

EVOLUTION ENERGY MINERALS LIMITED

ACN 648 703 548

RENOUNCEABLE ENTITLEMENT OFFER PROSPECTUS

This Prospectus is being issued for a Renounceable pro-rata offer to Eligible Shareholders of up to 145,060,191 New Shares on the basis of two New Shares for every five Shares held on the Record Date (with attaching free New Options on the basis of one New Option for every two New Shares issued under the Offers) at an issue price of \$0.01 each to raise up to approximately \$1,450,602 (before costs) (the **Entitlement Offer**).

The Entitlement Offer is underwritten to \$500,000 by Mahe Capital Pty Ltd ACN 634 087 684.

This Prospectus incorporates an offer to Eligible Shareholders to subscribe for Shares (in excess of their Entitlements) not subscribed for by other Eligible Shareholders pursuant to the Entitlement Offer (**Top Up Offer**).

The Entitlement Offer and the Top Up Offer close at 5:00pm (AWST) on Friday, 5 September 2025 (**Closing Date**).*

Any Shares which are not taken up in accordance with the Entitlement Offer or the Top Up Offer (**Shortfall Shares**) may be placed by the Company in consultation with the Lead Manager within three months of the Closing Date.

**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 PROFESSIONAL
ADVISER WITHOUT DELAY.**

**THE SHARES 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 or shorten the Closing Date for the Entitlement Offer and the Top Up Offer.

Important information

General

This Prospectus is dated Thursday, 14 August 2025 and was lodged with the ASIC on that date. ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

An application will be made to ASX within 7 days after the date of this Prospectus for the quotation of the New Shares and New Options the subject of this Prospectus.

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

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

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

Transaction specific Prospectus

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act.

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 its Securities.

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

Not Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your

accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

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

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

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

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

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

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

Overseas shareholders

These Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Securities will not be issued to Shareholders with a registered address which is outside the Offer Jurisdictions.

For further information on overseas Shareholders please refer to section 2.14.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company

and the Lead Manager/Underwriter will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (www.ev1minerals.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.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.ev1minerals.com.au.

If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be a resident of an Offer Jurisdiction and must only access this Prospectus from within the Offer Jurisdictions. The Corporations Act prohibits any person passing onto another person an Entitlement Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus.

You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone during office hours or by emailing the Company at cmoulton@ev1minerals.com.au.

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

Company Website

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

Financial forecasts

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

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in section 10.

All references to time in this Prospectus are references to AWST.

Privacy statement

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

The information may also be used from time to time and disclosed to persons inspecting the register,

including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

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

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

Enquiries

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

THIS PROSPECTUS IS IMPORTANT AND SHOULD BE READ IN ITS ENTIRETY.

Corporate Directory

Directors

Craig Moulton	Executive Director
Paul Atherley	Non-Executive Director, Non-Executive Chair
Gemma Cryan	Non-Executive Director
David Naoum	Non-Executive Director

Share Registry*

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney, NSW 2000

Phone: 1300 288 664
Email: hello@automic.com.au

Address

C/- HWL Ebsworth Lawyers
Level 20, 240 St Georges Terrace
Perth, WA 6000

Phone: 0406 932 187
Email: cmoulton@ev1minerals.com.au
Website: www.ev1minerals.com.au

ASX Code: EV1

Lawyers

HWL Ebsworth Lawyers
Level 20, 240 St Georges Terrace
Perth, WA 6000

Lead Manager and Underwriter

Mahe Capital Pty Ltd
Level 8, 99 St George's Terrace
Perth, WA 6000

Auditors*

BDO Audit Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

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

Timetable for the Offers

Event	Date*
Announcement of Entitlement Offer on the ASX	Thursday, 14 August 2025
Lodgement of Prospectus with ASIC and ASX	
Lodgement of Appendix 3B on ASX	
Ex Date	Monday, 18 August 2025
Rights trading commences on a deferred settlement basis	
Record Date	Tuesday, 19 August 2025
Prospectus with Entitlement and Acceptance Form dispatched to Eligible Shareholders	Friday, 22 August 2025
Opening Date	
Rights trading ends	Friday, 29 August 2025
Shares quoted on a deferred settlement basis	Monday, 1 September 2025
Last day to extend the Closing Date (before 12:00pm AEST)	Tuesday, 2 September 2025
Closing Date (5:00pm AWST)	Friday, 5 September 2025
Announcement of results of the Entitlement Offer	Wednesday, 10 September 2025
New Shares and New Options under the Entitlement Offer issued	Friday, 12 September 2025
Appendix 2A lodged with ASX applying for quotation of New Shares and New Options (before 12:00pm AEST)	
Holding statements sent	
Trading in New Shares commences**	Monday, 15 September 2025

* All dates (other than the date of the Prospectus and the date of lodgement of the Prospectus with ASIC and ASX) are indicative only. The Directors may extend the Closing Date in respect of the Entitlement Offer and Top Up Offer by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares issued under the Offers are expected to commence trading on ASX may vary.

** Quotation of the New Options is subject to confirmation that ASX's spread requirements are satisfied and the exercise of ASX's discretion. If ASX refuses quotation, the New Options will be issued as unlisted.

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Letter from the Chair

Dear Shareholders

On behalf of your Directors, I am pleased to invite you to participate in this Renounceable pro-rata two-for-five entitlement offer at an issue price of \$0.01 per New Share to raise up to \$1,450,602 (before costs) (**Entitlement Offer**), with one free attaching New Option for every two New Shares issued under the Offers. Each of Craig Moulton and Paul Atherley intend to participate in the Entitlement Offer.

The Entitlement Offer is partially underwritten to \$500,000 by the Lead Manager and Underwriter, Mahe Capital Pty Ltd.

Mr Paul Atherley and Mr Craig Moulton have undertaken to sub-underwrite \$80,000.

The proceeds of the Offers will be used to commence early works at the Chilalo Graphite Project, continue exploration at the Chikundo Copper Prospect, repay existing creditors and for general working capital.

To the extent that the Company does not raise the maximum of \$1,450,602 (before costs) pursuant to the Offers, the Company will adjust the use of funds to reflect the amount actually raised.

Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders are entitled to subscribe for:

- (a) two New Shares for every five Existing Shares in the Company held on the Record Date, being 5:00pm (AWST) on Tuesday, 19 August 2025 (**Record Date**); and
- (b) one free attaching New Option for every two New Shares issued under the Offers.

Shares issued under the Entitlement Offer will rank equally with Existing Shares.

The Entitlement Offer is Renounceable and therefore your Entitlements may be traded on the ASX or otherwise transferred. In this regard, refer to sections 2.5 and 3.

Further details in respect of how Eligible Shareholders can participate in the Entitlement Offer are set out in sections 3.2 to 3.7.

Top Up Offer

Eligible Shareholders may also apply (in excess of their Entitlement) for New Shares not subscribed for by other Eligible Shareholders pursuant to the Entitlement Offer at the same issue price as the Entitlement Offer (subject to the allocation policy set out in section 2.2) (**Top Up Offer**).

Further details in respect of how Shareholders can participate in the Top Up Offer are set out in section 3.4.

Shortfall placement

Any Shares which are not taken up in accordance with the Entitlement Offer or the Top Up Offer (**Shortfall Shares**) may (subject to the allocation policy set out in section 2.2) be placed by the Lead Manager in consultation with the Company within three months of the Closing Date.

Applications

The Entitlement Offer and the Top Up Offer are scheduled to close at 5:00pm (AWST) on Friday, 5 September 2025.

Eligible Shareholders wishing to participate in the Offers must ensure that they have completed their Application before this time in accordance with the instructions set out at in their Entitlement and Acceptance Form and section 3 of this Prospectus.

The Prospectus includes further details of the Offers and the effect of the Offers on the Company, and a statement of the risks associated with investing in the Company in connection with the Entitlement Offer. This is an important document and should be read in its entirety. If you have any doubts or questions in relation to the Prospectus you should consult your stockbroker, accountant, solicitor or other independent professional adviser to evaluate whether or not to participate in the Offers.

On behalf of the Board, I look forward to your continued support and on updating you on the Company's progress.

Yours faithfully

A handwritten signature in grey ink, appearing to read 'P. Atherley', is positioned below the 'Yours faithfully' text.

Mr Paul Atherley
Non-Executive Chair

1. 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 Securities.

Key Information	Further Information
<p>What is the Entitlement Offer?</p> <p>The Entitlement Offer is a pro rata renounceable entitlement offer of:</p> <ul style="list-style-type: none">(a) two New Shares for every five Shares held by Eligible Shareholders on the Record Date, at an issue price of \$0.01 per new Share to raise up to \$1,450,602 (before costs); and(b) one free attaching New Option, expiring three years after the date of their issue and exercisable at \$0.02, for every two New Shares issued under the Offers. <p>Eligible Shareholders may apply for Shares under the Entitlement Offer subject to such applications being received by the Closing Date as described in section 3.</p>	Sections 2.1 and 3
<p>What is the Top Up Offer</p> <p>The Top Up Offer is an offer to Eligible Shareholders to subscribe for Shares (in excess of their Entitlements) not subscribed for by other Eligible Shareholders pursuant to the Entitlement Offer.</p> <p>Eligible Shareholders who have applied for their full Entitlement may apply for further Shares under the Top Up Offer subject to such applications being received by the Closing Date.</p> <p>The issue price for each New Share to be issued under the Top Up Offer is \$0.01, being the price at which New Shares are being offered under the Entitlement Offer.</p> <p>Any Shares to be issued pursuant to the Top Up Offer will be allocated at the discretion of the Directors in consultation with Mahe Capital, pursuant to the allocation policy outlined in section 2.2. Accordingly, there is no guarantee that Eligible Shareholders who apply for Top Up Shares in excess of the Entitlement pursuant to the Top Up Offer will receive such Shares.</p>	Section 2.2
<p>Shortfall</p> <p>Any Shares which are not taken up in accordance with the Entitlement Offer or the Top Up Offer (Shortfall Shares) may be placed by the Company (in consultation with the Lead Manager) within three months of the Closing Date at the price at which New Shares were offered under the Entitlement Offer. The Company intends to apply the allocation policy outlined in section 2.3.</p>	Section 2.3
<p>Offer Price</p> <p>The Offer Price for New Shares under the Entitlement Offer and Top up Offer is \$0.01 per New Share. The New Options have a nil issue price, are exercisable at \$0.02, expiring three years after the date of their issue and will, subject to ASX's discretion, be quoted on the ASX or if quotation is refused, they will be issued as unlisted.</p>	Section 2.1
<p>Is the Entitlement Offer underwritten?</p> <p>The Entitlement Offer is partially underwritten to \$500,000 by Mahe Capital Pty Ltd, with a dispersion to the Company's Directors, Mr Craig Moulton and Mr Paul Atherley</p>	Sections 2.4 and 4.3

Key Information	Further Information
<p>as sub-underwriters for \$80,000.</p> <p>The potential effect of the underwriting on control of the Company and the maximum Voting Power that the Underwriter and sub-underwriters may obtain in the Company is set out in sections 4.3 and 4.4.</p>	
<p>Eligible Shareholders</p> <p>The Entitlement Offer and the Top Up Offer are made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who:</p> <ul style="list-style-type: none"> (a) are the registered holder of Shares on the Record Date; and (b) have a registered address in the Offer Jurisdictions. <p>If you are an Eligible Shareholder and you wish to take up all or part of your Entitlement, you must pay the full Application Monies (where indicated as available on the Entitlement and Acceptance Form) by no later than 5:00pm (AWST) on the Closing Date.</p> <p>You can also apply for Shortfall Shares in addition to your Entitlement.</p>	<p>Sections 2.13, 2.14 and 3.1</p>
<p>Ineligible Shareholders</p> <p>Shareholders with a registered address outside the Offer Jurisdictions on the Record Date are unable to participate in the Offer.</p>	<p>Sections 2.13, 2.14 and 3.1</p>
<p>How much will be raised from the Entitlement Offer?</p> <p>The Company is seeking to raise approximately \$1,450,602 (before costs) pursuant to the Offers.</p>	<p>Sections 2.1 and 4.1</p>
<p>What is my Entitlement?</p> <p>Each Eligible Shareholder is entitled to subscribe for two New Shares for every five Shares held at 5:00pm (AWST) on the Record Date, with one free attaching New Option for every two New Shares issued.</p> <p>If you are an Eligible Shareholder, your Entitlement is set out on the personalised Entitlement and Acceptance Form accompanying this Prospectus.</p>	<p>Section 2.1</p>
<p>Can I trade my Entitlement?</p> <p>Yes, the Entitlement Offer is renounceable and can be traded on ASX or otherwise.</p>	<p>Sections 3.5 and 3.6</p>
<p>What is the purpose of the Offer and how will the funds raised be used?</p> <p>The proceeds of the Offers will be used to commence early works at the Chilalo Graphite Project, continue exploration at the Chikundo Copper Prospect, repay existing creditors and for general working capital.</p> <p>To the extent that the Company does not raise the maximum of \$1,450,602 (before costs) pursuant to the Offers, the Company will adjust the use of funds pro rata to reflect the amount actually raised.</p> <p>Further details of the use of funds are set out in section 4.1.</p>	<p>Section 4.1</p>
<p>What will be the effect of the Offers on the control of the Company?</p> <p>Shareholders should note that if they do not participate in the Offers, their holdings will be diluted. Examples of how the dilution may impact Shareholders are set out in</p>	<p>Sections 4.3 and 4.4</p>

Key Information	Further Information																						
<p>section 4.4. The maximum Voting Power that the Underwriter and sub-underwriting Directors may obtain in the Company is set out in section 4.3.</p> <p>As at the date of this Prospectus, the Company has four Substantial Holders holding more than 5% of the Shares on issue in the Company.</p> <p>In relation to the application of Corporations Act controls on Shareholders exceeding 20% Voting Power in the Company as a result of participation in the Offers and reliance on the Rights Issue Exception and Underwriter Exception from takeover rules, refer to sections 4.3(b) and 4.3(c). For information on potential increases in the Voting Power of Substantial Holders, refer to section 4.3(d).</p>																							
<p>Indicative capital structure</p> <p>The indicative capital structure upon completion of the Offers (assuming the Entitlement Offer is fully subscribed) is set out below:</p> <table border="1" data-bbox="193 752 1222 1245"> <thead> <tr> <th>Securities</th><th>Number</th></tr> </thead> <tbody> <tr> <td colspan="2">Current capital structure</td></tr> <tr> <td>Existing Shares¹</td><td>362,650,476</td></tr> <tr> <td>Existing Options²</td><td>1,820,887</td></tr> <tr> <td colspan="2">Securities under the Offers</td></tr> <tr> <td>Maximum New Shares to be issued pursuant to the Offers³</td><td>145,060,191</td></tr> <tr> <td>Maximum New Options to be issued pursuant to the Offers⁴</td><td>72,530,096</td></tr> <tr> <td>Maximum Lead Manager Options to be issued pursuant to the Offers⁵</td><td>2,901,204</td></tr> <tr> <td colspan="2">Maximum Securities on issue after the Offers</td></tr> <tr> <td>Shares</td><td>507,710,667</td></tr> <tr> <td>Options⁶</td><td>77,252,187</td></tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> The rights attaching to Shares are set out in section 6. Comprised of 1,430,887 unquoted EV1AF Options expiring on 10 October 2027 and 390,000 unquoted EV1AG Options with an exercise price of \$0.45 and expiring on 10 October 2025. Subject to rounding (up). The terms of issue of New Shares (ranking equally with all Existing Shares) are set out in section 6.1. Subject to rounding (up). The terms of issue of New Options are set out in section 6.2. The material terms of the Lead Manager Mandate and Underwriting Agreement are summarised in section 7.1. The terms of issue of the Lead Manager Options are set out in section 6.3. Comprised of Existing Options, New Options and Lead Manager Options in the numbers and proportions set out in the table above. <p>Further details in respect of the Company's capital structure are set out in section 4.</p> <p>The indicative pro-forma balance sheet showing the effect of the Offers is in section 9.</p>	Securities	Number	Current capital structure		Existing Shares ¹	362,650,476	Existing Options ²	1,820,887	Securities under the Offers		Maximum New Shares to be issued pursuant to the Offers ³	145,060,191	Maximum New Options to be issued pursuant to the Offers ⁴	72,530,096	Maximum Lead Manager Options to be issued pursuant to the Offers ⁵	2,901,204	Maximum Securities on issue after the Offers		Shares	507,710,667	Options ⁶	77,252,187	<p>Sections 4.1, 4.3, 4.4, and 9</p>
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Options ⁶	77,252,187																						

Key Information						Further Information
Directors' interests in Shares and Entitlements						Sections 7.10(b), 2.13 and 2.14
The relevant interest of each of the Directors in Securities as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:						
Director	Shares	Voting power (%)	Existing Options	Entitlement to New Shares ¹	Entitlement to New Options	
Craig Moulton	1,427,214	0.39%	0	570,886	285,443	
Paul Atherley	2,000,000	0.55%	0	800,000	400,000	
Gemma Cryan	0	0%	0	0	0	
David Naoum	0	0%	0	0	0	
Notes:						
1. Craig Moulton and Paul Atherley have agreed to sub-underwrite the Offers to \$80,000. Details of the sub-underwriting and underwriting are set out in sections 7.1 and 7.2. In relation to director remuneration, refer to section 7.10(c).						
2. Refer to section 4.3(e) in relation to sub-underwriting of the Offers by related parties.						
Forward looking statements						Important Information and section 5
This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.						
These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.						
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.						
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.						
These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 5.						
Risk factors						Section 5
Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 5, including (but not limited to) risks in respect of:						
(a) Additional requirements for capital						
The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offers to						

Key Information	Further Information
<p>execute plans to scale up its operations. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p> <p>(b) Going Concern risks</p> <p>The Company's Annual Financial Report for the year ending 30 June 2024 and the Company's interim financial report for the half year ended 31 December 2024 (together, Financial Report) include a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' qualification included in the Financial Report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current commitments and short-term working capital requirements. However, further funding may be required to meet the medium to long-term working capital costs of the Company.</p> <p>(c) Control risk</p> <p>ARCH Sustainable Resources GPCo Limited is currently the largest Shareholder of the Company and has a relevant interest in approximately 25.16% of the Shares in the Company. Should no other Shareholders (other than the Underwriter) take up their Entitlements, ARCH Sustainable Resources GPCo Limited's Voting Power in the Company may increase to 28.44% as a result of the Offer.</p> <p>ARCH Sustainable Resources GPCo Limited's significant interest in the capital of the Company means that it is in a position to potentially influence the financial decision of the Company, and its interests may not align with those of all other Shareholders.</p> <p>(d) Default notice risk</p> <p>The Company's subsidiary and holder of ML 7162023, Kudu Graphite Limited, has received a default notice from the Mining Commission of Tanzania. It has been reported that 95 similar notices have been issued to large and medium-scale mining companies in Tanzania for alleged breaches of licence conditions.</p> <p>The Company has provided responses and the requested information to the Mining Commission of Tanzania. While the Company considers that it is unlikely that the Mining Commission of Tanzania will suspend or revoke the licence, if it were to conclude that material breaches have occurred, the Company could face regulatory sanctions, including fines or, in the unlikely event, licence suspension or revocation. Any such outcome may disrupt operations, harm the Company's financial performance and lead to a decrease in the trading price of Shares. The Directors will update the market on any material developments.</p> <p>(e) Potential for dilution</p> <p>In addition to potential control impacts set out in section 4.4, Shareholders should note that if they do not participate in the Offer, their holdings are likely</p>	

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<p>to be diluted by approximately 28.57% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).</p> <p>No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus (including Lead Manager Options) are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 37.81% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>(f) Sovereign risk – Tanzania</p> <p>The Chilalo Project is located in Tanzania and is subject to the risks associated with operating in foreign countries. There are risks attached to exploration and mining operations in a developing country like Tanzania which are not necessarily present in a developed country like Australia. These risks vary and may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of (or the interpretation of) law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality.</p> <p>Any future material adverse changes in government policies or legislation in Tanzania that affect foreign ownership, exploration, development or activities of companies involved in mining exploration and production, may affect the viability and profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on exploration, development, mining 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, local economic empowerment or similar policies, employment, contractor selection and mine safety. Operations may also be affected by failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors creates uncertainties that cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.</p> <p>In Tanzania, the State retains ownership of the minerals and consequently retains control of the exploration and production of mineral resources. Accordingly, these operations may be materially affected by the government through royalty payments, export taxes and regulations, surcharges, value added taxes, production bonuses and other charges.</p> <p>(g) Emerging Market</p> <p>The Company's main assets are located in Tanzania. When conducting operations on foreign assets in emerging markets such as Tanzania, ASX listed entities may face a number of additional risks that companies with operations wholly within Australia may not face. For example, the ability to</p>	

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<p>implement effective internal control and risk management systems and good corporate governance principles, having regard to the separation of executive management and the Board from the location of the Chilalo Project and the need to rely on consultants and professional advisors in those jurisdictions.</p> <p>(h) Uninsurable risks</p> <p>The Company's business is subject to a number of risks and hazards generally, including without limitation, adverse environmental conditions, industrial accidents, labour disputes, civil unrest and political instability, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes.</p> <p>The Company will maintain insurance coverage that is substantially consistent with mining industry practice. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.</p> <p>(i) Tenure, access and grant of applications</p> <p>Title and rights to mining and exploration tenements in Tanzania are governed by Tanzanian legislation and are subject to the holder complying with the terms and conditions applicable to those tenements. There is a risk that if the holder does not comply with the terms and conditions applicable to a particular tenement, it may lose its rights to that tenement. In particular, all the mining and exploration tenements in Tanzania which the Company, through its subsidiaries, has or may, upon grant, have an interest in, will be subject to expenditure and work commitments. If sufficient exploration activities have not been carried out on a tenement the Company may suffer damage through loss of opportunity to develop any mineral resources on that tenement.</p> <p>Further, all of the tenements in which the Company has, or will have, an interest may be subject to applications for renewal or extension from time to time. The renewal or extension of the term of each tenement is subject to the applicable legislation. Renewal conditions may be imposed and such conditions may include increased expenditure and work commitments. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.</p> <p>There is no guarantee that current or future tenements and/or applications for new tenements and/or applications for renewal of existing tenements will be approved. If a tenement is not renewed for any reason, the Company may suffer damage through loss of the opportunity to develop and discover any mineral resources on that tenement.</p> <p>(j) Occupier's consent</p> <p>The title to tenements held by the Company may also be affected by the provisions of law which provide for the protection of lawful occupiers of the area. According to section 95(1)(b) of the Tanzanian <i>Mining Act, 2019</i>, no holder of a mineral right shall exercise any of its rights conferred by its licence over an area of land which is the site of, or which is within 200 metres of any</p>	

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<p>inhabited, occupied or temporarily unoccupied house or building without prior consultation with the relevant local government authority, including the village council and thereafter the written consent of the lawful occupier.</p> <p>Therefore, where a mineral right granted to an applicant is over an area of land inhabited by lawful occupiers then the Company as holder of such a mineral right is required to obtain the lawful occupier's written consent, following necessary consultation, prior to exercising any of the rights conferred under its mineral right. Failure to obtain the lawful occupier's prior written consent would not invalidate the licence holder's mineral right but the lawful occupier may make a claim against the licence holder.</p> <p>(k) Environmental and other regulatory risks</p> <p>Environmental laws in Tanzania are strict. Every activity from exploration through to development and mining require compliance with the regulations for environmental protections by virtue of section 81 of the <i>Environmental Management Act, 2004</i>. Under section 81, an Environmental Impact Assessment Report is a mandatory requirement and the outcome of the assessment may be negative. It is expected that the Company's activities will have an impact on the environment, particularly at the time of advanced exploration and any mine development.</p> <p>There are certain risks inherent to the Company's activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to environmental liability. The Company and/or its subsidiaries will require other various governmental approvals and permits in Tanzania from time to time in connection with various aspects of its activities. To the extent such approvals or permits are required and not obtained, or are delayed, the Company may experience delays affecting its scheduled project development.</p> <p>There can be no assurance that future changes in environmental regulation in Tanzania, if any, will not materially and adversely affect the Company's business, prospects, financial condition and results of operations.</p> <p>(l) Operations</p> <p>The operations of the Company may be affected by various operational risks and hazards, including:</p> <ul style="list-style-type: none"> (A) inability to develop the Company's assets into an economic business; (B) failure to locate or identify mineral deposits, over estimation of reserves; (C) failure to achieve predicted grades in exploration and mining; (D) failure to completely test the deposit, with the result that the Company does not completely understand the metallurgy of a deposit, which may affect extraction costs; (E) technical difficulties encountered in exploration and mining; (F) inappropriate design of mining plant, difficulties in commissioning and operating plant and equipment; (G) mechanical failure or plant breakdown; (H) adverse weather conditions; (I) industrial and environmental accidents and industrial disputes; and 	

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<p>(J) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment and failure to obtain necessary consents and approvals.</p> <p>These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and potential legal liability. While the Company intends to maintain insurance with 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 such claims.</p> <p>(m) Exploration</p> <p>Any future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, changing government regulations and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company, being able to maintain title to the mining licence and the mineral exploration licences comprising the Chilalo Project and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Chilalo Project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Chilalo Project.</p> <p>(n) Logistics and infrastructure</p> <p>The Chilalo Project in Tanzania is subject to logistical risk of a long supply line should there be a requirement to import materials and equipment from outside the continent of Africa. The Chilalo Project is located in a remote area of south-eastern Tanzania where there are some infrastructure deficiencies.</p> <p>While the Company has access to the Mtwara port, which is 220km by road from the Chilalo Project, and the nearby Nachingwea airport is suitable for the transport of people and consumables, the Company will need to establish reliable road transport and sources of power and water in order for mining operations to be viable, none of which can be assured.</p> <p>The Company will need to establish the facilities and material necessary to support operations in the remote location in which it is situated. The lack of availability of such resources may adversely affect mining feasibility and may, in any event, require the Company to arrange significant financing, locate adequate supplies and obtain necessary approvals from national regional governments, none of which can be assured.</p> <p>(o) Reputational risk</p> <p>The Company's operations are dependent on positive relationships with a small number of organizations (including the government of Tanzania). Damage to the Company's reputation within Tanzania due to the actual or</p>	

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<p>perceived occurrence of any number of events could negatively impact the Company.</p> <p>Reputation loss may lead to increased challenges in developing and maintaining community relations, decreased investor confidence, and the impediment of the Company's overall ability to advance the Chilalo Project, thereby having a material adverse impact on financial performance, cash flows and growth prospects.</p> <p>(p) Tax risk</p> <p>The Company has not obtained specific tax advice in relation to the Offers. While the Directors are not aware of any material adverse taxation consequences arising as a result of the Offers, there is a risk that relevant taxation authorities, including in foreign jurisdictions, may take a different view and seek to impose taxes on the Company or its controlled entities. Any such tax liabilities may have a material adverse effect on the Company's financial position.</p> <p>(q) Future indirect disposal tax risk</p> <p>The Tanzanian Income Tax Act 2004 contains indirect disposal tax provisions which apply where there is a change of more than 50% in the underlying ownership of a Tanzanian entity compared to the ownership in that entity over the past 3 years. This indirect disposal tax is calculated at a rate of 30% on the deemed gain realised by the Tanzanian entity (if any). Generally, Tanzanian tax authorities have not historically sought to impose change of control taxes as a consequence of the trading of holding company shares listed on a stock exchange. Nevertheless, this prospect, together with the prospect that any potential takeover bidder for the Company in the future may potentially offer a discounted offer price by reason of the potential application of this tax, could result in a discount to the trading price of Shares on ASX, and if this change of control tax were imposed on Ngwena Tanzania Limited or Kudu Graphite Limited at any time, the Company would bear the financial burden.</p> <p>(r) Other risks</p> <p>Other risks described in section 5 include commodity prices and exchange rate risks, exploration costs, resource and reserves and exploration targets, mine development, equipment and availability, risks associated with changes in legislation and climate change regulation.</p> <p>In addition, investment in New Shares and attaching New Options is also subject to general risks, including economic risks, market conditions, litigation risks, dividends, force majeure, taxation, the Ukraine conflict and other risks, unforeseen risk and counterparty risk.</p>	
<p>Transaction specific prospectus</p> <p>This Prospectus is a transaction specific prospectus for offers of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	<p>Important Information</p>

2. Details of the Offers

2.1 Entitlement Offer

The Company is making an offer to all Eligible Shareholders to participate in a renounceable entitlement offer to raise up to \$1,450,602 (before costs) by the issue of up to 145,060,191 New Shares. The Entitlement Offer will be determined on the basis of two New Shares for every five Shares held by Eligible Shareholders at the Record Date and New Shares will have an issue price of \$0.01 each. The Entitlement Offer is otherwise on the terms and conditions contained in this Prospectus.

As at the date of this Prospectus, the Company has 362,650,476 Shares on issue. Assuming no Existing Options are exercised prior to the Record Date (and subject to entitlement rounding up) the Entitlement Offer is for a maximum of 145,060,191 New Shares to raise up to \$1,450,602 (before costs), with one free attaching New Option (expiring three years after the date of their issue and exercisable at \$0.02) for every two New Shares issued.

The purpose of the Entitlement Offer is to provide the Company with additional funds to be utilised in accordance with the use of funds set out in section 4.1.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a Share, such fraction will be rounded up to the nearest whole Share.

New Shares issued under the Entitlement Offer will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue.

Summaries of the rights and liabilities attaching to New Shares and New Options are set out in sections 6.1 and 6.2 respectively.

2.2 Top Up Offer

Terms

This Prospectus includes a separate offer to Eligible Shareholders who subscribe for their full Entitlement to apply for additional New Shares and one free attaching New Option for every two New Shares subscribed for that are not subscribed for by other Shareholders pursuant to the Entitlement Offer at the same issue price as the Entitlement Offer (**Top Up Offer**).

New Shares issued under the Top Up Offer will be issued on the same basis as New Shares issued under the Entitlement Offer, as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. Summaries of the rights and liabilities attaching to New Shares and New Options are set out in sections 6.1 and 6.2 respectively, being the same rights and liabilities that apply to New Shares and New Options under the Entitlement Offer.

New Shares will only be issued pursuant to the Top Up Offer if the Entitlement Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions under the Entitlement Offer.

Eligible Shareholders can subscribe for New Shares (and attaching New Options) pursuant to the Top Up Offer by following the instructions set out in section 3.4.

Allocation policy

The Directors reserve the right to allocate Shares pursuant to the Top Up Offer in their absolute discretion in consultation with the Lead Manager. Accordingly, there is no guarantee that any applications under the Top Up Offer will be successful. In exercising this discretion, the Board will take into consideration a number of factors, including the Company's best interests, minimising any potential unacceptable control effect on the Company, maximising the total funds raised from the Offers, an Applicant's existing shareholdings, the extent to which an Applicant has sold or bought shares in the Company before and after both the announcement of the Entitlement Offer and the Record Date, the financial needs of the Company, and the optimal composition of the Company's register following the Offers.

It is a term of the Top Up Offer that should the Company scale back applications for New Shares thereunder, the Applicant will be bound to accept such lesser number allocated to it. There is no guarantee that Applicants will receive New Shares applied for under the Top Up Offer. The Directors reserve the right to issue to an Applicant a lesser number of New Shares pursuant to the Top Up Offer than the number for which the Applicant applies, or to reject an Application, or to not proceed with the Top Up Offer. In that event, Application Monies for New Shares pursuant to the Top Up Offer will be refunded by the Company (without interest) in accordance with the provisions of the Corporations Act.

In relation to the application of Corporations Act controls on Shareholders exceeding 20% Voting Power in the Company as a result of participation in the Offers and reliance on the Rights Issue Exception from takeover rules, refer to sections 4.3(b) and 4.3(c).

Directors and related parties of the Company will not be issued any New Shares pursuant to the Top Up Offer or the Shortfall without the prior approval of Shareholders.

2.3 Shortfall Placement

The Directors reserve the right to make offers of Shortfall Shares to new investors who are invited to apply for Shortfall Shares, being the balance of any New Shares which are not taken up pursuant to the Entitlement Offer and the Top Up Offer, as contemplated in ASX Listing Rule 7.2 Exception 3, applying the allocation policy described in section 2.2.

Shortfall Shares (and attaching New Options) will be placed within three months of the Closing Date of the Entitlement Offer and the Top Up Offer.

2.4 Are the Offers underwritten?

The Entitlement Offer is lead managed and partially underwritten by Mahe Capital up to \$500,000, with Company Directors Mr Craig Moulton and Mr Paul Atherley sub-underwriting \$80,000. The terms of the Underwriting Agreement and sub-underwriting agreements are set out in section 7, while the effect of underwriting and sub-underwriting on control of the Company is set out in section 4.3.

2.5 Rights trading

The Entitlements under the Entitlement Offer are Renounceable. Accordingly, you may trade your Entitlements to subscribe for Shares on the ASX or otherwise. If you do not take up your Entitlement by the Closing Date, your Entitlement will lapse.

Trading of Entitlements on ASX is expected to occur in accordance with the Timetable.

For more information concerning the action you may take in relation to the Entitlements, refer to section 3.

2.6 Opening and Closing Dates

The Company will accept Applications from the date it dispatches the Prospectus until 5:00pm (AWST) on the Closing Date or such other date as the Directors in their absolute discretion may determine, subject to the requirements of the Listing Rules, the Corporations Act and the Lead Manager Mandate and the Underwriting Agreement.

2.7 Costs of the Offers

The Company estimates the cash costs of the Offers to be approximately \$198,188 (based on full subscription, comprised as follows:

	Minimum Subscription (Underwritten Amount)	Full Subscription
Legal costs	\$20,000	\$20,000
Registry costs	\$19,927	\$19,927
ASIC fees	\$3,206	\$3,206
ASX fees	\$4,355	\$8,018
Mahe Capital fees¹	\$90,000	\$147,036
TOTAL²	\$137,488	\$198,187

Notes:

1. Refer to section 7.1 for further information on the Company's agreements with Mahe Capital as Lead Manager and part Underwriter.
2. In addition to the cash costs of the Offers, the maximum number of New Options that may be issued pursuant to the Offers have been valued in aggregate at \$667,277 (\$0.23 per New Option).

2.8 Fees and Commissions

The Offers are lead managed by Mahe Capital. The Company has assumed contractual obligations to Mahe Capital as Lead Manager to issue up to 2,901,204 Lead Manager Options (refer to section 6.3) and to pay fees in respect of funds raised under the Offers. The Company has also assumed contractual obligations to Mahe Capital as Underwriter, in connection with its partial underwriting of the Offer, as set out in section 7.1.

2.9 Is there a minimum subscription?

There is no minimum subscription to the Offers. Refer to section 4.1 regarding proposed use of the funds raised under the Offers in the event that the Offers are only partially subscribed.

2.10 Issue Date and dispatch

All Shares under the Offers are expected to be issued on or before the date specified in the Timetable in this Prospectus.

Security holder statements will be dispatched at the end of the calendar month following the issue of the New Shares (and New Options) under the Offers.

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

2.11 Application Monies held on trust

All Application Monies received for New Shares under the Offers will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the New Shares and New Options are issued. All Application Monies will be returned (without interest) if the New Shares and attaching New Options are not issued.

2.12 Withdrawal and Cooling-Off Rights

Cooling off rights do not apply to an investment in New Shares (and attaching New Options) under the Offer. You cannot withdraw your payment once it has been accepted unless permitted to do so in accordance with the Corporations Act.

The Directors may at any time decide to withdraw this Prospectus and the Offer, in which case, the Company will return all Application Monies (without interest) in accordance with the Corporations Act.

2.13 Eligibility of Shareholders

The Offers are made to Eligible Shareholders only. Eligible Shareholders are Shareholders on the Record Date who have a registered address in the Offer Jurisdictions who are Shareholders that the Company has otherwise determined are eligible to participate.

2.14 Residents outside Australia

(a) General

This Prospectus, and any accompanying Entitlement and Acceptance 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 not be lawful to make such an offer or to issue this Prospectus or the Securities under the Offers.

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

Shareholders (Ineligible Shareholders) and potential investors with a registered address outside the Offer Jurisdictions should consult their professional advisers as to whether any governmental or other consents are required, or other formalities need to be observed to enable them to accept or deal with their Entitlement. The return of a completed Entitlement and Acceptance Form from a Shareholder or potential investor with a registered address outside the Offer Jurisdictions will be taken by the Company to constitute a representation and warranty by that Shareholder or potential investor that all relevant approvals have been obtained and that the Company may legally issue the New Shares and attaching New Options to that Shareholder or potential investor.

(b) New Zealand offer restrictions

The New Shares and attaching New Options are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand at the Record Date to whom the offer of New Shares (and attaching New Options) is being made in reliance on the transitional provisions of the *Financial Markets Conduct Act 2013* (New Zealand) and the *Securities Act (Overseas Companies) Exemption Notice 2021* (New Zealand).

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

(c) Germany offer restrictions

This communication does not constitute a prospectus (Wertpapierprospekt) for the purpose of the *German Securities Prospectus Act* (Wertpapierprospektgesetz - "WpPG") and has not been filed with, reviewed or approved by the German Federal Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht). This communication is not being distributed to, and must not be passed on to the general public in the Federal Republic of Germany (**Germany**). It does not constitute an offer to the public of any securities in Germany, and the New Shares and New Options are not being offered or sold and will not be offered or sold to the public in Germany save in circumstances where it is lawful to do so without an approved prospectus. This Prospectus is made to and is directed only at legal entities and persons in Germany who are "qualified investors" within the meaning of Article 2(1)(e) of the European Prospectus Directive (Directive 2003/71/EC), as amended (the **Prospectus Directive**), and Section 2 no. 6 of the WpPG (**Qualified Investors**). This communication and the securities referred to herein are, and will be made, available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, such Qualified Investors. No other person should rely or act upon it. This communication is not intended for distribution to and must not be passed on to any retail investors in Germany. Each recipient of this communication in Germany will be deemed to have represented, warranted and agreed to and with the Company that it is a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive and Section 2 no. 6 of the *German Securities Prospectus Act*.

(d) Singapore offer restrictions

This Prospectus and any other materials relating to the New Shares and the New Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document relating to the New Shares and the New Options may not be issued, circulated or distributed, nor may such securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the *Securities and Futures Act 2001* of Singapore (**SFA**) or another exemption under the SFA.

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

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

(e) Guernsey offer restrictions

The New Shares and New Options may only be offered or sold in or from within the Bailiwick of Guernsey either (i) by persons licensed to do so under the *Protection of Investors (Bailiwick of Guernsey) Law, 1987* (as amended) (**POI Law**); or (ii) to existing

shareholders of the Company or persons licensed under the POI Law, the *Insurance Business (Bailiwick of Guernsey) Law, 2002*, the *Banking Supervision (Bailiwick of Guernsey), 1994*, or the *Regulation of Fiduciaries, Administration Businesses and Company Directors, etc., (Bailiwick of Guernsey) Law, 2000*.

No offer to subscribe for New Shares or New Options will be made to the public in Bailiwick of Guernsey.

2.15 Ineligible Shareholders

Based on the Company's share register as at the date immediately preceding this Prospectus, the Company has 9 Ineligible Shareholders (being 0.49% of all Shareholders) holding approximately 1.98% of all Shares on issue, are Ineligible Shareholders.

The Company believes that it is unreasonable to extend the Offers to Ineligible Shareholders. The Company has formed this view having considered:

- (a) the number and value of the Securities that would be offered to those Shareholders; and
- (b) the cost of complying with the legal requirements and the requirements of regulatory authorities in the overseas jurisdictions where the Ineligible Shareholders are situated.

Appointment of Nominee under ASX Listing Rule 7.7

Pursuant to ASX Listing Rule 7.7, the Company has appointed Mahe Capital as nominee to sell the Entitlements to which Ineligible Shareholders are entitled.

Any interest earned on the proceeds of sale of these Entitlements will, firstly, be applied against expenses of such sale, including brokerage and any balance will accrue to the relevant Ineligible Shareholders as described below.

Refer to sections 2.13, 2.14 and 2.15 for additional information.

Appointment of Nominee under Corporations Act

Pursuant to section 615 of the Corporations Act, the Company has also appointed Mahe Capital as nominee to sell the Entitlements to which Ineligible Shareholders are entitled. The nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale. The Company is seeking ASIC approval for the appointment of Mahe Capital as nominee, as required by section 615 of the Corporations Act.

The proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Ineligible Shareholders as described below.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the nominee must sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds. In this regard, the nominee will not be required to sell Ineligible Shareholders' Entitlements at a particular price.

2.16 Notice to nominees and custodians

Nominees and custodians that hold Shares should note that the Offers are available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offers are compatible with applicable foreign laws.

2.17 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 lodgement of this Prospectus with ASIC and the respective updates of those sales were:

Lowest: \$0.008 on 3 June 2025

Highest: \$0.016 on 24 July 2025.

The latest closing market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.013 per Share at close of the market on Wednesday, 13 August 2025.

2.18 Risk factors

An investment in Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in section 5.

2.19 ASX quotation

Application has been or will be made for the official quotation of the New Shares and New Options offered by this Prospectus.

If permission is not granted by ASX for the official quotation of the New Shares offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

If permission is not granted for official quotation of the New Options offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), the Company will issue the New Options as unquoted.

2.20 CHESS

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Limited, 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 Shares.

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

The CHESS statement will specify the number of New Shares and New 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 Shares, including a notice to exercise the Shares.

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 New Shares and New 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.

2.21 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Shares under this Prospectus.

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 Shares under this Prospectus.

2.22 Major activities and financial information

A summary of the major activities and financial information relating to the Company, for the year ended 30 June 2024, can be found in the Company's Annual Report released on the ASX on 27 September 2024 and, for the half-year ended 31 December 2024, the Half Year Report and Accounts announced on the ASX on 19 March 2025.

The Company's continuous disclosure notices (i.e. ASX announcements) since 27 September 2024 are listed in section 7.7. Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

2.23 Privacy

The Company collects information about each Applicant for the purposes of processing the Acceptance and, if the Acceptance is successful, to administer the Applicant's Shareholding in the Company.

By making an Application, each Applicant agrees that the Company may use the information provided by an Applicant 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, the Company may not be able to accept or process your Acceptance or Application (as applicable).

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.

2.24 Enquiries concerning the Entitlement Offer or this Prospectus

Enquiries relating to the Offers or this Prospectus should be directed to the Company by phone during office hours on 0406 932 187 or via email at cmoulton@ev1minerals.com.au.

3. Action required by Shareholders

3.1 Action in relation to the Offers

Eligible Shareholders may

- (a) accept all of their Entitlement (refer to section 3.2);
- (b) accept part of their Entitlement (refer to section 3.3);
- (c) if they have applied for their full Entitlement, also apply for New Shares in excess of their Entitlement pursuant to the Top Up Offer (refer section 3.4);
- (d) sell part or all of their Entitlement on the ASX (refer to section 3.5);
- (e) deal with part or all of their Entitlement other than on ASX (refer to section 3.6); or
- (f) allow all or part of their Entitlement to lapse (refer to section 3.7).

3.2 Eligible Shareholders wishing to Accept Entitlement in full

Your Entitlement to participate in the Offers will be determined on the Record Date.

The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form.

For instructions on how to pay by BPAY® or EFT (where indicated as available on the Entitlement and Acceptance Form), refer to section 3.8 below.

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

3.3 Eligible Shareholders wishing to take up only part of their Entitlement

Should you wish to only take up part of your Entitlement under the Entitlement Offer and you are paying by BPAY® or EFT, you are not required to submit the personalised Entitlement Form but are taken to make the statements on that form.

For instructions on how to pay by BPAY® and EFT, refer to section 3.8 below.

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

3.4 Eligible Shareholders wishing to participate in the Top Up Offer

If you wish to apply for Shares in excess of your Entitlement under the Entitlement Offer by applying for additional New Shares under the Top Up Offer, you may do so by applying for them by BPAY® or EFT and you are not required to submit the personalised Entitlement Form but are taken to make the statements on that form.

For instructions on how to pay by BPAY® or EFT refer to section 3.8 below.

3.5 Eligible Shareholders wishing to sell all or part of their Entitlement on the ASX

Eligible Shareholders wishing to sell all or part of their Entitlement on the ASX must provide instructions to their stockbrokers regarding the Entitlement they wish to sell on the ASX.

Trading of Entitlements will commence on the ASX on Monday, 18 August 2025 and will cease on Friday, 29 August 2025.

The Company does not guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on the ASX or that any particular price will be paid for the Entitlements sold on the ASX.

3.6 If you wish to sell all or part of your Entitlement under the Entitlement Offer other than on the ASX

Eligible Shareholders wishing to sell all or part of their Entitlement other than on the ASX, who hold Shares on the Issuer Sponsored Register:

- (a) who wish to transfer all or a proportion of their Entitlement to another person other than on the ASX, must complete the standard renunciation and transfer form (obtainable from the Company's share registry) by filling in the details in the spaces provided and return it together with an EFT payment receipt in accordance with the instructions on the form; and
- (b) must ensure that the purchaser would be an Eligible Shareholder if they held Shares on the Record Date.

Eligible Shareholders wishing to transfer all or a portion of their Entitlement to or from another person on the CHESS sub-register must engage their CHESS controlling participant (usually their stockbroker). If a transferee wants to exercise some or all of the Entitlement, they should follow their stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf.

The Application Monies for Shares the transferee of the Entitlement wants to acquire must be received by the Share Registry in accordance with sections 3.2, 3.3 or 3.4.

3.7 Entitlements not taken up

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Shares you hold and the rights attached to those New Shares (and attaching New Options) will not be affected should you choose not to accept any of your Entitlement. However, refer to sections 4.2, 4.3 and 4.4 in relation to potential dilution and the effect of underwriting and sub-underwriting on control of the Company.

3.8 How to Pay Via BPAY® or EFT

The price of \$0.01 per New Share is payable on acceptance of your Application.

If you wish to participate in the Offers you must make payment by BPAY® or EFT.

The Company will treat Eligible Shareholders as applying for as many New Shares as their payment will pay for in full. If an Eligible Shareholder's payment will pay for more than their full Entitlement, the Company will treat the Eligible Shareholder as applying for their full Entitlement and the excess will be taken to be an application for additional New Shares pursuant to the Top Up Offer on the terms set out in this Prospectus. Any Application Monies received from Eligible Shareholders for more than their final allocation of New Shares, including New Shares issued

under the Top Up Offer, will be refunded. No interest will be paid on any Application Monies received or refunded.

Application Monies received from Eligible Shareholders will be held on trust until such time as the relevant New Shares and attaching New Options are issued or the Application Monies are refunded.

To the fullest extent permitted by law, each Eligible Shareholder agrees that any Application Monies paid by them to the Company will not entitle them to any interest against the Company and that any interest earned in respect of Application Monies will belong to the Company. This will be the case, whether or not all or none (if any Offer is withdrawn) of the Shares applied for by a person are issued to that person.

For payment by BPAY® or EFT, please follow the instructions set out in section 3 or on your personalised Entitlement Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. If paying using BPAY®, please make sure to use the specific Biller Code and unique Reference Number which can be obtained by providing your details when prompted in your Entitlement and Acceptance Form.

If paying using EFT, please make sure to use the unique reference number which can be obtained by providing your details when prompted in your Entitlement and Acceptance Form.

If Eligible Shareholders pay by BPAY® and do not pay for their full Entitlement, their remaining Entitlements will lapse.

If Eligible Shareholders have more than one holding, they will receive separate forms for each holding. If Eligible Shareholders do not use the correct Reference Number specific to that holding, or inadvertently use the same Reference Number for more than one of their holdings, their application will be recorded against the holding associated with Reference Number they use.

Please note that when paying by BPAY® or EFT:

- (a) you do not need to submit the personalised Entitlement Form but are taken to have made the statements on that personalised Entitlement Form; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies received.

You should be aware that your Australian financial institution branch may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. It is your responsibility to ensure that your BPAY® or EFT payment is received by the Share Registry by no later than the relevant date by which funds are required to have been received.

Your BPAY® or EFT acceptance cannot be withdrawn once received. No cooling off period applies.

3.9 Warranties made on acceptance of an Offer

By making payment to acquire New Shares, you will be deemed to have represented to the Company that you are an Eligible Shareholder and:

- (a) acknowledge that you have received a copy of this Prospectus and an accompanying Entitlement and Acceptance Form, and read them both in their entirety;

- (b) agree to be bound by the terms of the Offer, the provisions of this Prospectus and the Constitution;
- (c) authorise the Company to register you as the holder(s) of the New Shares and attaching New Options allotted to you;
- (d) declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- (e) declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- (f) acknowledge that once any payment of Application Monies via BPAY® or EFT is made, you may not withdraw your Application or funds provided except as allowed by law;
- (g) agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY® or EFT, at the Offer Price of \$0.01 per New Share, plus attaching New Options;
- (h) authorise the Company, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares and attaching New Options to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- (i) declare that you were the registered holder(s) at 5:00pm (AWST) on the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you at 5:00pm (AWST) on the Record Date;
- (j) acknowledge that the information contained in this Prospectus and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares or New Options are suitable for you given your investment objectives, financial situation or particular needs;
- (k) acknowledge that this Prospectus does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- (l) acknowledge the statement of risks in section 5 and that investments in the Company are subject to risk;
- (m) acknowledge that none of the Company, nor its related bodies corporate and affiliates and their respective Directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital;
- (n) agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Offers and of your holding of Shares at 5:00pm (AWST) on the Record Date;
- (o) you and each person on whose account you are acting understand and acknowledge that the New Shares and New Options have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States and accordingly that the New Shares and New Options may not be offered or, sold to, persons in the United States or to persons who are acting for the account or benefit of a person in the United States except in accordance with an available exemption from, or

in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;

(p) represent and warrant:

- (i) that the law of any place does not prohibit you from being given this Prospectus and the personalised Entitlement and Acceptance Form and that you are otherwise eligible to participate in the Offer;
- (ii) that you and each person on whose account you are acting are not in the United States;
- (iii) that you have not and will not send this Prospectus, the Entitlement and Acceptance Form or any other materials relating to the Offers to any person in the United States or any other country outside the Offer Jurisdictions; and
- (iv) that if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are applying for New Shares and New Options is resident in the Offer Jurisdictions and is not acting for the account or benefit of a person in the United States or any other jurisdiction, and you have not sent this Prospectus, the Entitlement and Acceptance Form or any information relating to the Offers to any such person.

3.10 **Brokerage**

No brokerage or stamp duty is payable by Eligible Shareholders who accept their Entitlement.

4. Purpose and Effect of the Offers

4.1 Purpose of the Offers and Use of funds

The Offers are being conducted to raise capital for use in accordance with the table below:

Use of funds	Minimum (Underwritten) amount raised		Maximum (100% Entitlement take-up) amount raised	
	\$	%	\$	%
Development of the Chilalo Graphite Project ¹	\$49,425	9.89%	\$325,768	22.46%
Exploration of the Chikundo Copper Prospect ²	\$25,645	5.13%	\$64,322	4.43%
Payment to Tanzanian creditors	\$70,858	14.17%	\$212,573	14.65%
Payment to Australian creditors	\$132,488	26.50%	\$397,463	27.40%
Estimated expenses of the Offers ³	\$137,488	27.50%	\$198,188	13.66%
Working capital ⁴	\$84,096	16.82%	\$252,288	17.39%
Total Funds allocated	\$500,000	100%	\$1,450,602	100%

Notes:

1. Includes village land preparation, geotechnical investigations, site establishment, construction of a fly camp, hydrogeological studies and production bores. To the extent that the Company does not raise the maximum of \$1,450,602 (before costs) pursuant to the Offers, the Company intends to pursue grant of the convertible note loan facility referred to in section 7.3 to secure additional funds needed
2. Includes the interpretation of historical drilling and sampling data, processing of geophysical data, and collection and analysis of further grided surface sample data.
3. Aggregate expenses paid or payable by the Company in relation to the Offers are estimated in section 2.7.
4. Working capital includes the general costs associated with the management and operation of the business including administration expenses, rent and other associated costs. Working capital may also include surplus funds.

The above is a statement of current intentions at the date of this Prospectus. 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.

4.2 Effect of the Offers on the capital structure of the Company

The table below sets out the Company's current capital structure and the maximum number of Securities that may be issued under the Offers.

Securities	Subscription
Current capital structure	
Existing Shares ¹	362,650,476
Existing Options ²	1,820,887
Securities under the Offers	
Maximum New Shares to be issued pursuant to the Offers ³	145,060,191
Maximum New Options to be issued pursuant to the Offers ⁴	72,530,096
Maximum Lead Manager Options to be issued pursuant to the Offers ⁵	2,901,204

Maximum Securities on issue after the Offers	
Shares	507,710,667
Options ⁶	77,252,187

Notes:

1. The rights attaching to Shares (including Existing Shares and New Shares) are set out in section 6.1. Assumes that no Existing Options are exercised before the Record Date.
2. Comprised of 1,430,887 unquoted EV1AF Options expiring on 10 October 2027 and 390,000 EV1AG Options with an exercise price of \$0.45 and expiring on 10 October 2025.
3. Subject to rounding (up). The terms of issue of New Shares (ranking equally with all Existing Shares) are set out in section 6.1.
4. Subject to rounding (up). The terms of issue of New Options are set out in section 6.2.
5. The terms of issue of the Lead Manager Options are set out in section 6.3.
6. Comprised of Existing Options, New Options and Lead Manager Options in the numbers and proportions set out in the table above.

4.3 Effect of the Offers on control of the Company

(a) The Rule in section 606(1)

606(1) of the Corporations Act prohibits a person, unless an exception applies, from increasing their Voting Power in the Company:

- (i) from 20% or below to above 20%; or
- (ii) from a starting point of above 20% and below 90%.

(b) Exceptions to the rule in section 606(1)

There are certain exceptions to the above prohibition in section 611 of the Corporations Act. Item 13 of section 611 of the Corporations Act (**Underwriting Exception**) provides an exception for an acquisition pursuant to a disclosure document where:

- (i) the issue is to a person as an underwriter or sub-underwriter to the issue; and
- (ii) the disclosure document discloses the effect that the acquisition would have on the person's Voting Power in the company.

Item 10 of section 611 of the Corporations Act (**Rights Issue Exception**) provides an exception for an acquisition pursuant to a rights issue if the following conditions are satisfied:

- (i) the Company offers to issue securities to every person who holds securities on a pro-rata basis;
- (ii) all of those persons have a reasonable opportunity to accept the offers made to them;
- (iii) agreements to issue are not entered into until the closing date of the offer; and
- (iv) the terms of the offer are all the same.

(c) **Application to the Offers of the Rights Issue Exception and the Underwriting Exception**

Entitlement Offer

The Offers, combined with the appointment of Mahe Capital under section 615 of the Corporations Act (assuming ASIC approves the appointment, for which the Company has applied to ASIC), complies with both the Rights Issue Exception and the Underwriter Exception.

Accordingly, when an Eligible Shareholder applies for some or all of their Entitlement, they are permitted to increase their Voting Power:

- (i) from 20% or below 20% to above 20%; and
- (ii) from a starting point of above 20% and below 90%,

as a result of participating in the Entitlement Offer without breaching section 606(1) of the Corporations Act.

Top-Up Offer - Limitation

However, participation in the Top-up Offer in excess of an Eligible Shareholder's Entitlement is limited by the prohibition in section 606(1) of the Corporations Act summarised in section (a) above, as the Rights Issue Exception does not include acquisitions under shortfall facilities.

The Underwriter will rely on the Underwriter Exception to the extent necessary. Following the Offers, the Underwriter may increase their Voting Power in the Company in accordance with this Prospectus to the extent set out in section (e) below.

(d) **Substantial Holders**

The Company currently has four Substantial Holders, being Shareholders holding at least 5% of the Company's issued share capital. These are set out below:

Substantial Holder	Shares held ¹	Shareholding (%) ¹
ARCH Sustainable Resources GPCo Limited	91,242,379	25.16%
Marvel Gold Limited	39,432,842	11.00%
BTR New Material Group Co	25,860,000	8.50%
Deutsche Balaton Aktiengesellschaft	22,804,375	6.32%

Notes:

1. As at the date of this Prospectus

If all Entitlements are accepted, there will be no change to the Voting Power of the Substantial Holders on completion of the Offers.

Otherwise, assuming in each case, that:

- (i) the substantial holder takes up only its full Entitlement;
- (ii) no other Shareholders (including other substantial holders) take up their Entitlements and hence, no New Shares are issued under the Top-up Offer; and

- (iii) the Underwriter underwrites the Entitlement Offer up to the Underwritten Amount and does not sub-underwrite or otherwise disperse Shares it is obliged to acquire,

each substantial holder respectively will increase its holding of Shares and Voting Power in the Company, and the Underwriter will acquire Shares, as follows:

- (iv) ARCH Sustainable Resources GPCo Limited would be issued 36,496,952 New Shares, equating to a maximum aggregate holding of 127,739,331 Shares and a maximum shareholding percentage of 30.96% (with the Underwriter holding a maximum of 3.37%);
- (v) Marvel Gold Limited would be issued 15,773,137 New Shares, equating to a maximum aggregate holding of 55,205,979 Shares and a maximum shareholding percentage of 13.38% (with the Underwriter holding a maximum of 8.29%);
- (vi) BTR New Material Group Co may be issued 10,344,000 New Shares, equating to a maximum aggregate holding of 36,204,000 Shares and maximum shareholding percentage of 8.77% (with the Underwriter holding a maximum of 9.61%); and
- (vii) Deutsche Balaton Aktiengesellschaft may be issued 9,121,750 New Shares, equating to a maximum aggregate holding of 31,926,125 Shares and a maximum shareholding percentage of 7.74% (with the Underwriter holding a maximum of 9.91%),

on completion of the Offers.

(e) **Underwriting and sub-underwriting**

Mahe Capital

Mahe Capital has agreed to underwrite the Entitlement Offer up to \$500,000, representing 50,000,000 Shares, being 13.79% of current Shares on issue as at the date of this Prospectus. However, that amount and resulting New Shares that may be taken up by Mahe is reduced by the dispersion to sub-underwriters described below.

Mahe Capital does not currently hold any securities in the Company.

The table below illustrates the maximum potential Voting Power that the Underwriter may acquire as a result of the Offers:

Underwriter	Current Shares	Current Voting Power	Maximum Shares Underwritten	Maximum Voting Power
Mahe Capital	0	0%	50,000,000 ¹	12.12%

Notes:

1. Based on the underwriting commitment of \$500,000. Assumes no Entitlement uptake other than by the Underwriter, resulting in there being 412,650,476 Shares on issue at close of the Offers, assuming that no Existing Options are exercised during the Offer Period. Assumes that the Underwriter does not place New Shares forming part of the shortfall to third parties.

To the extent that Eligible Shareholders take up their Entitlements, the maximum Voting Power of the Underwriter and sub-underwriters will correspondingly decrease.

Sub-Underwriters:

Sub-Underwriter	Current Shares	Current Voting Power	Sub-Underwritten Amount ²	Sub-Underwritten Shares ³	Entitlement to New Shares	Maximum Shares ¹	Maximum Voting Power ¹
Craig Moulton	1,427,214	0.39%	\$50,000	5,000,000	570,886	6,998,100	1.69%
Paul Atherley	2,000,000	0.55%	\$30,000	3,000,000	800,000	5,800,000	1.40%

Notes:

1. Assumes no Entitlement uptake other than by the Underwriter and sub-underwriters, including their Entitlement to New Shares under the Entitlement Offer (refer to section 7.10(b)), resulting in there being 414,021,362 Shares on issue at close of the Offers, assuming that no Existing Options are exercised during the Offer Period.
2. The sub-underwriters are both owed unpaid director's fees and salary respectively (Mr Atherley is owed \$33,333 and Mr Moulton is owed \$25,000) and have agreed with the Company to set off those unpaid amounts against the subscription money payable on Shares sub-underwritten by them. The balance of the Application Monies on those New Shares will be paid in cash.
3. One New Option will be issued for every two New Shares issued to the sub-underwriters.

The table above illustrates that the maximum Voting Power that the Underwriter and each sub-underwriter may acquire should no Shareholders (other than those who are sub-underwriting) take up any Entitlements.

The Underwriter and sub-underwriters may rely on the Underwriter Exception. but given their respective maximum Voting Powers resulting from the underwriting and sub-underwriting (as set out above), none of them will increase their respective interests in the Company's shares from below 19% to more than 19.9% and therefore reliance on that exception is not necessary.

Where Shares are issued pursuant to the exercise of New Options, the Voting Power of sub-underwriters will increase, but the issue of Shares on exercise of those New Options will be subject to section 606 of the Corporations Act (summarised in section (a) above). The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

The Company, in consultation with the Underwriter, will ensure that the Offers comply with the provisions of Chapter 6 of the Corporations Act and are consistent with the policy guidelines contained in ASIC Regulatory Guide 6 and Takeovers Panel Guidance Note 17.

(f) General limitation

No securities will be issued to an applicant under the Offers if the issue would contravene the takeover provisions in section 606 of the Corporations Act. To that end, in exercising any discretion under the Top Up Offer, the Company will not do so in a manner that is likely to lead to an unacceptable control effect on the Company (having regard to paragraph 22 of Takeovers Panel Guidance Note 17).

4.4 Effect of the Offers on Shareholder Voting Power

If all Eligible Shareholders take up their Entitlements, the issue of Securities under the Offers will have no effect on control of the Company and all Shareholders will hold the same percentage interests in the Company, subject only to changes from Ineligible Shareholders who are unable to participate in the Offers.

However, Shareholders should note that if they do not participate in the Offers, their holdings are likely to be diluted (as compared to their holdings and number of Shares on issue as at the date

of the Prospectus). The maximum dilution that would occur if no Entitlements were taken up by existing Shareholders is approximately 28.57%.

Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlement	Holding if Entitlement Offer not taken up	% holding if Entitlement Offer not taken up
Shareholder 1	91,242,379	25.16%	36,496,952	91,242,379	17.97%
Shareholder 2	39,891,552	11.00%	15,956,621	39,891,552	7.86%
Shareholder 3	20,000,000	5.52%	8,000,000	20,000,000	3.94%
Shareholder 4	10,000,000	2.76%	4,000,000	10,000,000	1.97%
Shareholder 5	5,000,000	1.38%	2,000,000	5,000,000	0.98%
Shareholder 6	1,000,000	0.28%	400,000	1,000,000	0.20%

The dilution effect shown in the table above is the maximum percentage on the assumption that those Entitlements not accepted are subscribed for under the Top Up Offer. In the event all Entitlements are not accepted and some or all of the resulting shortfall is not subsequently taken up, the dilution effect for each Shareholder not accepting their Entitlement will be a lesser percentage.

Assuming all New Options offered pursuant to this Prospectus (including Lead Manager Options) are issued and exercised into Shares, Shareholders who do not participate in the Offers are likely to be diluted by an aggregate of approximately 37.81% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

The above table also assumes that no other Shares are issued or equity securities converted into Shares prior to the Record Date.

4.5 Foreign Ineligible Shareholders

As the Entitlement Offer is renounceable, the Company will, in accordance with ASX Listing Rule 7.7, appoint Mahe Capital to arrange for the sale of Entitlements that would have been given to Ineligible Shareholders and to account to them for the net proceeds of the sale. In this regard, refer to Sections 2.13, 2.14 and 2.15.

4.6 Effect of the Offers on the Company's financial position

To illustrate the effect of the Offers on the financial position of the Company, set out in section 9 is the reviewed statement of financial position of the Company and the unaudited pro forma statement of financial position, both as at 30 December 2024 (**Balance Date**).

The unaudited pro forma statement of financial position has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The unaudited pro forma statement of financial position has been prepared on the basis that the assets and liabilities of the Company have not been subject to any material change between 31 December 2024 and the completion of the Offers except for movements in working capital resulting from transactions and expenditures incurred in the normal course of business.

The unaudited Pro Forma Statement of Financial Position is presented as:

- (a) the underwritten amount the Entitlement Offer (\$500,000) is taken up; and

- (b) full subscription of all Entitlements.

The unaudited Pro Forma Statement of Financial Position is presented in abbreviated form and does not include all disclosures required by the Australian Accounting Standards applicable to annual financial statements.

The key assumptions on which the unaudited Pro Forma Statement of Financial Position is based are:

- (a) the Pro Forma Statement of Financial Position has not been audited or reviewed and does not include any other expenditure of the proceeds other than the costs of the Offer of approximately \$198,188 (on a full subscription basis). Refer to section 2.7; and
- (b) the unaudited effects of the Offer assume full subscription to the Entitlement Offer, being the issue of approximately 145,060,191 New Shares at \$0.01 each and 72,530,096 New Options, subject to rounding and assuming that no Existing Options are exercised before 5:00pm (AWST) on the Record Date.

5. Risk Factors

Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have 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 Shareholders need to be aware of in evaluating the Company's business and risks of increasing investment in the Company. Shareholders should carefully consider the following factors in addition to the other information presented in this Prospectus.

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

5.1 Risks specific to the Company

(a) Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(b) Going concern risks

The Company's Annual Financial Report for the year ending 30 June 2024 included a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.

Notwithstanding the 'going concern' qualification included in the Financial Report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short-term working capital requirements. However, further funding may be required to meet the medium to long-term working capital costs of the Company.

(c) Control risk

ARCH Sustainable Resources GPCo Limited is currently the largest Shareholder of the Company and has a relevant interest in approximately 25.16% of the Shares in the Company. Should no other Shareholders (other than the Underwriter) take up their Entitlements, ARCH Sustainable Resources GPCo Limited's Voting Power in the Company may increase to 28.44% as a result of the Offer.

ARCH Sustainable Resources GPCo Limited's significant interest in the capital of the Company means that it is in a position to potentially influence the financial decision of the Company, and its interests may not align with those of all other Shareholders.

ARCH Sustainable Resources GPCo Limited's current relevant interest in more than 25% of the Company means that it has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution). Special resolutions are required to approve certain Company matters including seeking the delisting of the Company, amending the Constitution, approving the voluntary winding up of the Company and, if at any time the

share capital of the Company is divided into different classes of Shares, approving the variation of the rights attached to any such class.

(d) Default notice risk

The Company's subsidiary and holder of ML 716/2023, Kudu Graphite Limited, has received a default notice from the Mining Commission of Tanzania. It has been reported that 95 similar notices have been issued to large and medium-scale mining companies in Tanzania for alleged breaches of licence conditions.

The Company has provided responses to the requested information to the Mining Commission of Tanzania. While the Company considers that it is unlikely that the Mining Commission of Tanzania will suspend or revoke the licence, if it were to conclude that material breaches have occurred, the Company could face regulatory sanctions, including fines or, in the unlikely event, licence suspension or revocation. Any such outcome may disrupt operations, harm the Company's financial performance and lead to a decrease in the trading price of Shares. The Directors will update the market on any material developments.

(e) Potential for dilution

In addition to potential control impacts set out in section 4.4, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 28.57% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus (including Lead Manager Options) are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 37.81% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offers being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.013 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

(f) Sovereign risk – Tanzania

The Chilalo Project is located in Tanzania and is subject to the risks associated with operating in foreign countries. There are risks attached to exploration and mining operations in a developing country like Tanzania which are not necessarily present in a developed country like Australia. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of (or the interpretation of) law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. The Company may

also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality.

Any future material adverse changes in government policies or legislation in Tanzania that affect foreign ownership, exploration, development or activities of companies involved in mining exploration and production, may affect the viability and profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on exploration, development, mining 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, local economic empowerment or similar policies, employment, contractor selection and mine safety. Operations may also be affected by failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors creates uncertainties that cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

Tanzania's legal system is less developed than more established countries and this could result in the following risks:

- (A) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation or in an ownership dispute;
- (B) a higher degree of discretion held by various government officials or agencies;
- (C) the lack of political or administrative guidance on implementing applicable rules and regulations, particularly in relation to taxation and property rights;
- (D) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or
- (E) relative inexperience of the judiciary and court in matters affecting the Company.

The commitment from local business people, government officials and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that legal arrangements with the Company will not be adversely affected by the actions of the government authorities or others. As such, the effectiveness and enforcement of any such arrangements cannot be assured.

In Tanzania, the State retains ownership of the minerals and consequently retains control of the exploration and production of mineral resources. Accordingly, these operations may be materially affected by the government through royalty payments, export taxes and regulations, surcharges, value added taxes, production bonuses and other charges.

There can be no guarantee that the Company will be able to generate a positive return for its Shareholders if an event occurs in Tanzania which materially adversely affects the value of the Chilalo Project.

(g) **Emerging Market**

The Company's main assets are located in Tanzania. When conducting operations on foreign assets in emerging markets such as Tanzania, ASX listed entities may face a number of additional risks that companies with operations wholly within Australia may not face. For example, the ability to implement effective internal control and risk management

systems and good corporate governance principles, having regard to the separation of executive management and the Board from the location of the Chilalo Project and the need to rely on consultants and professional advisors in those jurisdictions.

(h) **Uninsurable risks**

The Company's business is subject to a number of risks and hazards generally, including without limitation, adverse environmental conditions, industrial accidents, labour disputes, civil unrest and political instability, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in development, monetary losses and possible legal liability.

The Company will maintain insurance coverage that is substantially consistent with mining industry practice. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.

(i) **Tenure, access and grant of applications**

Title and rights to mining and exploration tenements in Tanzania are governed by Tanzanian legislation and are subject to the holder complying with the terms and conditions applicable to those tenements. There is a risk that if the holder does not comply with the terms and conditions applicable to a particular tenement, it may lose its rights to that tenement. In particular, all the mining and exploration tenements in Tanzania which the Company, through its subsidiaries, has or may, upon grant, have an interest in, will be subject to expenditure and work commitments. If sufficient exploration activities have not been carried out on a tenement to Company may suffer damage through loss of opportunity to develop any mineral resources on that tenement.

Further, all of the tenements in which the Company has, or will have, an interest may be subject to applications for renewal or extension from time to time. The renewal or extension of the term of each tenement is subject to the applicable legislation. Renewal conditions may be imposed and such conditions may include increased expenditure and work commitments. 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.

There is no guarantee that current or future tenements and/or applications for new tenements and/or applications for renewal of existing tenements will be approved. If a tenement is not renewed for any reason, the Company may suffer damage through loss of the opportunity to develop and discover any mineral resources on that tenement.

It is the Company's intention to satisfy the conditions that apply to the tenements. However, there are no guarantees that, in the future, the minimum expenditure and other conditions that apply to the tenements will be satisfied. If the conditions that apply to a tenement are not satisfied, the Company may be subject to penalties or forfeiture applications. Any of these events could have a materially adverse effect on the Company's prospects and the value of its assets.

(j) **Occupier's consent**

The title to tenements held by the Company may also be affected by the provisions of law which provide for the protection of lawful occupiers of the area. According to section 95(1)(b) of the Tanzanian *Mining Act, 2019*, no holder of a mineral right shall exercise any of its rights conferred by its licence over an area of land which is the site of, or which is within 200 metres of any inhabited, occupied or temporarily unoccupied house or building without prior consultation with the relevant local Government authority, including the village council and thereafter the written consent of the lawful occupier.

Therefore, where a mineral right granted to an applicant is over an area of land inhabited by lawful occupiers then the Company as holder of such a mineral right is required to obtain the lawful occupier's written consent, following necessary consultation, prior to exercising any of the rights conferred under its mineral right. Failure to obtain the lawful occupier's prior written consent would not invalidate the licence holder's mineral right but the lawful occupier may make a claim against the licence holder.

(k) **Environmental and other regulatory risks**

Environmental laws in Tanzania are strict. Every activity from exploration through to development and mining require compliance with the regulations for environmental protections by virtue of section 81 of the Tanzanian *Environmental Management Act, 2004*. Under section 81, an Environmental Impact Assessment Report is a mandatory requirement and the outcome of the assessment may be negative. It is expected that the Company's activities will have an impact on the environment, particularly at the time of advanced exploration and any mine development.

It is in the interest of the Company to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws, in order to minimise damage to the environment and risk of liability which includes personal criminal liability under section 98 of the Tanzanian *Environmental Management Act, 2004*. In a normal situation it is expected that despite diligently observing in all material respects applicable environmental laws and regulations, there are certain risks inherent to the Company's activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to environmental liability. The Company and/or its subsidiaries will require other various governmental approvals and permits in Tanzania from time to time in connection with various aspects of its activities. To the extent such approvals or permits are required and not obtained, or are delayed, the Company may experience delays affecting its scheduled project development.

Environmental laws are dynamic and can change over time. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future. Additional laws or regulations may materially increase the Company's cost of doing business or affect its operations. The cost and complexity of complying with any additional environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Further, environmental legislation is evolving in a manner which will likely require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation in Tanzania, if any, will not materially and adversely affect the Company's business, prospects, financial condition and results of operations.

(I) **Operations**

The operations of the Company may be affected by various operational risks and hazards, including:

- (A) inability to develop the Company's assets into an economic business;
- (B) failure to locate or identify mineral deposits, over estimation of reserves;
- (C) failure to achieve predicted grades in exploration and mining;
- (D) failure to completely test the deposit, with the result that the Company does not completely understand the metallurgy of a deposit, which may affect extraction costs;
- (E) technical difficulties encountered in exploration and mining;
- (F) inappropriate design of mining plant, difficulties in commissioning and operating plant and equipment;
- (G) mechanical failure or plant breakdown;
- (H) adverse weather conditions;
- (I) industrial and environmental accidents and industrial disputes; and
- (J) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment and failure to obtain necessary consents and approvals.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and potential legal liability. While the Company intends to maintain insurance with 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 such claims.

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

There can be no assurance that any exploration tenement, or any other mining tenements acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The development timeframe for a project is dependent in part on obtaining various approvals and permits. The time it requires to obtain such approvals is in many cases not certain. To the extent that these approvals, permits and licences are issued at the discretion of the relevant regulatory authorities, there is no certainty that the Company will be able to obtain the grant of these approvals within any proposed timeframe, or at all.

(m) **Exploration**

Any future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company, being able to maintain title to the mining licence and the mineral exploration licences comprising the Chilalo Project and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Chilalo Project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Chilalo Project.

(n) **Logistics and infrastructure**

The Chilalo Project in Tanzania is subject to logistical risk of a long supply line should there be a requirement to import materials and equipment from outside the continent of Africa. The Chilalo Project is located in a remote area of south-eastern Tanzania where there are some infrastructure deficiencies.

While the Company has access to the Mtwara port, which is 220km by road from the Chilalo Project, and the nearby Nachingwea airport is suitable for the transport of people and consumables, the Company will need to establish reliable road transport and sources of power and water in order for mining operations to be viable, none of which can be assured.

The Company may engage expatriate workers to perform certain functions in Tanzania. In order to develop the Chilalo Project, the Company will need to establish the facilities and material necessary to support operations in the remote location in which it is situated.

The lack of availability of such resources may adversely affect mining feasibility and may, in any event, require the Company to arrange significant financing, locate adequate supplies and obtain necessary approvals from national regional governments, none of which can be assured.

(o) **Reputational risk**

The Company's operations are dependent on positive relationships with a small number of organisations (including the government of Tanzania). Damage to the Company's reputation within Tanzania due to the actual or perceived occurrence of any number of events could negatively impact the Company.

Reputation loss may lead to increased challenges in developing and maintaining community relations, decreased investor confidence, and the impediment of the Company's overall ability to advance the Chilalo Project, thereby having a material adverse impact on financial performance, cash flows and growth prospects.

(p) **Tax risk**

The Company has not obtained specific tax advice in relation to the Offers. While the Directors are not aware of any material adverse taxation consequences arising as a

result of the Offers, there is a risk that relevant taxation authorities, including in foreign jurisdictions, may take a different view and seek to impose taxes on the Company or its controlled entities. Any such tax liabilities may have a material adverse effect on the Company's financial position.

(q) Future indirect disposal tax risk

The Tanzanian *Income Tax Act, 2004* contains indirect disposal tax provisions which apply where there is a change of more than 50% in the underlying ownership of a Tanzanian entity compared to the ownership in that entity over the past 3 years. This indirect disposal tax is calculated at a rate of 30% on the deemed gain realised by the Tanzanian entity (if any). Generally, Tanzanian tax authorities have not historically sought to impose change of control taxes as a consequence of the trading of holding company shares listed on a stock exchange. Nevertheless, this prospect, together with the prospect that any potential takeover bidder for the Company in the future may potentially offer a discounted offer price by reason of the potential application of this tax, could result in a discount to the trading price of Shares on ASX, and if this change of control tax were imposed on Ngwenza Tanzania Limited or Kudu Graphite Limited at any time, the Company would bear the financial burden.

5.2 Industry-specific risks

(a) Commodity prices and exchange rate risks

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of graphite products exposes the potential income of the Company to commodity price and exchange rate risks.

Changes in the market price of mineral commodities have historically fluctuated widely, and will affect the profitability of the Company's operations and its financial condition in the future, if and when the Company enters production. The Company's revenues, long term profitability and viability will depend on the price of the graphite that is produced from the Chilalo Project. The market price of graphite is set in the world market and is affected by numerous industry factors beyond the Company's control including demand, expectations with respect to the rate of inflation, interest rates, currency exchange rates, and industrial products containing metals, graphite production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, sales by central banks and other holders, speculators and processors of graphite and other metals in response to any of the above factors, and global and regional political and economic factors.

Unlike the majority of base and precious metals, there is no designated exchange or index for graphite pricing. As a result, there is a lack of market transparency associated with the price of graphite.

A decline in the market price of flake graphite products below the Company's production costs for any sustained period would have a material adverse impact on the profit, cash flow and results of the operations of the Chilalo Project and anticipated future operations. Such a decline could also have a material adverse impact on the ability of the Company to finance the exploration and development of its existing and future mineral projects.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company 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.

(b) **Exploration costs**

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

(c) **Resource and reserves and exploration targets**

The Company has identified a number of exploration targets based on geological interpretations and geophysical data, geochemical sampling and limited historical drilling. However, there is insufficient data to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work with the aim of defining a resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the exploration targets identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.

Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

(d) **Mine development**

Possible future development of mining operations at the Chilalo Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production on any of the Chilalo Project, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Chilalo Project.

The risks associated with the development of a mine will be considered in full should the Chilalo Project reach that stage and will be managed with ongoing consideration of stakeholder interests.

(e) **Equipment and availability**

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source and acquire appropriate mining equipment. Equipment is not always available and the market for mining equipment experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment economically or at all

then this would have a material adverse effect on the Company's financial or trading position.

(f) **Risks associated with changes in legislation**

Changes to mineral exploration or investment policies and legislation or a shift in political attitude within the jurisdiction in which the Company operates may adversely affect the Company's proposed operations and profitability. Government action or policy change in relation to access to lands and infrastructure, compliance with environmental regulations, export restrictions, taxation, royalties and subsidies may adversely affect the Company's operations and financial performance. The Company is governed by a series of national laws and regulations. Breaches or non-compliance with these laws and regulations can result in penalties and other liabilities.

These may have a material adverse impact on the financial position, financial performance, cash flows, growth prospects and share price of the Company.

These laws and regulations may be amended from time to time, which may also have a material adverse impact on the financial position, financial performance, cash flows, growth prospects and share price for the Company. The legal and political conditions in Tanzania and any changes thereto are outside the control of the Company.

The introduction of new legislation or amendments to existing legislation by the national government, developments in existing common law, or the interpretation of the legal requirements which govern the Company's operations or contractual obligations, could adversely affect the assets, operations and, ultimately, the financial performance of the Company and the value of its securities. In addition, there is a commercial risk that legal action may be taken against or by the Company in relation to commercial matters.

In addition, the evolution and interpretation of Tanzanian legislation is uncertain and may impose restrictions on the Company.

The Company's business is subject to various levels of government controls and regulations which are revised from time to time. The Company is unable to predict what legislation may be proposed that might affect its business or when any such proposals, if enacted, might become effective. Such changes could require increased capital and operating expenditures and could prevent or delay certain operations by the Company. To the extent the Company is unable to comply with any such legislation, whether in the future or past, the Company may be unable to continue to successfully operate.

(g) **Climate change regulation**

The extraction and processing of resources is relatively energy intensive and is currently dependent on the consumption of fossil fuels. Increased regulation and government policy designed to mitigate climate change may adversely affect the Company's cost of operations and adversely impact the financial performance of the Company.

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly relevant to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage;

- (ii) certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns; all these risks associated with climate change may significantly change the industry in which the Company operates; and
- (iii) adverse weather events which may disrupt field work and operational activities.

These examples sit amongst an array of possible climate-related restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, should these risks materialise, the Company may be adversely impacted.

5.3 General risks

(a) Economic risk

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

(b) Market conditions

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

In addition, the extent of the effects of COVID-19 is at this stage uncertain and continuing to evolve. The COVID-19 pandemic is having, and is expected to continue to have, a significant influence on the volatility of equity markets generally and may continue to impact and influence the value of the Company's quoted securities.

(c) Litigation risks

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(d) **Dividends**

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

(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 Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(g) **Ukraine conflict and other risks**

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

Specifically, it should be noted that the current evolving conflict between Ukraine and Russia is impacting global macroeconomics and markets generally. The nature and extent of the effect of this conflict on the performance of the Company and the value of the Shares remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflict between

Ukraine and Russia and overall impacts on global macroeconomics. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.

(h) **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 Shares.

(i) **Counterparty risk**

The Company has entered into, and will likely continue to enter into, a number of commercial agreements with third parties. There is a risk that the counterparties may not meet their obligations under those agreements.

The ability of the Company to achieve its stated objectives will depend on the performance by the counterparties, with whom the Company has contracted, or will contract with, of their obligations under the relevant agreements. If any party defaults in the performance of its obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

5.4 **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 the Shares offered under this Prospectus.

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

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

6. Rights attaching to Securities

6.1 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares (with which New Shares rank equally) 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 meeting

Subject to the Constitution and to the rights or restrictions attached to any shares or class of shares, each member is entitled to receive notice of and, except in certain circumstances, and 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) Ranking of Shares

At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the New Shares issued pursuant to this Prospectus will rank equally with existing Shares.

(c) Voting rights

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

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

(d) Direct voting

The Directors may determine that Shareholders may cast votes to which they are entitled on any or all of the resolutions (including any special resolution) proposed to be considered at, and specified in the notice convening, a meeting of Shareholders, by direct vote.

Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll. Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

(e) **Dividend rights**

Subject to the Corporations Act, the Constitution, 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.

No dividend shall carry interest as against the Company.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit.

(f) **Winding-up**

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

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

(g) **Shareholder liability**

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

(h) **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.

The Directors may ask ASX Settlement Pty Limited to apply a holding lock, or decline to register a transfer of Shares for reasons including where the transfer is not in registrable form or where the refusal to register the transfer is permitted under the Listing Rules. If the Directors request a holding lock or, decline to register a transfer, the Company must give the holder of the shares (in circumstances of a holding lock request), or the party lodging the transfer (in circumstances of a refusal to register), written notice of the refusal and the reason for refusal. The Directors decision to decline to register the transfer or to apply for a holding lock is not invalidated if that notice is not given.

(i) **Restricted Securities**

In the event of a breach of the Listing Rules or a breach of a restriction agreement entered into by the Company under the Listing Rules relating to Restricted Securities (as defined in the Listing Rules), the Shareholder holding the Restricted Securities in question shall cease to be entitled to any dividends, distribution or any voting rights in respect of those Restricted Securities during the period of such breach.

(j) **Small holdings**

The Directors may sell the Shares of a Shareholder if that Shareholder holds less than a marketable parcel of Shares, provided that the procedures set out in the Constitution are followed. A non-marketable parcel of Shares is defined in the Listing Rules and is, generally, a holding of shares with a market value of less than \$500.

(k) **Variation of rights**

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

If at any time the share capital is divided into different classes of shares, the rights 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.

(l) **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.

(m) **Receipt of notices**

All notices, certificates, statements, demands, appointments, directions and other documents provided to Shareholders must be in writing and may be given personally, by post or electronically.

(n) **Preference shares**

The Company may issue preference shares including preference shares which have certain redemption and conversion rights. The rights attaching to preference shares are those set out in the Constitution.

(o) **Listing Rules**

The Constitution provides that notwithstanding anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision or not to contain a provision the Constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

6.2 Rights and liabilities attaching to New Options

(a) **Class**

The New Options will form a new class of quoted options and will not be part of the Company's existing classes of unquoted options (EV1AF and EV1AG). An application for quotation of the New Options will be made to ASX.

(b) **Entitlement**

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

(c) **Exercise Price**

The amount payable upon exercise of each New Option will be \$0.02 (**Exercise Price**)

(d) **Expiry Date**

Each New Option will expire three years after the date of their issue at 5:00pm (AWST) (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Exercise Period**

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

(f) **Notice of Exercise**

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

(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 New Option being exercised in cleared funds (**Exercise Date**).

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

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

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

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options. If a notice delivered under (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(i) **Shares issued on exercise**

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

(j) **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 Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

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

(l) **Change in exercise price**

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

(m) **Transferability**

The New Options are proposed to be listed on the ASX (subject to exercise by ASX of its discretion whether or not to grant quotation) transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(n) **Quotation**

The Company will seek quotation of the New Options, but ASX retains a discretion regarding whether or not to grant quotation. These terms of issue may be amended to the extent required to satisfy any requirement imposed by ASX.

6.3 **Rights and liabilities attaching to Lead Manager Options**

The Lead Manager Options fall into the same class and are issued on the same terms as the New Options. In this regard, refer to section 6.2.

7. Additional Information

7.1 Lead Manager Agreement and Underwriting Agreement

(a) Offer management

The Company and Mahe Capital have entered into a Lead Manager Mandate dated 25 June 2025 (**Lead Manager Mandate**), under which the Lead Manager has agreed to lead manage the Offers.

The Company and Mahe Capital have also entered into an Underwriting Agreement dated 13 August 2025 pursuant to which the Lead Manager has agreed to partially underwrite the Offers up to \$500,000 (**Underwritten Amount**) representing a maximum of 50,000,000 New Shares.

In consideration of these services, the Company has, amongst other matters, agreed to issue the Lead Manager Options and granted the Lead Manager the right to place the Shortfall Shares in consultation with the Company.

(b) Fees and consideration

Under the Lead Manager Mandate and Underwriting Agreement, the Company has also agreed to pay the Lead Manager:

- (i) a Lead Manager Fee of \$60,000;
- (ii) a Management Fee of 1% of the total amount raised under the Offers;
- (iii) a Placement Fee of 5% of the amount represented by the Shortfall Shares placement;
- (iv) 5% of the Underwritten Amount (excluding director sub-underwriting); and
- (v) the issue of up to 2,901,204 Lead Manager Options, on the basis of two Lead Manager Options for every dollar raised under the Offers.

This Prospectus includes a discrete offer (**Lead Manager Offer**) to the Lead Manager of the Lead Manager Options. Only Mahe Capital can accept this offer.

The Lead Manager Mandate and the Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Lead Manager that are considered common for an agreement of this type.

(c) Termination rights

The Lead Manager may terminate the Underwriting Agreement upon the occurrence of any of the events below by giving notice in writing to the Company on or at any time before the issue of all the securities to be underwritten, without cost or liability to itself:

- (i) (**Indices fall**): the S&P ASX 200 Index is at any time after the date of the Underwriting Agreement 7% or more below its respective level as at the close of business on the business day prior to the date of the Underwriting Agreement;
- (ii) (**Commodities**): the price of COMEX gold or NYMEX WTI crude is at any time after the date of the Underwriting Agreement 7% or more below its respective

level as at the close of business on the business day prior to the date of the Underwriting Agreement;

- (iii) **(Prospectus)**: the Company does not lodge the Prospectus on the lodgement date or the Prospectus or the Offers are withdrawn by the Company;
- (iv) **(No Listing Approval)**: the Company fails to lodge an Appendix 3B and an Appendix 2A in relation to the underwritten securities with ASX by the times required by the Listing Rules, the Corporations Act or any other regulations;
- (v) **(No Official Quotation)**: ASX has advised the Company that it will not or may not grant official quotation to the underwritten Shares or admit the Company to trading on the ASX following completion of the Offers (including issue of the Shortfall Securities) on or prior to the date for notification of the shortfall;
- (vi) **(Price)**: the Offer Price is greater than the volume weighted average price of the Company's Shares calculated over three days after the date of the Underwriting Agreement;
- (vii) **(Supplementary prospectus)**:
 - (A) the Underwriter forms the view on reasonable grounds that a Supplementary Prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a Supplementary Prospectus in such form and content and within such time as the Underwriter may reasonably require; or
 - (B) the Company lodges a Supplementary Prospectus without the prior written agreement of the Underwriter;
- (viii) **(Non-compliance with disclosure requirements)**: it transpires that this Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (B) the rights and liabilities attaching to the Underwritten Securities,to the extent required for a prospectus issued pursuant to section 713 of the Corporations Act;
- (ix) **(Misleading Prospectus)**: it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of Sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- (x) **(Misleading Announcement)**: it transpires that the Company has made a statement via the ASX that is misleading or deceptive or likely to mislead or deceive or there is an omission or missing information that is price sensitive.

- (xi) **(Restriction on issue)**: the Company is prevented from issuing the Underwritten Securities within the time required by this Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (xii) **(Withdrawal of consent to Prospectus)**: any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (xiii) **(ASIC application)**: an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus and by the date for notification by the Company of the shortfall, application has not been dismissed or withdrawn;
- (xiv) **(ASIC hearing)**: ASIC gives notice of its intention to hold a hearing under section 739 of the Corporations Act in relation to this Prospectus to determine if it should make a stop order in relation to this Prospectus or ASIC makes an interim or final stop order in relation to this Prospectus under section 739 of the Corporations Act;
- (xv) **(Takeovers Panel)**: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- (xvi) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the Underwriting Agreement has been signed involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (xvii) **(Authorisation)**: any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter acting reasonably;
- (xviii) **(Event of Insolvency)**: an Event of Insolvency occurs in respect of a Relevant Company;
- (xix) **(Indictable offence)**: a director or senior manager of a Relevant Company is charged with an indictable offence;
- (xx) **(Default)**: default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking;
- (xxi) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company is or becomes untrue or incorrect;
- (xxii) **(Contravention of constitution or Act)**: a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;

- (xxiii) **(Adverse change)**: an event occurs which gives rise to a material adverse effect or any adverse change or any development including a likely material adverse effect after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company and its related bodies corporate;
- (xxiv) **(Error in Due Diligence Results)**: it transpires that any of the Due Diligence Results or any part of the Verification Material was false, misleading or deceptive or that there was an omission from them;
- (xxv) **(Significant change)**: a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (xxvi) **(Public statements)**: without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offers or the Prospectus other than a statement the Company is required to make in order to comply with its disclosure obligations under the Listing Rules and/or the Corporations Act;
- (xxvii) **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offers or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (xxviii) **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in existing, monetary, taxation, exchange or fiscal policy that has not been publicly disclosed or proposed as at the date of the Underwriting Agreement;
- (xxix) **(Prescribed Occurrence)**: a Prescribed Occurrence occurs, other than as disclosed in the Prospectus;
- (xxx) **(Judgment against a Relevant Company)**: a judgment in an amount exceeding \$100,000.00 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (xxxi) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against any Relevant Company, other than any claims foreshadowed in the Prospectus;
- (xxxii) **(Board and senior management composition)**: there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter, such consent not to be unreasonably withheld;
- (xxxiii) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offers or a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (xxxiv) **(Force Majeure)**: a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;

- (xxxv) **(Certain resolutions passed)**: a Relevant Company passes or takes any steps to pass a resolution under sections 254N, 257A or 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (xxxvi) **(Capital Structure)**: any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus excluding the issue of any Shares upon the exercise of options issued in the Company, such options having been disclosed to the ASX as at the date of this Agreement;
- (xxxvii) **(Breach of Material Contracts)**: any of the Contracts is terminated or substantially modified;
- (xxxviii) **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of a Related Company; or
- (xxxix) **(Market Conditions)**: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

This Prospectus is also an offer of Lead Manager Options to the Lead Manager that can only be accepted by the Lead Manager.

7.2 Sub-underwriting

The Underwriter has entered into sub-underwriting agreements with Mr Craig Moulton and Mr Paul Atherley with the effect and terms set out in section 4.3(e).

7.3 ARCH Secured Note

After close of the Offers, the Company intends to pursue preparation and execution of formal documents relating to the secured convertible note facility in respect of which it announced execution of a non-binding term sheet on the ASX on 3 June 2025.

7.4 Tanzania default notice

As noted in section 5.1(d), the Company's subsidiary and holder of ML 716/2023, Kudu Graphite Limited, has received a default notice from the Mining Commission of Tanzania. The Company has responded to the notice and with a view to resolving the matter, has engaged a legal firm in Tanzania with recent experience in similar matters.

The Directors expect that this matter will be resolved without material delay to the Company's plans.

7.5 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 review or report. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see section 7.7 below). Copies of all documents announced to the ASX can be found at www.ev1minerals.com.au or www.asx.com.au.

7.6 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.

7.7 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 Annual Report for the period ending 30 June 2024 lodged with ASX on 27 September 2024 (**Annual Financial Report**);
- (b) the Half Yearly Report for the six month period ending 31 December 2024 lodged with ASX on 19 March 2025; and
- (c) the continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from 1 July 2024, being the balance date of the Annual Financial Report lodged with ASX on 27 September 2024, until the date of this Prospectus:

Date lodged	Subject of Announcement
14/08/2025	Renounceable Entitlement Offer to raise up to \$1,450,602
31/07/2025	June 2025 Quarter Activities and Cashflow Reports
21/07/2025	Change in substantial holding from MVL
30/06/2025	2024 Sustainability Report
12/06/2025	Change of Director's Interest Notice for Mr Atherley
11/06/2025	Change of Director's Interest Notice for Mr Moulton
10/06/2025	Change in Substantial Holding from MVL
05/06/2025	Response to ASX Price and Volume Query
03/06/2025	US\$2 Million Commitment for Kudu Graphite Limited
28/05/2025	Initial Director Interest Notice for Mr Naoum
28/05/2025	Initial Director Interest Notice for Ms Cryan
28/05/2025	Final Director Interest Notice for Mr Gordon
28/05/2025	Board Movements
23/05/2025	Final Director's Interest Notice for Mr Dennis
23/05/2025	Resignation of Director
14/05/2025	New Strategic Direction
30/04/2025	Quarterly Activity and Cashflow Report
28/04/2025	Corporate Transition
22/04/2025	Appointment of Non-Executive Chair
14/04/2025	Initial Director's Interest Notice

07/04/2025	Resignation of Chair and appointment of Non-Exec Director
04/04/2025	Clarification to announced farm-out for Chikundo Prospect
31/03/2025	Binding Term Sheet to Farm Out Chikundo Prospect
19/03/2025	Reinstatement to Quotation
19/03/2025	Half Year Accounts
17/03/2025	Suspension from Quotation
11/02/2025	Investor Presentation
10/02/2025	Chikundo Cu-Pb-Zn VHMS Update
31/01/2025	Quarterly Activity and Cashflow Report
16/01/2025	Chilalo Graphite Project Early Contractor Involvement
09/01/2025	Cleansing Notice
09/01/2025	Application for quotation of securities - EV1
29/11/2024	Results of Meeting
22/11/2024	Commencement of Chilalo Siteworks
18/11/2024	Appointment of Chief Executive Officer
08/11/2024	Notification of cessation of securities - EV1
31/10/2024	Annual General Meeting - Notice of Access
31/10/2024	Notice of Annual General Meeting/Proxy Form
31/10/2024	Quarterly Activity and Cashflow Report
29/10/2024	Chikundo Cu-Pb-Zn VHMS Prospect
21/10/2024	Chilalo Project Update
14/10/2024	Board and Management Update
11/10/2024	Notice of date of AGM and Director Nominations
01/10/2024	Initial Director's Interest Notice
30/09/2024	Appendix 4G
30/09/2024	Corporate Governance Statement
30/09/2024	Director Appointment
27/09/2024	Change of Auditor

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 7.13 and the consents provided by the Directors to the issue of this Prospectus.

7.8 No 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 as contemplated in section 713 of the Corporations Act, other than as is set out in this Prospectus.

7.9 No 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.

7.10 Interests of Directors

(a) 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 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.

(b) Security holding

The relevant interests of each of the Directors in Securities of the Company as at the date of this Prospectus are set out below.

Director	Shares	Voting power (%)	Options	Entitlement to New Shares ¹	Entitlement to New Options
Craig Moulton	1,427,214	0.39%	0	570,886	285,443
Paul Atherley	2,000,000	0.55%	0	800,000	400,000
Gemma Cryan	0	0%	0	0	0
David Naoum	0	0%	0	0	0

Notes:

1. Craig Moulton and Paul Atherley have agreed to sub-underwrite the Offers, as set out in section 4.3(e), in addition to participating in the Entitlement Offer to the extent of their entitlements.

(c) Remuneration

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 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 may be entitled to be paid reasonable travelling, hotel 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 extra services or make any special exertions on behalf of the Company or its business, the Directors may remunerate this Director in accordance with such services or exertions, and this remuneration may be either in addition to or in substitution for his or her share in the fee-pool described above.

The remuneration of executive directors is to be fixed by the Board and will be reviewed for the upcoming new financial year.

The table below sets out the remuneration provided to the Directors of the Company and their associated companies during the last financial year (**FY**), inclusive of directors fees, consultancy fees, superannuation benefits and share-based payments. Current Director remuneration remains the same on an annualised basis as at 30 June 2025.

Director	Annual Cash Remuneration (excl. statutory super) \$	Equity \$
Craig Moulton	\$150,000	Nil
Paul Atherley	\$100,000 ¹	Nil
Gemma Cryan	\$75,000 ²	Nil
David Naoum	\$75,000 ³	Nil

Notes:

1. No superannuation is payable on this figure.
2. No superannuation is payable on this figure.
3. No superannuation is payable on this figure. This amount is paid pursuant to David Naoum's letter of appointment, entered into between D&S Howson Pty Ltd ATF the David Naoum Family Trust and the Company.

7.11 Related party transactions

Except as disclosed in this Prospectus, there are no related party transactions involved in the Offers.

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

- 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
- 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, unless it is resolved by the Board of Directors that the Director can be present at the meeting but does not vote on the matter.

7.12 Interests of other persons

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

- has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Securities 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 Securities offered under this Prospectus.

7.13 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares 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.

HWL Ebsworth Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus. HWL Ebsworth Lawyers has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

Automatic Share Registry has given its written consent to being named as the share registry to the Company in this Prospectus. Automatic Share Registry has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

Mahe Capital Pty Ltd has given its written consent to being named as the Lead Manager and Underwriter to the Company in this Prospectus. Mahe Capital has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

7.14 Governing law

This Prospectus, the Entitlements Offer and the contracts formed on acceptance of Entitlements and Applications are governed by the laws applicable in the State of Western Australia, the Commonwealth of Australia. Each Applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia.

7.15 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 Securities in response to an electronic Entitlement and Acceptance Form, subject to compliance with certain provisions.

8. 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 Company by:

A handwritten signature in dark ink, appearing to read 'Craig Moulton', with a stylized flourish at the end.

Craig Moulton
Executive Director

Dated: 14 August 2025

9. Unaudited Pro Forma Statement of Financial Position

The unaudited Pro Forma Statement of Financial Position presented below assumes that full subscription under the Entitlement Offer is taken up.

	EV1 Reviewed 31 Dec 24 (\$)	Offers' Adjustments Unaudited 31 Dec 24 (\$)	Pro-Forma Balance Sheet Unaudited 31 Dec 24 (\$)
<u>ASSETS</u>			
Current Assets			
Cash and cash equivalents	1,170,312	1,197,288	2,367,600
Trade and other receivables	146,118		146,118
Total current assets	1,316,430	1,197,288	2,513,718
Non-current assets			
Property, plant and equipment	173,624		173,624
Exploration and evaluation assets	5,862,153		5,862,153
Total non-current assets	6,035,777	-	6,035,777
TOTAL ASSETS	7,352,207	1,197,288	8,549,495
<u>LIABILITIES</u>			
Current liabilities			
Trade and other payables	638,345		638,345
Provisions	127,264		127,264
Total current liabilities	765,609	-	765,609
TOTAL LIABILITIES	765,609	-	765,609
Net assets	6,586,598	1,197,288	7,783,886
<u>EQUITY</u>			
Issued capital	49,190,939	588,344	49,779,283
Reserves	334,791	667,277	1,002,068
Accumulated losses	(43,161,281)	(58,333)	(43,219,614)
Equity attributable to owners of Evolution Energy Minerals	6,364,449	1,197,288	7,561,737
Non-controlling interest	222,149		222,149
TOTAL EQUITY	6,586,598	1,197,288	7,783,886

The unaudited Pro Forma Statement of Financial Position presented below assumes that only the Underwritten Amount of the Entitlement Offer (\$500,000) is taken up.

	EV1 Reviewed 31 Dec 24 (\$)	Offers' Adjustments Unaudited 31 Dec 24 (\$)	Pro-Forma Balance Sheet Unaudited 31 Dec 24 (\$)
<u>ASSETS</u>			
Current Assets			
Cash and cash equivalents	1,170,312	300,516	1,470,828
Trade and other receivables	146,118		146,118
Total current assets	1,316,430	300,516	1,616,946
Non-current assets			
Property, plant and equipment	173,624		173,624
Exploration and evaluation assets	5,862,153		5,862,153
Total non-current assets	6,035,777	-	6,035,777
TOTAL ASSETS	7,352,207	300,516	7,652,723
<u>LIABILITIES</u>			
Current liabilities			
Trade and other payables	638,345		638,345
Provisions	127,264		127,264
Total current liabilities	765,609	-	765,609
TOTAL LIABILITIES	765,609	-	765,609
Net assets	6,586,598	300,516	6,887,114
<u>EQUITY</u>			
Issued capital	49,190,939	128,849	49,319,788
Reserves	334,791	230,000	564,791
Accumulated losses	(43,161,281)	(58,333)	(43,219,614)
Equity attributable to owners of Evolution Energy Minerals	6,364,449	300,516	6,664,965
Non-controlling interest	222,149		222,149
TOTAL EQUITY	6,586,598	300,516	6,887,114

10. Glossary of Terms

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

\$	means Australian dollars.
Acceptance	means a valid acceptance of Shares made pursuant to this Prospectus on an Entitlement Form.
Applicant	means a person who applies for securities pursuant to the Offers.
Application Monies	means application monies for Shares received by the Company (which must be paid via EFT or BPAY®).
Application	means a properly completed Entitlement and Acceptance Form returned to the Company before the Closing Date and accompanied by correct Application Monies.
ASIC	means the Australian Securities and Investments Commission.
Associate	is defined in the Corporations Act.
ASX	means ASX Limited (ACN 008 624 691) and where the context permits the Australian Shares Exchange operated by ASX Limited.
AWST	means Australian Western Standard Time.
Board	means the Directors meeting as a board.
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 Subregistry System.
Closing Date	has the meaning given to it in the Timetable.
Company	means Evolution Energy Minerals Limited ACN 648 703 548 (ASX:EV1).
Constitution	means the constitution of the Company as at the date of this Prospectus.
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Directors	mean the directors of the Company as at the date of this Prospectus.
Eligible Shareholder	means a person registered as the holder of Shares on the Record Date whose registered address is in the Offer Jurisdictions.

Entitlement	means the number of Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being two New Shares for every five Shares held on the Record Date (and free attaching New Options on the basis of one New Option for every two New Shares issued under the Offers).
Entitlement and Acceptance Form	means the personalised entitlement and acceptance form for Eligible Shareholders in respect of the Entitlement Offer and Top Up Offer.
Entitlement Offer	means the offer under this Prospectus to Eligible Shareholders of up to approximately 145,060,191 New Shares in the proportion of two New Shares for every five Shares held on the Record Date to raise up to \$1,450,602 (before costs) and free attaching New Options on the basis of one New Option for every two New Shares subscribed for under the Offers).
Existing Options	means Options on issue as at the date of this Prospectus.
Existing Shares	means Shares on issue as at the date of this Prospectus.
Germany	has the meaning given in section 2.14(c).
Ineligible Shareholder	means a person registered as the holder of Shares on the Record Date whose registered address is not in the Offer Jurisdictions and whom the Directors have not otherwise determined is an Eligible Shareholder.
Issue Date	has the meaning given to it in section 2.10.
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.
Lead Manager Mandate	means the agreement between the Company and Mahe Capital described in section 7.1.
Lead Manager Offer	means the offer of Lead Manager Options to Mahe Capital, as set out in section 7.1(b).
Lead Manager Options	means Options to be issued to Mahe Capital in consideration for lead managing the Offers, on the terms set out in section 6.3.
Listing Rules	means the listing rules of ASX.
Mahe Capital	means Mahe Capital Pty Ltd.
New Option	means an Option issued on the terms set out in section 6.2.
New Share	means a Share offered and/or issued pursuant to the Offers.
Offer Jurisdictions	means Australia, New Zealand, Germany, Singapore and Guernsey.

Offers	means the Entitlement Offer, Top Up Offer and Lead Manager Offer.
Option	means an option to acquire a Share.
POI Law	has the meaning given in section 2.14(e).
Prospectus	means this prospectus dated Thursday, 14 August 2025.
Prospectus Directive	has the meaning given in section 2.14(c).
Qualified Investors	has the meaning given in section 2.14(c).
Record Date	means 5:00pm (AWST) on the date identified in the Timetable. means a section of this Prospectus.
Securities	means Shares and/or Options.
SFA	has the meaning given in section 2.14(d).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of Shares.
Shortfall Shares	means the number of New Shares for which valid applications under the Entitlement Offer and Top up Offer have not been received by 5:00pm (AWST) on the Closing Date.
Substantial Holder	is defined in the Corporations Act.
Timetable	means the proposed timetable for the Offers set out on page iv of this Prospectus.
Top Up Offer	means the offer to Eligible Shareholders to subscribe for New Shares and attaching New Options (in excess of their Entitlements) not subscribed for by other Eligible Shareholders pursuant to the Entitlement Offer under this Prospectus.
Top Up Shares	means New Shares offered and issued pursuant to the Top Up Offer.
Underwriter	means Mahe Capital Pty Ltd ACN 634 087 684.
Voting Power	is defined in the Corporations Act.