



TITAN MINERALS LIMITED

ACN 117 790 897

PROSPECTUS

For an offer of New 70 cent Options to the Underwriter (and/or its nominee(s)) (**Offer**). The Offer opens on Wednesday, 4 June 2025 and closes at 5:00pm (AWST) on Wednesday, 11 June 2025 (unless extended). This Prospectus is also being issued to facilitate secondary trading of the underlying securities to be issued upon the exercise of the New 70 cent Options. Please read the instructions in this Prospectus and on the accompanying Acceptance and Application Form.

IMPORTANT NOTICE

This is an important document and requires your immediate attention. This Prospectus is a 'transaction specific prospectus' prepared in accordance with section 713 of the Corporations Act. Accordingly, this Prospectus does not of itself detail the same level of disclosure as an initial public offering prospectus. You should read this Prospectus (including the 'Risk Factors' in Section 3) in its entirety before deciding whether to apply for New 70 cent Options, you should consult your stockbroker, accountant, solicitor or other professional adviser. Before making any investment decision, you should have regard to all publicly available information concerning the Company. An investment in the New 70 cent Options offered under this Prospectus should be considered highly speculative in nature.

IMPORTANT INFORMATION

General

This Prospectus is dated 4 June 2025 and was lodged with ASIC on 4 June 2025. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No New 70 cent 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). The New 70 cent Options issued pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus.

The Company will apply to ASX within seven (7) days of the date of this Prospectus for Official Quotation by ASX of the New 70 cent Options offered under this Prospectus.

A copy of this Prospectus is available for inspection at the office of the Company at Suite 1, 295 Rokeby Road, Subiaco WA 6008 during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.12).

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

Acceptance and Application Form

The Acceptance and Application Form accompanying this Prospectus is important. Applications for New 70 cent Options under the Offer may only be made on an Acceptance and Application Form that is attached to, or provided by the Company with a copy of this Prospectus in either paper or electronic form. The Corporations Act prohibits any person from passing on to another person an Acceptance and Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

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

By returning an Acceptance and Application Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offer to which the Acceptance and Application Form relates and agree to all of the terms and conditions as detailed in this Prospectus and in the relevant Acceptance and Application Form.

Foreign Jurisdictions

This Prospectus and any accompanying Acceptance and Application Form do not, and are not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or to issue this Prospectus.

The Offer is not being extended, and New 70 cent Options will not be issued, to any other person other than the Underwriter (and/or its nominees). No action has been taken to permit the offer of New 70 cent Options to the Underwriter (and/or its nominee(s)) in any jurisdiction other than Australia and New Zealand.

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

Transaction Specific Prospectus

This is a 'transaction specific prospectus' of 'continuously quoted securities' (as defined in the Corporations Act) of the Company to which the special content rules under section 713 of the Corporations Act (as notionally modified by *ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*) apply. This allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by

ASX in the three (3) months prior to the date of this Prospectus. In general terms, 'transaction specific prospectuses' are only required to detail information in relation to the effect of the issue of New 70 cent Options on the Company and the rights attaching to the New 70 cent Options (and the rights attaching to the underlying securities on exercise of the New 70 cent Options). 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.

This Prospectus details information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in it. It does not include all of the information that would be included in a prospectus for an initial public offering of securities.

Exposure period

No exposure period applies to the Offer.

Speculative investment

An investment in the New 70 cent Options should be considered highly speculative. Refer to Section 3 for details of the key risks applicable to an investment in the Company.

Persons wishing to apply for New 70 cent Options should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company and the rights and liabilities attaching to the New 70 cent Options (and the underlying securities on exercise of the New 70 cent Options).

This Prospectus does not take into account the investment objectives, financial or taxation or particular needs of any investor. Before making any investment in the Company, each investor should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. If persons considering applying for New 70 cent Options have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

Forward-looking statements

This Prospectus contains forward-looking statements which may be identified by words such as 'believes', 'estimates', 'expects', 'intends', 'may', 'will', 'would', 'could', or 'should' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risks associated with an investment in the Company are detailed in Section 3. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

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

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

Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

Diagrams

Any diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data detailed in charts, graphs and tables is based on information available at the date of this Prospectus.

Currency

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

Rounding

Any discrepancies between totals and sums and components in tables detailed in this Prospectus are due to rounding.

Time

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

Glossary

Defined terms and abbreviations used in this Prospectus are detailed in the glossary of terms in Section 7.

CORPORATE DIRECTORY

Directors

Mr Peter Cook – Non-Executive Chairman
Mr Matthew Carr – Executive Director
Mr Barry Bourne – Non-Executive Director

Company Secretary

Mr Zane Lewis

Registered Office

Suite 1, 295 Rokeby Road
Subiaco WA 6008

ASX Code: TTM

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

Legal Adviser

Thomson Geer
Level 29, Central Park Tower
152-158 St Georges Terrace
Perth WA 6000

Auditor*

Stantons International Audit and Consulting Pty Ltd
Level 2,1 Walker Avenue
West Perth WA 6005

Share Registry*

Xcend Pty Ltd
Level 2, 477 Pitt Street
Haymarket, NSW 2000

*This party is named for informational purposes only and was not involved in the preparation of this Prospectus.

INDICATIVE TIMETABLE

| Event | Date |
|--|-------------------------|
| Lodgment of Prospectus with ASIC and released to ASX | Wednesday, 4 June 2025 |
| Opening Date | Wednesday, 4 June 2025 |
| Closing Date | Wednesday, 11 June 2025 |
| Issue of New 70 cent Options | Thursday, 12 June 2025 |
| Official Quotation of the New 70 cent Options | Thursday, 12 June 2025 |

The above timetable is indicative only and subject to change. Subject to the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the New 70 cent Options under the Offer. The Directors also reserve the right not to proceed with the whole or part of the Offer at any time prior to allotment.

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1. Details of the Offer

1.1 Offer

The Company previously had on issue:

- (a) listed Options which were exercisable at \$0.35 each and expired on 31 January 2025 (**Listed 35 cent Options**), the terms of which entitled a Listed 35 cent Options holder to be issued, on exercise of a Listed 35 cent Option, one (1) Option exercisable at \$0.70 per Option and expiring on 31 January 2027 (**70 cent Option**); and
- (b) unlisted Options which were exercisable at \$0.35 each and expired on 31 January 2025 (**Unlisted 35 cent Options**), the holders of which were issued one (1) Option for (with equivalent terms to the 70 cent Options) for every two (2) Unlisted 35 cent Options subscribed for.

The Company entered into an option exercise underwriting agreement (**Underwriting Agreement**) with CPS Capital Group Pty Ltd (**Underwriter**) to partially underwrite the exercise of the Unlisted 35 cent Options and the Listed 35 cent Options up to an amount of A\$2.8 million.

Pursuant to the Underwriting Agreement, the Company agreed to issue one (1) 70 cent Option for every two (2) Shares issued and subscribed for under the Underwriting Agreement, being a total of 1,646,733 70 cent Options. On 20 February 2025, the Company issued 1,646,733 70 cent Options to the Underwriter (and/or its nominee(s)) and applied for official quotation for the listing of the 70 cent Options with the ASX (which was obtained).

As part payment of the fees under the Underwriting Agreement, the Company also agreed to issue to the Underwriter (and/or its nominee(s)) an aggregate of 4,000,000 70 cent Options (**New 70 cent Options**), subject to Shareholder approval (**Offer**). The Company received Shareholder approval on 28 May 2025 to issue the New 70 cent Options. The Offer under this Prospectus is made only to the Underwriter (and/or its nominee(s)). Refer to the Company's ASX announcement on 30 January 2025 for further details, including the material terms of the Underwriting Agreement.

No funds will be raised from the Offer.

The New 70 cent Options will be issued on the terms and conditions detailed in Section 4.1. If the New 70 cent Options are exercised, the Shares to be issued upon such exercise will rank equally in all respects with the existing Shares on issue.

The Offer is being made with disclosure under this Prospectus to facilitate secondary trading of the New 70 cent Options and Shares to be issued upon exercise of the New 70 cent Options. Issuing the New 70 cent Options under this Prospectus will enable persons who are issued the New 70 cent Options to on-sell the Shares issued on exercise of those Options pursuant to *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

Only the Underwriter (and/or its nominee(s)) may apply for the New 70 cent Options under the Offer. An Acceptance and Application Form in relation to the Offer will be sent to the Underwriter (and/or its nominee(s)) together with a copy of this Prospectus. The Underwriter should refer to Section 1.7 for details of how to accept the Offer.

1.2 Purpose of this Prospectus

The purpose of this Prospectus is to:

- (a) make the Offer;
- (b) facilitate secondary trading of the New 70 cent Options and to enable persons who are issued the New 70 cent Options to on-sell those New 70 cent Options within 12 months of their issue; and

- (c) ensure that the on-sale of the underlying Shares to be issued upon the conversion of the New 70 cent Options is in accordance with *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

1.3 Minimum subscription

There is no minimum subscription in relation to the Offer.

1.4 Opening and Closing Dates

The Company will accept Acceptance and Application Forms in respect of the Offer from the Underwriter (and/or its nominee(s)) 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 Listing Rules.

The Company reserves the right, subject to the Corporations Act and the Listing Rules, to vary the Closing Date of the Offer without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

1.5 Not underwritten

The Offer is not underwritten.

1.6 Risks of the Offer

As with any securities investment, there are risks associated with investing in the Company. However, having regard to the risks applicable to the Company and its business detailed in Section 3, the Underwriter (and/or its nominee(s)) should be aware that an investment in the Company should be considered highly speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in the Company, investors should read this Prospectus in its entirety, in particular the specific risks associated with an investment in the Company (detailed in Section 3), and should consider all factors in light of their personal circumstances and seek appropriate professional advice.

1.7 Applications

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

Applications must comply with this Prospectus and the instructions on the relevant Acceptance and Application. An Application is an application to apply for the amount of New 70 cent Options specified in the Application, or any lesser number of New 70 cent Options determined by the Company, on the terms set out in this Prospectus.

The Company's decision on the number of New 70 cent Options to be issued to an Applicant under the Offer (or whether to refuse to issue New 70 cent Options) will be final.

The Offer is an offer to the Underwriter (and/or its nominee(s)) only.

Only the Underwriter (and/or its nominee(s)) can accept the New 70 cent Options under the Offer. A personalised Acceptance and Application Form will be issued to the Underwriter (and/or its nominee(s)) together with a copy of this Prospectus.

The Acceptance and Application Form must be received by the Company prior to 5:00pm (AWST) on the Closing Date. The Acceptance and Application should be mailed, delivered or emailed to:

Mailing Address:

Email Address:

Xcend Pty Ltd
PO Box R1905
Royal Exchange NSW 1225

ttm@xcend.co

Acceptance of a completed Acceptance and Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of the New 70 cent Options accepted by the Company. The Acceptance and Application Form does not need to be signed to be a binding acceptance of the New 70 cent Options.

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

1.8 Allotment

The issue of New 70 cent Options pursuant to the Offer will take place as soon as practicable after the Closing Date of the Offer.

1.9 Official Quotation

Application will be made to ASX no later than seven (7) days after the date of this Prospectus for Official Quotation of the New 70 cent Options offered under this Prospectus.

If ASX does not grant Official Quotation of the New 70 cent Options within three (3) months after the date of this Prospectus (or such period as the ASX allows), the New 70 cent Options offered under this Prospectus will not be able to be traded on ASX.

The Company will seek Official Quotation of the Shares issued upon exercise of the New 70 cent Options.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the New 70 cent Options.

1.10 Applicants outside Australia

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

1.11 Withdrawal

The Directors may at any time decide to withdraw this Prospectus and the Offer.

1.12 CHESS

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New 70 cent Options.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of New 70 cent 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 New 70 cent Options.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by the Share Registry and will detail the number of New 70 cent 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 Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

1.13 Taxation implications

The Directors do not consider it appropriate to give the Underwriter (and/or its nominee(s)) advice regarding the taxation consequences of subscribing for New 70 cent Options under this Prospectus (nor of exercising any New 70 cent Options into Shares). The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for New 70 cent Options.

1.14 Major Activities and Financial Information

A summary of the major activities and financial information relating to the Company can be found in the Company's consolidated financial statements for the year ended 31 December 2024 lodged with ASX on 30 April 2025.

The Company has made continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report. The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report are detailed in Section 5.1.

Copies of these documents are available free of charge from the Company or the Company's website: <https://www.titanminerals.com.au/>. Directors strongly recommend that investors review these and all other announcements prior to deciding whether or not to participate in the Offer.

1.15 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 Acceptance and Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Acceptance and Application Form for the purposes detailed in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents 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 Acceptance and Application Form, the Company may not accept or process your Application.

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.16 Enquiries concerning Offer

For enquiries relating to the Offer, please contact Xcend Pty Ltd on (02) 8591 8509 between 9:00am to 5:00pm (AWST), Monday to Friday or email ttm@xcend.co. For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

2. Effect of the Offer

2.1 Effect on the Capital Structure

The effect of the Offer on the capital structure on the Company will be as follows:

| | Shares | Listed Options | Unlisted Options | Performance Rights |
|--|--------------------|-------------------------|------------------------|--------------------|
| Existing Securities | 260,705,706 | 13,990,936 ¹ | 2,000,002 ² | 600,000 |
| Total number of New 70 cent Options to be issued under the Offer | - | 4,000,000 | - | - |
| Total | 260,705,706 | 17,990,936 | 2,000,002 | 600,000 |

Notes:

1. 13,990,936 listed Options exercisable at A\$0.70 each and expiring 31 January 2027.
2. 2,000,002 unlisted Options, comprising of the following:
 - (a) 1,500,002 Options exercisable at A\$0.45 each and expiring 27 March 2026; and
 - (b) 500,000 Options exercisable at A\$0.60 each and expiring 14 August 2026.

2.2 Effect of the Offer on the Company and Use of Funds

No funds will be raised as a result of the Offer as the New 70 cent Options offered under the Offer are offered for nil cash consideration. However, if the Underwriter (and/or its nominee(s)) subscribe for the New 70 cent Options and exercise the New 70 cent Options, the Company will receive approximately A\$2,800,000 in cash. The Company has not yet determined what any funds to be raised upon any exercise of the New 70 cent Options may be utilised for.

The expense of the Offer will be met from the Company's existing cash reserves. The Offer will have an effect on the Company's financial position of reducing the cash balance by approximately A\$6,000. Refer to Section 5.9 for details on the estimated expenses of the Offer.

2.3 Effect on Control

The issue of the New 70 cent Options pursuant to the Offer will not have an impact on the control of the Company.

3. Risks

The New 70 cent Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free. The proposed future activities of the Company are subject to a number of risks and other factors that may affect its future performance. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Directors and management of the Company and cannot be mitigated.

The risks described in this Section 3 are not an exhaustive list of the risks faced by the Company or by investors in the Company. It should be considered in conjunction with other information in this Prospectus. The risks described in, and others not specifically referred to, in this Section 3 may in the future materially affect the financial performance and position of the Company and the value of New 70 cent Options offered under this Prospectus (and Shares following the exercise of the New 70 cent Options). The risks described in this Section 3 also necessarily include forward looking statements. Actual events may be materially different to those described and may therefore affect the Company in a different way.

Investors should be aware that the performance of the Company may be affected and the value of its Shares may rise or fall over any given period. None of the Directors or any person associated with the Company guarantees the Company's performance. The Directors strongly recommend that potential investors consider the risks detailed in this Section 3, together with information detailed elsewhere in this Prospectus, and consult their professional advisers, before they decide whether to apply for New 70 cent Options.

3.1 Risks Specific to the Company

(a) Foreign Operations

The Company's operations are located in Ecuador, which is considered to be a developing country and, as such, is subject to emerging legal and political systems compared with the system in place in Australia.

Possible sovereign risks include, without limitation, changes to the terms of mining legislation including renewal and continuity of tenure of permits, transfer of ownership of acquired permits to the Company, changes to royalty arrangements, changes to taxation rates and concessions, restrictions on foreign ownership and foreign exchange, changing political conditions, changing mining and investment policies and changes in the ability to enforce legal rights.

Future operations and profitability in Ecuador may be affected by changing government regulations with respect, but not limited, to restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, mine safety and government and local participation. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral tenure and development could result in the loss, reduction or expropriation of entitlements. The occurrence of these and other various factors cannot be accurately predicted and could have an adverse effect on the Company's future operations and profitability.

Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares and New 70 cent Options. No assurance can be given regarding the future stability in these countries or any other country in which the Company may have an interest.

(b) Results of Studies

The Company continues to progress its activities at the Dynasty Project and, subject to the results of current exploration and testing programs, the Company may progressively undertake a number of studies with respect to the Dynasty Project or any new projects. These studies may include scoping studies, pre-feasibility studies and bankable feasibility studies.

If these studies are completed, they would be prepared within certain parameters designed to determine the economic feasibility of the relevant project within certain limits. There can be no assurance that any of the studies will confirm the economic viability of the Dynasty Project 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).

Further, even if a study determines the economics of the Company's projects, there can be no guarantee that the projects will be successfully brought into production as assumed or within the estimated parameters in the feasibility study, once production commences including but not limited to operating costs, mineral recoveries and commodity prices.

(c) **Drilling Risks**

The Company's drilling operations may be curtailed, delayed or cancelled due to a number of factors including weather conditions, mechanical difficulties, shortage or delays in the delivery of rigs and/or other equipment and compliance with governmental requirements. While drilling may yield some resources there can be no guarantee that the discovery will be sufficiently productive to justify commercial development or cover operating costs.

(d) **Future Capital Needs and Additional Funding**

The Company's growth through its proposed and future exploration activities will require additional expenditure. As a mineral exploration company, the Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully explored, evaluated, developed and production commences.

In addition, the Company will require further funding in the future to finance ongoing operations and activities. The future capital requirements of the Company (both in respect to timing and quantum) will depend on many factors, including the results of the Company's exploration activities and the future exploration work programs and budgets for each of its projects.

No assurances can be given that the Company will be able to raise additional funding and the Company's ability to obtain additional funding will depend on investor demand, its performance and reputation, market conditions and other factors. The Company may seek to raise further funds through equity or debt financing or other means. The Company's failure to raise capital, if and when required, could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern or remain solvent.

(e) **Government Legislation and Regulation**

The Company's activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, health and worker safety, waste disposal, protection of the environment and other matters. The Company requires permits related to exploration, development and mining activities.

Whilst the Company believes that it is in substantial compliance with all material current laws and regulations, changes in how laws and regulations are enforced or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its future projects. This could have a material adverse impact on the Company's future and planned operations in respect to its projects.

Obtaining the necessary permits can be a time consuming process and there is a risk that the Company will not be able to obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary

permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, could result in fines, penalties or other liabilities.

(f) **Litigation Risks**

Legal proceedings may be brought against the Company, for example, litigation based on its business activities, environmental laws, tax matters, volatility in its Share prices or failure to comply with its disclosure obligations, which could have a material adverse effect on the Company's financial condition or prospects. Regulatory and government agencies may bring legal proceedings in connection with the enforcement of applicable laws and regulations, and as a result the Company may be subject to expenses of investigations and defence, and fines or penalties for violations if proven, the Company may potentially incur cost and expense to remediate, increased operating costs or changes to operations, and cessation of operations if ordered to do so or required in order to resolve such proceedings.

The Company received notification of legal proceedings in Brazil in respect of which the Company has been named as one of the defendants. The matter is in relation to environmental remediation matters concerning the Engenho Project in Brazil which pre-dated the deed of company arrangement, re-structure and recapitalisation of the Company which completed in 2017 (and also pre-dates the involvement of the current Board and management of the Company). The Board understands that the Company (under its former names "Minera Gold Limited" and "Mundo Minerals Limited") held an indirect interest in the Engenho Project via a Brazilian based entity, Mundo Mineracao Ltda, which entity is also a co-defendant in the legal proceedings. Although the Company's records indicate that the Company's interest in the Engenho Project ceased in or about 2017, there is a risk that this dispute may result in litigation and/or an unfavourable resolution to the Company which could materially adversely impact the Company's financial position, cash flow, results of operations and reputation.

(g) **Contract and Joint Venture Risks**

There is a risk that the parties to any joint venture arrangement (including the existing joint venture arrangement that the Company's subsidiaries are a party to) may default on their obligations or not act in the best interests of the joint venture, which in either case will likely have an adverse effect on the interests and prospects of the Company.

Further, the Company may also enter into agreements and undertakings with third parties from time to time. If the Company is unable to satisfy the conditions of these agreements and undertakings, or if it defaults on its obligations under these agreements and undertakings, the Company's interest in their subject matter may be jeopardised.

(h) **Dependence on Key Personnel**

The success of the Company will to an extent depend on the Directors' and key management personnel's ability to successfully manage the Company's performance and exploit new opportunities. The loss of one or more of these key contributors could have an adverse impact on the business of the Company. It may be difficult for the Company to continue to attract and retain suitably qualified and experienced people.

(i) **Metal Price Volatility**

As an exploration, development and toll treatment company, the Company's ability to raise capital may be significantly affected by changes in the market price of gold, silver and other minerals. The Company's possible future revenues may be derived primarily from mining commodities, processing commodities and/or from revenue royalties gained from joint ventures or from mineral projects sold. Consequently, the Company's potential future earnings could be closely related to the price of commodities it commercially exploits. Gold and other mineral prices fluctuate on a daily basis and are affected by numerous factors beyond the control of the Company including demand,

forward selling by producers, production cost levels in major producing regions and macroeconomic factors (e.g., inflation, interest rates, currency exchange rates) and global and regional demand for, and supply of, the relevant commodity.

If the market price of any commodity sold by the Company were to fall below the costs of production and remain at such a level for any sustained period, the Company would experience losses and could have to curtail or suspend some or all of its proposed mining activities. In such circumstances, the Company would also have to assess the economic impact of any sustained lower commodity prices on recoverability.

(j) **Shortages and Price Volatility**

The Company is dependent on various input commodities (such as diesel fuel, electricity, natural gas, steel and concrete) and equipment (including parts) to conduct its exploration activities. A shortage of such input commodities or equipment or a significant increase in their cost could have a material adverse effect on the Company's ability to carry out its exploration and therefore limit, or increase the cost of, discovery. The Company is also dependent on access to and supply of water and electricity to carry out its exploration, and such access and supply may not be readily available. Market prices of input commodities can be subject to volatile price movements, which can be material, occur over short periods of time and are affected by factors that are beyond the Company's control. An increase in the cost, or decrease in the availability, of input commodities or equipment may affect the timely conduct and cost of the Company's exploration objectives. If the costs of certain input commodities consumed or otherwise used in connection with the Company's exploration were to increase significantly, and remain at such levels for a substantial period, the Company may determine that it is not economically feasible to continue exploration on some or all of its current projects, which could have an adverse impact on the Company's financial performance and Share price.

(k) **Foreign Exchange Risk**

The Company's operations are located in Ecuador, where the currency is United States dollars. Costs will mainly be incurred by its business in United States dollars and Australian dollars. As most in-country expenditure will be incurred in United States dollars and given that the Company typically raises funds in Australian dollars, the Company is exposed to foreign exchange risk.

There can be no assurance that fluctuations in foreign exchange rates will not have a material adverse effect upon the Company's financial performance and results of operations.

(l) **Insurance**

Insurance against all risks associated with mineral exploration and production is not always available or affordable. The Company will maintain insurance where it is considered appropriate for its needs. However, insurance coverage against all risks may not be undertaken because either such cover is not available or because the Directors consider that the associated premiums are excessive having regard to the benefits from the cover.

The occurrence of an event that is not covered or is only partially covered by insurance could have a material adverse effect on the business, financial condition and results of the operations of the Company. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

(m) **Acquisitions**

The Company may also review and consider other business opportunities. Consequently, this strategy may result in the Company making acquisitions of, or significant investments in, complementary or alternative companies or assets. Any such transactions would be accompanied by the risks inherent in making acquisitions of companies and assets. For example, there may be liabilities in connection with such acquisitions which are not identified in the Company's due diligence or the acquisitions may not prove to be successful. Further, risks associated with such acquisitions will also arise from the Company's ability to execute the acquisition and then to correctly manage the business operations and growth strategies moving forward.

3.2 Mining Industry Risks

Mineral exploration, mining and the processing of minerals may be hampered by circumstances beyond the control of the Company and are speculative operations which are by their nature subject to a number of inherent risks, including the following:

(a) Exploration Risks

The success of the Company depends on the delineation of economically minable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining concessions and obtaining all consents and approvals necessary for the conduct of its exploration activities.

Exploration on the Company's existing exploration and mining concessions may be unsuccessful, resulting in a reduction of the value of those concessions, diminution in the cash reserves of the Company and possible relinquishment of the exploration and mining concessions.

(b) Resource and Reserve Estimates

Ore reserve and mineral resource estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Mineral resource and ore reserve estimation is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate. The Company has no ore reserves. Further, there is no guarantee that any of the Company's projects will become feasible and consequently no forecast is made of whether or not any ore reserve will be defined in future.

The actual quality and characteristics of mineral deposits cannot be known until mining takes place and will almost always differ from the assumptions used to develop resources. Further, ore reserves are valued based on future costs and future prices and, consequently, the actual ore reserves and mineral resources may differ from those estimated, which may result in either a positive or negative effect on operations.

Should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

(c) Ability to Exploit Successful Discoveries

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

(d) **Nature of Mineral Exploration and Mining**

The business of mineral exploration, development and production is subject to risk by its nature. Shareholders should understand that mineral exploration, development and mining are high-risk enterprises, only occasionally providing high rewards (with no guarantee of ever becoming producing assets).

The success of the Company depends on (among other things) successful exploration and/or acquisition of resources and/or reserves, feasibility of projects, securing and maintaining title to concessions and consents, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining activities may also be hampered by force majeure circumstances, land claims, environmental considerations and cost overruns for unforeseen mining problems.

There is no assurance that exploration and development of the projects currently owned by the Company, or any other projects that may be acquired in the future, will result in the discovery of mineral deposits which are capable of being exploited economically. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited. If such commercial viability is never attained, the Company may seek to transfer its property interests or otherwise realise value, or the Company may even be required to abandon its business and fail as a “going concern”.

Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices, which fluctuate widely, and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, exporting of minerals and environmental protection. The combination of these factors may result in the Company expending significant resources (financial and otherwise) on concessions without receiving a return. There is no certainty that expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

The Company has relied on, and may continue to rely on, consultants and others for mineral exploration and exploitation expertise. The Company believes that those consultants and others are competent and that they have carried out their work in accordance with internationally recognised industry standards. However, if the work conducted by those consultants or others is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays or increased costs in exploring or developing its projects.

(e) **Title Risks**

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

Interests in mineral concessions in Ecuador are governed by legislation in that jurisdiction and are evidenced by the granting of mining concessions. Consequently, the Company could lose title to or its interest in concessions if licence conditions are not met or if insufficient funds are available to meet commitments.

(f) **Environmental Regulation Risk**

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

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop mineral deposits. There are also risks that the Company may breach environmental laws and regulations, with consequential adverse effects on the financial position and performance of the Company.

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

Whilst the Company believes that it is in substantial compliance with all material current laws and regulations, changes in how laws and regulations are enforced or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its projects. This could have a material adverse impact on the Company's future and planned operations in respect to the projects. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

(g) Environmental Liabilities Risks

The Company's activities are subject to potential risks and liabilities associated with (without limitation) the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration and production. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to the Company (or to other companies in the minerals industry) at a reasonable price. To the extent that the Company becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Company and could have a material adverse effect on the Company. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

(h) Climate Change Risk

There are a number of climate-related factors that may affect the operations and financial position of the Company. Climate change or prolonged periods of adverse weather and climatic conditions (including rising sea levels, floods, hail, drought, water, scarcity, temperature extremes and earthquakes) may have an adverse effect of the Company's operations and/or the Company's future financial performance.

Changes in policy, technological innovation and/or consumer/investor preferences may also adversely impact the operations and financial position of the Company or may result in less favourable pricing for its product, particular in the event of a transition to a lower carbon economy.

(i) Operational Risks

The operations of the Company may be affected by various factors which are beyond the control of the Company, such as failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in exploration and 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, delays in procuring, or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company. The operations of the Company may also be affected by various other factors, including failures in internal controls and financial fraud.

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

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

The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. However, exploration, development and other mining industry activities have inherent risks and hazards. While the Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems, health and safety incidents may nevertheless occur. Any illness, personal injury, death or damage to property resulting from the Company's activities may lead to a claim against the Company.

(k) **Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management personnel or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Company.

3.3 General Risks

(a) **Economic Risks**

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Similarly, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Factors that may contribute to that general economic climate and the market price of Shares include, but are not limited to:

- (i) changes in government policies, taxation and other laws;
- (ii) the strength of the equity and share markets in Australia and throughout the world;
- (iii) movement in, or outlook on, exchange rates, interest rates and inflation rates;
- (iv) industrial disputes in Australia and overseas;
- (v) changes in investor sentiment toward particular market sectors;

- (vi) financial failure or default by an entity with which the Company may become involved in a contractual relationship; and
- (vii) natural disasters, social upheaval, war (such as impacts of the war in Ukraine) or acts of terrorism.

(b) Trading Price of Shares and New 70 cent Options

The price at which the Shares and the New 70 cent Options are quoted on the ASX may increase or decrease due to a number of factors outside of the Company's control and which are not explained by the fundamental operations and activities of the Company. The price of Shares and New 70 cent Options may be subject to varied and often unpredictable influences on the market for equities, including, but not limited to, general economic conditions including the performance of the Australian dollar or United States dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks, and hedging or arbitrage trading activity that may develop involving the Shares and New 70 cent Options. These factors may cause the Shares and New 70 cent Options to trade at prices above or below the price at which the Shares and New 70 cent Options were initially acquired.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

(c) Force Majeure

The Company, now or in the future, may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics (such as COVID-19) or quarantine restrictions.

(d) Expected Future Events May Not Occur

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

(e) Securities Investment Risk

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

3.4 Speculative Nature of Investment

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.

The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company. Therefore, the Shares to be issued following the exercise of New 70 cent Options carry no guarantee with respect to the payment of dividends or returns of capital. Potential investors should consider that the investment in the Company is speculative and should consult their professional adviser before deciding whether to apply for New 70 cent Options pursuant to this Prospectus.

4. Rights attaching to Securities

4.1 Terms and conditions of New 70 cent Options

The terms of the New 70 cent Options are summarised below:

(a) **Entitlement**

Each New 70 cent Option entitles the holder (**New 70 cent Option Holder**) to subscribe for one (1) Share upon exercise.

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

The exercise price of each New 70 cent Option is A\$0.70 (**New 70 cent Option Exercise Price**).

Each New 70 cent Option will expire on 31 January 2027 (**New 70 cent Option Expiry Date**).

(c) **Exercise Period**

Each New 70 cent Option is exercisable at any time prior to the New 70 cent Option Expiry Date. After this time, any unexercised New 70 cent Options will automatically lapse.

(d) **Notice of Exercise**

The New 70 cent Options may be exercised by notice in writing to the Company (**New 70 cent Option Notice of Exercise**) and payment of the New 70 cent Option Exercise Price for each New 70 cent Option being exercised. Any New 70 cent Option Notice of Exercise received by the Company will be deemed to be a notice of the exercise of that New 70 cent Option as at the date of receipt.

(e) **Shares Issued on Exercise**

Shares issued on exercise of the New 70 cent Options will rank equally with all existing Shares and are free of all encumbrances, liens and third party interests.

(f) **Quotation of Shares**

The Company will apply to ASX for Official Quotation of the Shares issued upon the exercise of the New 70 cent Options.

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

Within five (5) Business Days following receipt of a New 70 cent Option Notice of Exercise given in accordance with these terms and conditions and payment of the New 70 cent Option Exercise Price for each New 70 cent Option being exercised, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of New 70 cent Options specified in the New 70 cent Option Notice of Exercise and for which cleared funds have been received by the Company; and
- (ii) apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the New 70 cent Options.

(h) **Participation in New Issues**

A New 70 cent Option Holder is not entitled to:

- (i) notice of, or to vote or attend at, a meeting of the Shareholders;
- (ii) receive any dividends declared by the Company; or
- (iii) participate in any new issues of securities offered to Shareholders during the term of the New 70 cent Options,

unless and until the New 70 cent Options are exercised and the New 70 cent Option Holder holds Shares.

(i) **Adjustment for Bonus Issues of Shares**

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 upon the exercise of a New 70 cent Option will be increased by the number of Shares which the New 70 cent Option Holder would have received if the New 70 cent Option Holder had exercised the New 70 cent Option before the record date for the bonus issue; and
- (ii) no change will be made to the New 70 cent Option Exercise Price.

(j) **Adjustment for Rights Issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu of, or in satisfaction of dividends or by way of dividend reinvestment) the New 70 cent Option Exercise Price may be reduced according to the following formula:

$$O' = O - \frac{E[P - (S + D)]}{N + 1}$$

where:

- O' = the new New 70 cent Option Exercise Price.
- O = the old New 70 cent Option Exercise Price.
- E = the number of underlying Shares into which one (1) New 70 cent Option is exercisable.
- P = average market price per Share weighted by reference to volume of the underlying Shares during the five (5) trading days ending on the day before the ex rights date or ex entitlements date.
- S = the subscription price of a Share under the pro rata issue.
- D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).
- N = the number of Shares with rights or entitlements that must be held to receive a right to one (1) new Share.

(k) **Adjustments for Reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the New 70 cent Option Holder will be varied to comply with the Listing Rules which apply to the reorganisation at the time of the reorganisation.

(l) **Quotation of New 70 cent Options**

The Company will apply for Official Quotation of the New 70 cent Options on the ASX.

(m) **New 70 cent Options Transferable**

The New 70 cent Options are transferrable (subject to compliance with any applicable law).

4.2 Rights attaching to Shares

A summary of the rights attaching to Shares is detailed 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 that attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) **General Meetings**

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

(b) **Voting Rights**

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

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each 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 shall have a fraction of a vote equivalent to the proportion which the amount paid up on that Share (excluding amounts credited) is to the total amounts paid up and payable (excluding amounts credited) on that Share.

(c) **Dividend Rights**

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

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

Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, establish a dividend selection plan or bonus share plan on any terms,

under which participants may elect in respect of all or part of their Shares to receive a Dividend from the Company paid in whole or in part out of a particular fund or reserve or out of profits derived from a particular source or to forego a Dividend from the Company and receive some other form of distribution or entitlement (including securities) from the Company or another body corporate or a trust.

(d) **Winding-up**

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

(e) **Shareholder Liability**

Fully paid shares are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

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

(g) **Variation of Rights**

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

Subject to the terms of issue of Shares in a particular class, the Company may vary or cancel rights attached to Shares in that class or convert Shares from one class to another, by a special resolution of the Company and a special resolution passed at a meeting of the shareholders holding Shares in that class or the written consent of shareholders who are entitled to at least 75 percent of the votes that may be cast in respect of Shares in that class.

(h) **Alteration of Constitution**

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

4.3 Dividend policy

The Company does not intend to declare or pay any dividends in the immediately foreseeable future.

Any future determination as to the payment of dividends by the Company will be at the sole discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

5. Additional information

5.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act, and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New 70 cent Options are options over the Shares and the Shares have been quoted on the official list of the ASX during the three (3) months prior to the issue of this Prospectus.

This Prospectus is a 'transaction specific prospectus' to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities, or operation to acquire securities, in a class which has been continuously quoted by ASX in the three (3) months prior to the date of the prospectus. In general terms 'transaction specific prospectuses' are only required to detail information in relation to the effect of the issue of securities on the 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, the financial position, profits and losses or prospects of the issuing company.

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

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three (3) months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

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

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

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

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

The Company has lodged the following announcements with ASX since the lodgement of its Annual Report:

| Date Lodged | Subject of Announcement |
|---------------|--|
| 28 May 2025 | Results of Meeting |
| 8 May 2025 | Investor Presentation – Sydney RIU |
| 8 May 2025 | Large-Scale Porphyry System Confirmed by Drilling – Linderos |
| 30 April 2025 | Corporate Governance Statement |
| 30 April 2025 | Change of Director's Interest Notice |
| 30 April 2025 | Appendix 4G |

The following documents are available for inspection between the date of issue of this Prospectus and the Closing Date during normal business hours at the office of the Company at Suite 1, 295 Rokeby Road, Subiaco WA 6008:

- (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.

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

5.2 Substantial Holders

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

| Name | Number of Shares | % |
|-------------------------------|-------------------|---------------|
| Citicorp Nominees Pty Limited | 32,152,604 | 12.33% |
| USB Nominees Pty Ltd | 27,306,331 | 10.47% |
| McNeil Nominees Pty Limited | 26,199,926 | 10.05% |
| Total | 85,659,162 | 32.85% |

5.3 Market Prices of Existing Shares on ASX

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

Highest: A\$0.445 per Share on 28 March 2025, 31 March 2025 and 1 April 2025.

Lowest: A\$0.345 per Share on 7 April 2025.

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was A\$0.40 per Share on 3 June 2025.

5.4 Interests of Directors

Except as disclosed in this Prospectus, no Director (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interests in:

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

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- (c) any Director to induce him or her to become, or to qualify as, a Director; or
- (d) any Director for services which he or she (or entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offer.

5.5 Directors' Interests

As at the date of this Prospectus, the relevant interests of the Directors and their related entities in the Securities, are detailed in the table below.

| Director | Shares | Options | Performance Rights |
|------------------------------|-----------|----------------------|--------------------|
| Mr Peter Cook ¹ | 2,658,796 | 123,987 ² | - |
| Mr Matthew Carr ³ | 3,795,684 | - | - |
| Mr Barry Bourne ⁴ | 476,333 | 21,958 ⁵ | - |

Notes:

- 1. Held indirectly via Ajava Holdings Pty Ltd, an entity of which Mr Cook is a director of.
- 2. 123,988 Options exercisable at A\$0.70 each, expiring on 31 January 2027.
- 3. Held:
 - (a) directly as joint trustee for Ian Carr Family Super Fund, and Mr Carr is the beneficiary of the Ian Carr Family Trust Superfund; and
 - (b) indirectly by, ML Carr Pty Ltd and Ripperday Pty Ltd, entities of which Mr Carr is a director of.
- 4. Held directly by Mr Bourne as trustee for the Bourne Family Trust and the Bourne Family Super Fund.
- 5. 21,959 Options exercisable at A\$0.70 each, expiring on 31 January 2027.

5.6 Directors' Remuneration

The remuneration (including superannuation) of existing Directors for the past two (2) years are as follows:

| Director | Financial Year | Salary and Fees (US\$) | Share-based payments (US\$) | Total (US\$) |
|-----------------|----------------|------------------------|-----------------------------|--------------|
| Mr Peter Cook | 2023 | 79,729 | 175,528 | 255,257 |
| | 2024 | 79,238 | 17,842 | 97,080 |
| Mr Matthew Carr | 2023 | 159,457 | 162,663 | 322,120 |
| | 2024 | 158,477 | - | 158,477 |
| | 2023 | 47,837 | 97,516 | 145,353 |

| Director | Financial Year | Salary and Fees (US\$) | Share-based payments (US\$) | Total (US\$) |
|-----------------|----------------|------------------------|-----------------------------|--------------|
| Mr Barry Bourne | 2024 | 47,543 | 9,912 | 57,455 |

5.7 Interests of Other Persons

No promoter or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director) do not hold, have, and have not had in the two years before the date of this Prospectus, any interest in:

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

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to a promoter or any person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director), provided in connection with the formation or promotion of the Company or the Offer, except as disclosed in this Prospectus and as follows:

- (d) Thomson Geer has acted as the Australian lawyers to the Company for the Offer. In respect of this work the Company will pay Thomson Geer approximately A\$3,000; and
- (e) Xcend Pty Ltd conducts the Company's share registry functions and will provide administrative services in respect to the proposed Applications pursuant to this Prospectus. Xcend Pty Ltd will be paid for these services on standard industry terms and conditions.

The amounts disclosed above are exclusive of GST.

5.8 Related party transactions

At the date of this Prospectus, no material transactions with related parties and Directors interests exist that the Directors are aware of, other than those disclosed in this Prospectus).

5.9 Costs of the Offer

The indicative costs of the Offer payable by the Company (inclusive of GST) are as follows:

| | (A\$) |
|--------------------|--------------|
| ASIC lodgement fee | 3,206 |
| Legal fees | 3,000 |
| Total | 6,206 |

5.10 Litigation and Claims

So far as the Directors are aware, other than as disclosed by the Company to ASX, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal

or governmental prosecutions of a material nature in which the Company (or any other member of the Group) is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

5.11 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the New 70 cent Options), the Directors, persons named in this Prospectus with their consent as proposed Directors of the Company, persons named in this Prospectus with their consent as having made a statement in this Prospectus and persons involved in a contravention in relation to this Prospectus, with regard to misleading or deceptive statements made in this Prospectus. Although the Company bears primary responsibility for this Prospectus, other parties involved in the preparation of this Prospectus can also be responsible for certain statements made in it.

Each of the following parties:

| Name | Role |
|--------------|--------------------------|
| Thomson Geer | Australian legal adviser |

- (a) has given its consent to be named in this Prospectus as set out above and has not withdrawn its consent at the date of lodgement of this Prospectus with ASIC and ASX;
- (b) makes no express or implied representation or warranty in relation to the Company, this Prospectus or the Offer;
- (c) consents to the distribution of paper and electronic versions of this Prospectus;
- (d) has not made or purported to have made any statement in this Prospectus or statement on which a statement in this Prospectus is based, except as described in this Section 5.11; and
- (e) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for this Prospectus or the Offer other than a reference to its name and any statement or report included in this Prospectus with the consent of that party as described in this Section 5.11.

Except the Directors, none of the parties referred to in this Section 5.11 has authorised or caused the issue of this Prospectus or the making of the Offer.

Each of the Directors has given their written consent to being named in this Prospectus in the context in which they are named and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

5.12 Documents available for inspection

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

- (a) this Prospectus; and
- (b) the Constitution.

5.13 Information excluded from continuous disclosure notices

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

5.14 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 New 70 cent Options.

5.15 Electronic Prospectus

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic copy of this Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of New 70 cent Options in response to an electronic Acceptance and Application Form, subject to compliance with certain provisions. If you have received an electronic copy of this Prospectus, please ensure that you have received the entire Prospectus accompanied by the Acceptance and Application Form. If you have not, please contact the Company and the Company will send to you, free of charge to you, either a hard copy or a further electronic copy of this Prospectus or both.

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

6. Authorisation

This Prospectus is authorised by each of the Directors.

This Prospectus is signed for and on behalf of the Company, pursuant to a resolution of the Board, by:

A handwritten signature in black ink, appearing to read 'M Carr', is positioned above the printed name of the signatory.

Matthew Carr
Executive Director

4 June 2025

7. Glossary

In this Prospectus, unless the context otherwise requires:

70 cent Option has the meaning given in Section 1.1.

A\$ means Australian dollar.

Acceptance and Application Form means the acceptance and application form attached to, or accompanying this Prospectus, to apply for New 70 cent Options pursuant to the Offer.

Annual Report means the consolidated financial statements of the Company for the year ended 31 December 2024 as lodged with ASX on 30 April 2025.

Applicant means a person who submits an Application.

Application means a valid application for New 70 cent Options under the Offer made pursuant to an Acceptance and Acceptance Form.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 and where the context permits, the securities exchange operated by it.

ASX Settlement Rules means ASX Settlement Operating Rules of the ASX.

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

Board means the board of Directors.

Business Day means Monday to Friday inclusive, excluding public holidays in Sydney and any other day that ASX declares is not a trading day.

CHESS means ASX Clearing House Electronic Subregistry System.

Closing Date means the closing date of the Offer, as outlined in the Indicative Timetable.

Company or **Titan** means Titan Minerals Limited ACN 117 790 897.

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

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

Director means a director of the Company.

Dynasty Project means the Company's dynasty gold project.

Group means the Company and its subsidiaries.

Indicative Timetable has the indicative timetable on page 4 of this Prospectus.

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

Listed 35 cent Options has the meaning given in Section 1.1.

Listing Rules means the official listing rules of ASX.

New 70 cent Option means has the meaning given in Section 1.1, and to be offered pursuant to this Prospectus on the terms and conditions detailed in Section 4.1.

Offer has the meaning given to that term in Section 1.1.

Official Quotation means quotation of the New 70 cent Options (or Shares issued on exercise of the New 70 cent Options) on the official list of ASX.

Opening Date means the opening date of the Offer, as outlined in the Indicative Timetable.

Option means an option to acquire a Share.

Performance Right means a right to be issued a Share on the satisfaction of specified vesting condition.

Prospectus means this prospectus dated 4 June 2025.

Section means a section of this Prospectus.

Securities means Shares, Options and Performance Rights.

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

Share Registry means Xcend Pty Ltd ACN 662 440 959.

Shareholder means a registered holder of one or more Shares.

Thomson Geer means Thomson Geer Lawyers.

Underwriter means CPS Capital Group Pty Ltd ACN 088 055 636.

Underwriting Agreement has the meaning given to that term in Section 1.1.

Unlisted 35 cent Options has the meaning given in Section 1.1.

Voting Power has the meaning given in section 610 of the Corporations Act.

