Securities held by Philuchna Pty Ltd <Warren Super Fund A/C>, of which Mr Warren is a Director of the entity, and a beneficiary of the ATO approved self-managed super fund, comprising:
- (i) 858,094 Shares; and
  - (ii) 321,547 unquoted Options exercisable at \$0.06 each and expiring on 31 December 2025
6. Based on 871,434,942 Shares on issue at the Prospectus Date.

(b) **Remuneration of Directors**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The aggregate amount fixed is \$500,000. This aggregate amount is to be allocated among the non-executive directors in the proportion and manner they agree or, in default of agreement, among them equally. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The Constitution also provides that:

- (i) the Directors shall be entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors; and
- (ii) if any of the Directors being willing are called upon to perform additional or special duties for the Company, the Company may remunerate that Director as determined by the Directors and that remuneration may be either in addition to or in substitution for his or her share in the fee-pool described.

The table below sets out the remuneration provided to the Directors of the Company and their associated companies during the last two financial years (FY), inclusive of directors fees, consultancy fees, share-based payments, termination payments and superannuation contributions.

Director	FY ended 30 June 2024	FY ended 30 June 2023
Phillip Jackson <sup>1</sup>	\$73,690	\$67,295
Geoffrey Laing	\$379,563	\$431,175
Peter Cordin	\$55,268	\$50,416
Philip Warren	\$57,177	\$50,416

**Note:** In addition to the above, Holihox Pty Ltd, an entity of which Mr Phillip Jackson is a director, was paid an aggregate of \$76,000 (plus GST) during the last two FY (\$36,000 during each FY) in consideration for the provision of legal consultation services to the Company.

(c) **Information disclosed in this Prospectus**

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

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

- (iv) as an inducement to become, or to qualify as, a Director; or
- (v) for services provided in connection with the formation or promotion of the Company, or the Offers.

## 5.8 Related party transactions

There are no related party transactions involved in the Offers that are not otherwise described in this Prospectus.

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

## 5.9 Interests of other persons

Except as disclosed in this Prospectus, no underwriter, expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last 2 years prior to the date of this Prospectus in the formation or promotion of the Company, the Quoted Options offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Quoted Options offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Quoted Options offered under this Prospectus.

## 5.10 Expenses of Offers

The estimated expenses of the Offers are as approximately as follows (excluding GST):

Estimated expense	\$
ASIC lodgement fee	\$3,206
ASX quotation fee	\$16,109
Legal fees and expenses	\$25,000
<b>TOTAL</b>	<b>\$44,206</b>

## 5.11 Consents

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

Each of the parties referred to in this Section:

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

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

Automic has given its written consent to being named in this Prospectus as share registry to the Company. Automic has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

## **5.12 Electronic Prospectus**

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Securities in response to an electronic application form, subject to compliance with certain provisions. 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 email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

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. Directors' statement and consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of the Company by:

A handwritten signature in black ink, appearing to be 'PJ' followed by a long horizontal stroke.

Phillip Jackson

**Non-Executive Chairman**

Dated: 19 December 2024

## 7. Definitions

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

**\$** means Australian dollars.

**Applicant** means a person who submits an Application Form.

**Application Form** means an application form attached to or made available with a copy of this Prospectus.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means the ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**ASX Settlement** means ASX Settlement Pty Limited ACN 008 504 532.

**ASX Settlement Operating Rules** means ASX Settlement Operating Rules of ASX Settlement.

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

**Board** means the board of Directors.

**Business Day** means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

**CHESS** means ASX Clearing House Electronic Sub-register System.

**Closing Date** has the meaning given in the Timetable.

**Company** means Anax Metals Limited (ACN 106 304 787).

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

**Corporations Act** means the *Corporations Act 2001* (Cth), as amended.

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

**FY** means financial year.

**Heritage Deed** has the meaning given in Section 3.2(g).

**Issuer Sponsored** means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**Jetosea** means Jetosea Pty. Limited (ACN 003 784 441).

**Jetosea Security** has the meaning given in Section 3.1(e).

**Joint Lead Managers** means Evolution Capital Pty Ltd (ACN 652 397 263) and Shaw and Partners Limited (ACN 003 221 583).

**Joint Lead Manager Options** means a maximum of 19,085,705 Quoted Options offered under the Joint Lead Manager Offer, pursuant to this Prospectus.

**Joint Lead Manager Offer** means the offer of up to 19,085,705 Quoted Options to the Joint Lead Managers (or their respective nominees), under this Prospectus.

**JORC Code 2012** means the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

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

**Loan** has the meaning given in Section 3.1(e).

**NAC** means the National Aboriginal Conference.

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

**Offers** means either or both, as the context requires, the Placement Options Offer and the Joint Lead Manager Offer.

**Official Quotation** means the quotation of Securities on the official list of ASX.

**Option** means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.

**Placement** has the meaning given in Section 1.1.

**Placement Options** means a maximum of 169,650,712 Quoted Options offered under the Placement Options Offer, pursuant to this Prospectus.

**Placement Options Offer** means the offer of up to 169,650,712 Quoted Options to Placement Participants, on the basis of one (1) free-attaching Quoted Option for every one (1) Placement Share subscribed for and issued under the Placement, pursuant to this Prospectus.

**Placement Participants** has the meaning given in Section 1.1.

**Placement Shares** means 169,650,712 Shares which have been issued to Placement Participants under the Placement.

**Prospectus** means this prospectus dated 19 December 2024.

**Prospectus Date** means 19 December 2024.

**Quoted Options** means either or both, as the context requires, the Placement Options and the Joint Lead Manager Offered pursuant to this Prospectus.

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

**Securities** mean any securities including Shares, Options or Performance Rights issued or granted by the Company.

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

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

**Timetable** means the indicative timetable on page 2 of this Prospectus.

**WCM** means Whim Creek Metals Pty Ltd (ACN 639 132 282).