ULTRACHARGE LIMITED
TO BE RENAMED 'SUVO STRATEGIC MINERALS LIMITED'
ACN 140 316 463

PROSPECTUS

For an offer of 200,000,000 Shares at an issue price of $0.02 per Share to raise a minimum of $4,000,000, with over subscriptions of up to a further 50,000,000 Shares at an issue price of $0.02 per Share to raise up to a further $1,000,000 (**Public Offer**).

The Offer is conditional upon satisfaction of the Conditions, which are detailed further in Section 4.3. No Securities will be issued pursuant to this Prospectus until such time as the Conditions are satisfied.

This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy the ASX requirements for re-admission to the Official List following a change in nature and scale of the Company's activities.

Lead Manager to the Offer:

SANDTON
CAPITAL ADVISORY

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

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

TABLE OF CONTENTS

1. MANAGING DIRECTOR'S LETTER 5
2. KEY OFFER INFORMATION 6
3. INVESTMENT OVERVIEW 8
4. DETAILS OF THE OFFERS 30
5. COMPANY AND PROJECTS OVERVIEW 43
6. FINANCIAL INFORMATION 64
7. RISK FACTORS 92
8. BOARD AND MANAGEMENT 105
9. MATERIAL CONTRACTS 114
10. ADDITIONAL INFORMATION 124
11. DIRECTORS' AUTHORISATION 142
12. GLOSSARY 143

ANNEXURE A – INDEPENDENT GEOLOGIST'S REPORT 146
ANNEXURE B – SOLICITOR'S TENEMENT REPORT 147
ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT 148

CORPORATE DIRECTORY

Current Directors

Kobi Ben-Shabat[1]
Managing Director

Anthony Brown[1]
Non-Executive Director

John Paitaridis[1]
Non-Executive Director

Proposed Directors

Aaron Banks[2]
Proposed Managing Director

Robert Martin[2]
Proposed Executive Chairman

Leonard Troncone[2]
Proposed Non-Executive Director

Company Secretary

Justyn Stedwell

Current ASX Code

UTR

Proposed ASX Code

SUV

Share Registry[3]

Automic Registry Services
Level 2
267 St Georges Terrace
PERTH WA 6000

Registered Office

Suite 103, Level 1
2 Queen Street
Melbourne VIC 3000

Telephone: +61 3 9191 0135
Facsimile: +61 3 8676 1747
Email: justyn@stedwell.com.au

Website: http://www.suvo.com.au

Solicitors to the Company

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Lead Manager to the Offer

Sandton Capital Advisory
Level 7, 151 Macquarie Street
SYDNEY NSW 2000

Auditor[3]

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

Investigating Accountant

BDO Corporate Finance (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

Independent Geologist

Ian Wilson Consultancy Ltd
Withielgoose Farmhouse, Withiel,
Bodmin, Cornwall, PL30 5NW, UK

Notes:

1. Each of the Current Directors will resign upon Settlement of the Acquisitions.
2. To be appointed on and from Settlement of the Acquisitions.
3. These entities have been included for information purposes only. They have not been involved in the preparation of this Prospectus.

IMPORTANT NOTICES

This replacement prospectus is dated 25 June 2020 and was lodged with the ASIC on that date. This replacement prospectus (**Prospectus**) replaces the original prospectus dated 5 March 2020 (**Original Prospectus**).

The ASIC, the ASX and their 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.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the 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 you read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

No offering where offering would be illegal

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 of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Securities or the offers, or to otherwise permit a public offering of the Securities in any jurisdiction outside Australia. This Prospectus has been prepared for publication in Australia and may not be released or distributed in the United States of America.

US securities law matters

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the US. In particular, the Securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the **US Securities Act**), and may not be offered or sold in the US or to, or for the account or benefit of, US Persons (as defined in Regulation S under the US Securities Act) or an exemption is available from the registration requirements of the US Securities Act.

Each applicant will be taken to have represented, warranted and agreed as follows:

(a) it understands that the Securities have not been, and will not be, registered under the US Securities Act and may not be offered, sold or resold in the US, except in a transaction exempt from, or not subject to, registration under the US Securities Act and any other applicable securities laws;

(b) it is not in the US;

(c) it has not and will not send this Prospectus or any other material relating to the Offers to any person in the US; and

(d) it will not offer or sell the Securities in the US or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the US Securities Act and in compliance with all applicable laws in the jurisdiction in which the Securities are offered and sold.

Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at http://www.suvo.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 an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 3 9191 0135 during office hours or by emailing the Company at justyn@stedwell.com.au.

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

Website

No document or information included on our website is incorporated by reference into this Prospectus.

No cooling-off rights

Cooling-off rights do not apply to an investment in Securities issued under the Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for Securities under this Prospectus.

Risks

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Securities. There are risks associated with an investment in the Company. The Securities offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of

dividends or the future value of the Securities. Refer to Section E of the Investment Overview as well as Section 7 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

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 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 7.

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.

Competent Persons statement

The information in the Investment Overview Section of the Prospectus, the Company and Projects Overview, included at Section 5, and the Independent Geologist's Report, included at Annexure A of the Prospectus, which relate to exploration targets, exploration results, mineral resources or ore reserves is based on information compiled by Dr Ian Wilson. Dr Ian Wilson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the **JORC Code**), by virtue of his being a Member of IOM3, a Recognised Professional Organisation. Dr Ian Wilson is a full time employee of Ian Wilson Consultancy Ltd. Dr Ian Wilson will be appointed as an independent advisor to the boards of Mt Marshall and its related bodies corporate following completion of the Acquisitions, for which he will receive consultancy fees for work undertaken at the request of Mt Marshall or its related bodies corporate on hourly rates commensurate with rates charged to other companies. Dr Ian Wilson consents to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's Securities.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

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

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

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

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 12.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

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

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

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

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

Change in nature and scale of activities and re-compliance with Chapters 1 and 2 of the ASX Listing Rules

At the Original General Meeting of the Company held on 28 February 2020, Shareholders approved a change in nature and scale of the Company's activities. As a result of changes to the structure of the Acquisitions and Public Offer, the Company has convened the Second General Meeting to be held on 7 July 2020, at which the Company will once again seek Shareholder approval for the change in nature and scale of the Company's activities.

ASX requires the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules in connection with the Acquisitions. This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy the ASX requirements for re-admission of the Company to the Official List following a change in nature and scale of the Company's activities.

Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing rules following completion of the Acquisitions.

The Acquisitions are each conditional on:

(a) the satisfaction of the Conditions to the Offers; and

(b) approval of the ASX of the Company's re-compliance with the admission requirements of Chapters 1 and 2 of the ASX Listing Rules.

In the event the Conditions are not satisfied then the Company will not proceed with the Offers and will repay all application monies received.

Replacement Prospectus

The key differences between this Prospectus and the Original Prospectus are as follows:

(a) updates to the Company's capital structure, financial information and use of funds arising as a result of changes to the transaction structure, including a reduction of the Minimum Subscription to $4,000,000 and Maximum Subscription to $5,000,000;

(b) updates to the Independent Geologist's Report to include additional information with respect to the Mt Marshall Kaolin Project, including definition of an Inferred Mineral Resource in respect of the Mt Marshall Kaolin Project; and

(c) inclusion of additional information with respect to negotiation of the Acquisitions and arrangements with Sandton Capital and Astrid Hill.

Defined terms

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 12.

Consolidation

On 28 February 2020, Shareholders approved a consolidation of the Company's issued capital on a ten (10) to one (1) basis (**Consolidation**).

Unless stated otherwise, all references to Securities in this Prospectus are on a post-Consolidation basis.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 3 9191 0135.

1. MANAGING DIRECTOR'S LETTER

Dear Investor

On behalf of the directors of Ultracharge Limited (**Company**), it gives me great pleasure to invite you to become a shareholder of the Company.

The principal activities of the Company have formerly been conducting research and development dedicated to creating lithium-ion battery technology. As announced on 29 October 2019, the Company has entered into share sale agreements, pursuant to which the Company will acquire 100% of the issued capital in each of Watershed Enterprise Solutions Pty Ltd (**Watershed**) and Mt Marshall Kaolin Pty Ltd (**Mt Marshall**) (together, the **Acquisitions**).

Watershed is the holder of the Eneabba Sands Project located on the Gin Gin Scarp in Western Australia, which is prospective for silica sand and construction sand. The Eneabba Sands Project is made up of one granted exploration licence and three exploration licence applications. It is adjacent to rail connections to Geraldton Port with the potential to be a low capital expenditure and low environmental impact mining operation.

Mt Marshall is the holder of the Mt Marshall Kaolin Project located on the Yilgarn Craton in Western Australia, which is potentially a high-grade kaolin deposit substantially located on private land. The Mt Marshall Kaolin Project is made up of one granted exploration licence held by Mt Marshall and two applications for exploration licences, which are in the name of Watershed. The Mt Marshall Kaolin Project is ideally situated for transport of product for export through Fremantle Port.

Watershed has also applied for an exploration licence 50km West of the Mt Marshall Kaolin Project, which will form a new project, the Cadoux South Kaolin Project, if granted. The Company believes the Cadoux South Kaolin Project is prospective for kaolin.

This Prospectus is seeking to raise a minimum of $4,000,000 and a maximum of $5,000,000 through the issue of Shares at an issue price of $0.02 per Share under the Public Offer in connection with the Acquisitions. The purpose of the Public Offer is to provide funds to implement the Company's proposed exploration programmes set out in this Prospectus.

The Proposed Directors have significant expertise and experience in the mineral exploration industry and will aim to ensure that funds raised through the Public Offer will be utilised in a cost-effective manner to advance the Company's Projects.

This Prospectus is issued for the purpose of supporting an application to have the Company's securities reinstated to trading on ASX. This Prospectus contains detailed information about the Company, its Projects and the Public Offer, as well as the risks of investing in the Company, and I encourage you to read it carefully. The Securities offered by this Prospectus should be considered highly speculative. Risks associated with an investment in the Company include exploration risks, risks with respect to access and tenure to mining tenements, commodity price and demand risks (particularly with respect to industrial minerals for which prices and demand are dependent on the quality and specifications of the product).

I look forward to you joining us as a shareholder and sharing in what we believe are exciting and prospective times ahead for the Company. Before you make your investment decision, I urge you to read this Prospectus in its entirety and seek professional advice if required.

Yours sincerely

Kobi Ben-Shabat
Managing Director

2. KEY OFFER INFORMATION

2.1 INDICATIVE TIMETABLE[1, 2]

Original General Meeting	28 February 2020
Lodgement of Original Prospectus with the ASIC	5 March 2020
Opening Date	5 March 2020
Lodgement of Prospectus with the ASIC	25 June 2020
Second General Meeting	7 July 2020
Closing Date	15 July 2020
Issue of Securities under the Offers & Despatch of holding statements	28 July 2020
Expected date for re-quotation on ASX	31 July 2020

Notes:

1. The above dates are indicative only and may change without notice. Unless otherwise indicated, all times given are WST. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to applicants.
2. If the Offers are cancelled or withdrawn before completion of the Offers, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offers open.

2.2 KEY STATISTICS OF THE OFFERS

	Minimum Subscription $4,000,000	Maximum Subscription $5,000,000
Offer Price per Share	$0.02	$0.02
Shares currently on issue[1]	112,338,245	112,338,245
Cancellation of ETV Shares	(3,000,000)	(3,000,000)
Shares to be issued under the Watershed Acquisition[2]	75,000,000	75,000,000
Shares to be issued under the Mt Marshall Acquisition[3]	75,000,000	75,000,000
Proposed Director Shares[4]	7,480,000	7,480,000
Mt Marshall Loan Shares[5]	8,750,000	8,750,000
Shares to be issued under the Public Offer	200,000,000	250,000,000
Gross Proceeds of the Offers	$4,000,000	$5,000,000
Shares on issue Post-Listing (undiluted)[6]	**475,568,245**	**525,568,245**
Market Capitalisation Post-Listing (undiluted)[7]	**$9,511,365**	**$10,511,365**
Options currently on issue[1]	15,166,670	15,166,670

	Minimum Subscription $4,000,000	Maximum Subscription $5,000,000
Performance Rights on issue	Nil	Nil
Director Options to be issued[8]	11,250,000	11,250,000
Performance Rights to be issued[9]	40,000,000	40,000,000
Lead Manager Options to be issued[8]	45,616,903	45,616,903
Advisor Options to be issued[8]	45,000,000	45,000,000
Shares on issue Post-Listing (fully diluted)[6]	**632,601,818**	**682,601,818**
Market Capitalisation Post-Listing (fully diluted)[7]	**$12,652,036**	**$13,652,036**

Notes:

1. The Company received approval for a Consolidation of its issued capital on a 1 for 10 basis at the Original General Meeting held on 28 February 2020. These references are on a post-Consolidation basis.
2. Refer to Section 9.2.1 for a summary of the Watershed Agreement.
3. Refer to Section 9.2.2 for a summary of the Mt Marshall Agreement.
4. Each of Messrs Aaron Banks and Robert Martin will accrue the salaries (in consideration for their services in developing the assets of Watershed and Mt Marshall) payable to them by Watershed and Mt Marshall from 1 April 2020 until Settlement (being $20,000 per month to Mr Banks and $14,000 per month to Mr Martin, with each entitled to 10% superannuation on amounts payable in addition to their remuneration), which will be converted into Shares at Settlement of the Acquisitions at a deemed issue price of $0.02 per Share. The number of Shares will be determined by reference to the accrued salaries as at the date of Settlement. If Settlement occurs on 1 July 2020, 7,480,000 Shares will be issued to Messrs Banks and Martin.
5. Conversion of a loan of $175,000 to Mt Marshall at an issue price of $0.02 per Share. Refer to Section 9.1.2 for a summary of the terms and condition of the Mt Marshall Loan.
6. Certain Securities on issue post-listing will be subject to ASX-imposed escrow. Refer to Section 4.11 for a summary of the likely escrow position.
7. Assuming a Share price of $0.02, however the Company notes that the Shares may trade above or below this price.
8. Exercisable at $0.03 on or before the date that is 3 years from issue. Refer to Section 10.4 for the terms and conditions of the Director Options, Lead Manager Options and Advisor Options.
9. Refer to Section 10.3 for the terms and conditions of the Performance Rights.

3. INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Shares offered under this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information
A. COMPANY		
Who is the issuer of this Prospectus?	Ultracharge Limited (ACN 140 316 463) (ASX: "UTR") (**Company**). In connection with the Acquisitions set out in this Prospectus, the Company proposes changing its name to "Suvo Strategic Minerals Limited" and its ASX ticker code to "SUV".	
Who is the Company?	The Company is an Australian public company, which has been listed on the Official List of the ASX since 17 May 2011. Most recently, the Company's activities have consisted of conducting research and development dedicated to creating lithium-ion battery technology through its Israeli subsidiary, Ultracharge Ltd (**Ultracharge Israel**). On 29 October 2019, the Company announced that it had entered into two acquisition agreements (**Acquisition Agreements**) pursuant to which the Company has exercised options to acquire: (a) 100% of the issued capital in Watershed Enterprise Solutions Pty Ltd (ACN 609 289 938) (**Watershed**) (**Watershed Agreement**), the holder of the Eneabba Sands Project; and (b) 100% of the issued capital in Mt Marshall Kaolin Pty Ltd (ACN 626 494 399) (**Mt Marshall**) (**Mt Marshall Agreement**), the holder of the Mt Marshall Kaolin Project, (together, the **Acquisition Agreements** and the **Acquisitions**). In connection with entry into the Acquisition Agreements, the Company has commenced the process of winding up Ultracharge Israel, which is anticipated to be completed in the coming months, subject to any claims made during the winding up process.	Section 5.1
What is the consideration payable for the Acquisitions?	The consideration payable under: (a) the Watershed Agreement is 75,000,000 Shares (refer to section 9.2.1 for a summary of the material terms and conditions of the Watershed Agreement); and	Sections 9.2.1 and 9.2.2

Item	Summary	Further information
	(b) the Mt Marshall Agreement is 75,000,000 Shares (refer to section 9.2.2 for a summary of the material terms and conditions of the Mt Marshall Agreement).	
What are the outstanding conditions precedent under the Acquisition Agreements?	Under the Acquisition Agreements, the following conditions precedent must be satisfied by 31 March 2020 (or such other date as agreed by the parties in writing): (a) the Company completing the Public Offer; (b) the Company re-complying with the requirements of Chapters 1 and 2 of the ASX Listing Rules and receiving conditional approval from ASX to admit its securities to official quotation on ASX on terms reasonably acceptable to the Company; and (c) the parties obtaining all necessary shareholder and regulatory approvals to complete the Acquisition. At the Original General Meeting held on 28 February 2020, the Company received Shareholder approval for all resolutions required to implement the Acquisitions. However, as a result of changes to the transaction structure, the Company will seek a new Shareholder approval at the Second General Meeting to be held on 7 July 2020.	Sections 9.2.1 and 9.2.2
What are the key investment highlights?	The Directors are of the view that an investment in the Company provides the following non-exhaustive list of key highlights: (a) the Company will obtain ownership of the Eneabba Sands Project and Mt Marshall Kaolin Project pursuant to the Acquisitions, which are each ideally situated for export of product and considered to be low cost exploration and potential production opportunities for products that have an active market; (b) the potential increase in market capitalisation of the Company following completion of the Acquisitions and the Public Offer may lead to access to improved equity capital market opportunities and increased liquidity; (c) Shareholders may be exposed to further debt and equity opportunities that the Company did not have prior to the Acquisitions;	Section 5.4

Item	Summary	Further information
	(d) the Company will re-comply with the ASX Listing Rules, ensuring its re-instatement to quotation and continued liquidity of its listed Shares (however, the Company notes that the ASX reserves the right to re-admit the Company and there is no guarantee that the Company will successfully re-comply with Chapters 1 and 2 of the ASX Listing Rules); (e) the appointment of the Proposed Directors will add experience and skill to the Board to assist with the growth of the Company; and (f) the cash reserves of the Company will be conserved as a majority of the consideration payable by the Company in respect of the Acquisitions is comprised of Shares.	
B. WATERSHED AND THE ENEABBA SANDS PROJECT		
Who is Watershed?	Watershed is an Australian proprietary company limited by shares, incorporated on 13 November 2015. Watershed currently holds exploration licence E70/5001 (**Eneabba Tenement**), which makes up the Eneabba Sands Project (**Eneabba Sands Project**). In addition, Watershed has also recently submitted applications for: (a) three exploration licences in Western Australia, E 70/5322, E 70/5323 and E 70/5324 which will form part of the Eneabba Sands Project if granted (**Eneabba Applications**); (b) two exploration licences in Western Australia, E 70/5332 and E 70/5333, which will form part of the Mt Marshall Kaolin Project if granted (**Mt Marshall Applications**); and (a) one exploration licence in Western Australia, E 70/5334, which will form the Cadoux South Kaolin Project if granted (**Cadoux South Application**). Further details with respect to Watershed are set out in Section 5.5.1.	Section 5.5.1

Item	Summary	Further information
What is the Eneabba Sands Project?	The Eneabba Sands Project (currently being the area the subject of the Eneabba Tenement), covers an area of approximately 50.4 square kilometres and is located on the Gin Gin Scarp (within Cainozoic ferruginous laterite and associated leached quartz sand). The Eneabba Sands Project is prospective for silica sand and construction sand. Previous exploration in the area of what is now the Eneabba Sands Project has concentrated on the search for mineral sands. Two drill programs are planned at the Eneabba Sands Project totalling 5520m which follow on and extend the historic drilling undertaken in the area. Historic work was limited to the Western side of the Eneabba Sands Project and the Company intends to extend this coverage to adequately test the whole of the project area. Drilling will be performed using aircore and auger drill rigs suitable for accessing this type of terrain. Mapping, geophysics and marketing work is also planned to provide sufficient information through to preparation of a scoping study in respect of the Eneabba Sands Project, subject to receipt of positive exploration results. Further details with respect to the Eneabba Sands Project are set out in Section 5.5, the Independent Geologist's Report set out at Annexure A and the Solicitor's Report on Title set out at Annexure B.	Sections 5.4 and 5.6.2
What is the industry in which Watershed will operate?	Watershed's operations will focus initially on exploration for silica and construction sands at the Eneabba Sands Project, with a view to undertaking a low-cost development project if exploration activities are successful. High-grade silica sand is a key raw material in the industrial development of the world, especially in the specialist glass, metal casting, and ceramics industries. High-grade silica sand contains a high portion of silica (over 99.5% SiO2) and is used for applications other than construction aggregates. Unlike construction sands, which are used for their physical properties alone, high-grade silica sands are valued for a combination of chemical and physical properties. Ongoing economic and infrastructure development in the Asia/Pacific region is expected to drive growth.	Section 5.6

Item	Summary	Further information
C. MT MARSHALL AND THE MT MARSHALL KAOLIN PROJECT		
Who is Mt Marshall?	Mt Marshall is an Australian proprietary company limited by shares, incorporated on 30 May 2018. Mt Marshall currently holds exploration licence E70/5039 (**Mt Marshall Tenement**), which makes up the Mt Marshall Kaolin Project (**Mt Marshall Kaolin Project**). Further details with respect to Mt Marshall are set out in Section 5.7.1.	Section 5.7.1
What is the Mt Marshall Kaolin Project?	The Mt Marshall Kaolin Project (currently being the area the subject of the Mt Marshall Tenement), covers an area of approximately 35.56 square kilometres approximately 210km North-East of Perth and is located on the Yilgarn Craton. The Mt Marshall Kaolin Project is prospective for kaolin and is ideally situated for transport of product for export through Fremantle port. The proposed exploration at the Mt Marshall Kaolin Project follows on from due diligence drilling undertaken by the Company. The Company plans to achieve two objectives: (a) to complete 39 air core drill holes for 1560m to cover that part of the tenure south of Koorda Road in order to extend the knowledge base on the property from a 2km strike length to approximately 6 km; and (b) on completion of the above, to complete an additional 97 aircore or RC drill holes, 40m deep on average, to expand the area drilled during due diligence. An Inferred Mineral Resource of white kaolin has been estimated in respect of the Mt Marshall Kaolin Project, at 13.4Mt of white kaolin averaging an ISO brightness of 80.3% and yield of <45 micron in size. The modelling of the Inferred Mineral Resource has been undertaken on the basis of lithology of the deposit rather than the brightness value. A brightness cut-off has not been applied to the Inferred Mineral Resource estimate, as the average brightness values of the product tested are generally high (averaging 80.3%). It is the opinion of the author of the Independent Geologist's Report that, based on the average brightness value of the deposit, reporting the Inferred Mineral Resource without a brightness cut-off is appropriate. Refer to the Independent Geologist's Report for further	Sections 5.7.3 and 5.7.4

Item	Summary	Further information
	detail with respect to the Inferred Mineral Resource. Further details with respect to the Mt Marshall Kaolin Project are set out in Section 5.7, the Independent Geologist's Report set out at Annexure A and the Solicitor's Report on Title set out at Annexure B.	
What is the Cadoux South Kaolin Project?	Watershed has applied for an exploration, which is 180 km North-East of Perth and 50km West of the Mt Marshall Kaolin Project (**Cadoux South Kaolin Project**). The Cadoux South Kaolin Project is an early stage project with potential to become an important asset given its proximity to the high-grade Cadoux High Purity Alumina project belonging to FYI Resources Limited. If the tenement underlying the Cadoux South Project is granted, the exploration is anticipated to be conducted at the same time as work at the Mt Marshall Kaolin Project occurs due to the proximity of the Projects and the common geological setting.	Section 4.6
What is the industry in which Mt Marshall will operate?	Kaolinite is a mineral belonging to the group of aluminosilicates. It is commonly referred to as "China Clay" because it was first discovered at Kao-Lin, in China. The term kaolin is used to describe a group of relatively common clay minerals dominated by kaolinite and derived primarily from the alteration of alkali feldspar and micas. Kaolin is an industrial mineral used primarily as an inert filler and customers combine it with other raw materials in a wide variety of applications. Kaolin is used in many applications. It is a unique industrial mineral, which remains chemically inert over a relatively wide pH range and it offers excellent covering when used as a pigment or extender in coated films and filling applications. In addition, it is soft and non-abrasive and has a low conductivity of heat and electricity. The two largest applications of kaolin are the coating of paper to hide the pulp strands and the production of high-grade ceramic products. It is also used in many other industrial processes.	Section 5.7.2
D. BUSINESS MODEL		
What are the key business strategies of the Company?	Following completion of the Public Offer and the Acquisitions, the Company's proposed business model will be to further explore and develop the identified mineral deposits at the	Section 5.9

Item	Summary	Further information
	Eneabba Sands Project and Mt Marshall Kaolin Project. The Company's main objectives on completion of the Public Offer are: (a) systemically explore the Projects for silica sand, construction sand and kaolin through geological mapping, surface sampling and drilling on the Projects; (b) assess the viability for, and if viable implement, a low capital expenditure silica sand production project on the Eneabba Sands Project and kaolin production project on the Mt Marshall Kaolin Project; and (c) continue to pursue other acquisitions that have a strategic fit for the Company that will focus on mineral exploration or resource opportunities that have the potential to deliver growth for Shareholders, particularly in respect of industrial minerals.	
What are the key dependencies of the Company's business model?	The key dependencies influencing the viability of the Acquisitions are: (a) completion of the Acquisitions; (b) the Company's capacity to re-comply with Chapters 1 and 2 of the Listing Rules to enable re-admission to quotation of the Company's Securities; (c) the Company's ability to negotiate tenure access and seek grant of the Eneabba Applications, Mt Marshall Applications Cadoux South Applications and any tenement applications that may be made in the future; (d) the Projects producing product that is of the quality and specifications required by potential buyers; (e) the Company's ability to meet resource and reserves and exploration targets; (f) raising sufficient funds to satisfy expenditure requirements, exploration and operating costs in respect of the Projects; and (g) minimising environmental impact and complying with health and safety requirements.	Section 5.10
How will the Company	In connection with the Acquisitions, the Company intends to complete the Public Offer	Section 5.11

Item	Summary	Further information
generate income?	and re-comply with Chapters 1 and 2 of the ASX Listing Rules, providing the Company with the necessary funding to explore and develop the Projects. The Company intends to generate income by adopting the following strategies: (a) to advance the exploration and evaluation of deposits located within the Projects (where possible), which are in proximity to established mining operations and infrastructure and demonstrate the potential to be developed into early production opportunities; (b) to evaluate and pursue other prospective opportunities in the resources sector in line with its strategy to develop high quality assets; and (c) use funds raised from the Offer to continue (or commence) exploration activities on the Projects aimed at the discovery of JORC Resources.	
E. KEY RISKS		
General	The business, assets and operations of the Company, including after completion of the Acquisitions, are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of our Company. The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited. The risks and uncertainties described below are not intended to be exhaustive. The summary of risks that follows is not intended to be exhaustive and this Prospectus does not take into account the personal circumstances, financial position or investment requirements of any particular person. There may be additional risks and uncertainties that the Company is unaware of or that the Company currently considers to be immaterial, which may affect the Company, or its related entities and consequently Applicants. Based on the information available, a non-exhaustive list of risk factors for the Company associated with	Section 7

Item	Summary	Further information
	the Company's proposal to undertake the Acquisitions is as follows.	
Tenure and Access Risk	<u>Applications</u> Watershed is applicant for the Eneabba Applications. While the Company does not anticipate there to be any issues with the grant of these applications, there can be no assurance that the applications will be granted. While the Company considers the risk to be low, there can also be no assurance that when the relevant tenement is granted, it will be granted in its entirety. Some of the tenement areas applied for may be excluded. <u>Renewal</u> Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to the discretion of the relevant authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. <u>Access</u> A number of the tenements overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities, including private land, Crown Reserves, areas on which native title is yet to be determined and other forms of tenure for railways, pipelines and similar third party interests. Where the Projects overlap private land, exploration and mining activity on the Projects may require authorisation or consent from the owners of that land. The Company has entered into access agreements with the holders of private land on which the Mt Marshall Kaolin Project is located, details of which are set out in the Solicitor's Report on Title set out in Annexure B to this Prospectus.	Section 7.2(a)
Exploration Risks	Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Eneabba or Mt Marshall Kaolin Projects, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is	Section 7.2(b)

Item	Summary	Further information
	identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenement, a reduction in the cash reserves of the Company and possible relinquishment of the projects. The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.	
Mine Development Risk	Possible future development of a mining operation at the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, 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, its operations may be disrupted by a variety of	Section 7.2(b)

Item	Summary	Further information
	risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.	
Silica Sand, Construction Sand and Kaolin Demand Risk	There is a risk that the kaolin and silica sand that may be produced by the Company does not meet market specifications (refer to Sections 5.4.2 and 5.5.2 for further details). For example, the silica sand market has demanding major element specifications for parameters such as purity (e.g. SiO2 content) in addition to tight specifications for trace elements such as Fe, Ti and Cr in the glass industry. Failure to meet specifications may result in selling the products at discounted rates, or not finding markets at all. Other risks for silica sand may include particle size distribution and physical strength (crush resistance) as in the case of proppants for the oil industry. Industrial minerals are generally considered to be bulk commodities and are therefore susceptible to distance to market and transport costs; therefore, logistics may pose a risk to supplying markets. Prices for silica sand, construction sand and kaolin will be largely subject to demand in Asia. A decline in prices could have a material adverse effect on the Company's business, results of operations and financial conditions generally. A reduction in flat glass and/or container glass production would generally depress the demand, development, production and mining activity for silica sand the Company is aiming to produce. Similarly, a reduction in ceramics production could depress the demand, development, production and mining activity for kaolin.	Section 7.2(d)
Supply Agreement Risk	The Company does not currently have supply agreements in place with respect to product that may be extracted from the Projects and may not be able to negotiate supply agreements on terms that permit the Company to finance and commence development of the Projects.	Section 7.2(e)

Item	Summary	Further information
	Supply agreements involving the sale of silica sand and kaolin products typically have market-based pricing mechanisms. Accordingly, in periods with decreasing prices, results of operations may be lower than if agreements had fixed prices. In periods with increasing prices, some agreements may permit an increase in prices; however, some customers may elect to cease purchasing products if they do not agree with price increases or are able to find alternative, cheaper sources of supply. Furthermore, certain volume-based supply agreements may influence the ability to fully capture current market pricings. These pricing provisions may result in significant variability in results of operations and cash flows from period to period. If the Company is successful in developing the Projects to the mining of product, the Company is likely to sell products to customers on a purchase order basis and pursuant to supply agreements that will contain customary termination provisions for bankruptcy related events and uncured breaches of the applicable agreement. If any of these major customers substantially reduces or altogether ceases purchasing products and the Company is not able to generate replacement sales into the market, the business, financial condition, and results of operations could be adversely affected for a short-term period until such time as the Company can generate replacement sales in the market.	
Reliance on Key Personnel	The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.	Section 7.2(h)
G. DIRECTORS, COMPANY SECRETARY AND PROMOTERS		
Who are the Current Directors and	Upon Settlement of the Acquisitions, Messrs Kobi Ben-Shabat, Anthony Brown and John	Section 8

<table>
<tr><th>Item</th><th>Summary</th><th>Further information</th></tr>
<tr><td>Proposed Directors?</td><td>Paitaridis will resign as Directors and the following Proposed Directors will be appointed:
(a) Robert Martin (Proposed Executive Chairman)
(b) Aaron Banks (Proposed Managing Director)
(c) Leonard Troncone (Proposed Non-Executive Director)
Justyn Stedwell will continue as Company Secretary following completion of the Acquisitions and the Offers.
Bios for each of the Proposed Directors are set out in Section 8.1.</td><td></td></tr>
<tr><td>What benefits are being paid to Directors and others connected to the Offer?</td><td>Remuneration<table>
<tr><th>Director[1]</th><th>Remuneration for year ended 30 June 2018</th><th>Remuneration for year ended 30 June 2019</th><th>Proposed remuneration for current financial year</th></tr>
<tr><td colspan="4">Proposed Directors</td></tr>
<tr><td>Aaron Banks[1]</td><td>N/A</td><td>N/A</td><td>$240,000 per annum</td></tr>
<tr><td>Robert Martin[1]</td><td>N/A</td><td>N/A</td><td>$168,000 per annum</td></tr>
<tr><td>Leonard Troncone[1]</td><td>N/A</td><td>N/A</td><td>$42,000 per annum</td></tr>
<tr><td colspan="4">Current Directors</td></tr>
<tr><td>Kobi Ben-Shabaat[2]</td><td>US$240,000</td><td>US$177,000</td><td>US$240,00 per annum</td></tr>
<tr><td>Anthony Brown</td><td>N/A</td><td>N/A</td><td>$49,992 per annum</td></tr>
<tr><td>John Paitaridis[3]</td><td>US$37,271</td><td>US$25,381</td><td>$48,000 per annum</td></tr>
</table>
Notes:
1. These amounts exclude superannuation (payable at 10% for Messrs Banks and Martin) and become payable on and from Settlement of the Acquisitions. In addition, the Proposed Directors will receive the following securities in connection with their appointments as Directors:
(a) Aaron Banks – 20,000,000 Performance Rights;
(b) Robert Martin – 12,000,000 Performance Rights and 10,000,000 Director Options; and
(c) Leonard Troncone – 8,000,000 Performance Rights and 1,250,000 Director Options.
In consideration for their services in developing the assets of Watershed and Mt Marshall, Messrs Banks and Martin will accrue (but not be paid) the aggregate remuneration (plus 10% superannuation) set out above from Watershed and Mt Marshall for the period from 1 April 2020 until Settlement, which will be satisfied by the Company at Settlement through the issue of Shares at an issue price of $0.02 per Share. In the event that Settlement occurs on 31 July 2020, 4,400,000 Shares will be issued to Mr Banks and 3,080,000 Shares will be issued to Mr Martin in satisfaction of the remuneration payable by Watershed and Mt Marshall. In the event the Acquisition Agreements are terminated prior to Settlement, the Company will be fully and finally released from any claims in respect to such entitlements and the issue of Shares in satisfaction of those entitlements</td><td>Sections 8.2, 8.3 and 9.3</td></tr>
</table>

Item	Summary	Further information

2. In addition to his salary, Mr Ben Shabat received benefits through a combination of cash payments and issues of securities to an aggregate value of:
   (a) US$346,378 during the financial year ended 30 June 2018; and
   (b) US$45,432 during the financial year ended 30 June 2019.

   Under Mr Ben-Shabat's consultancy agreement with the Company, the Company is required to give Mr Ben-Shabat 12 months' written notice of an intention to terminate his employment. The Company and Mr Ben-Shabat have agreed that in lieu of the 12-month notice period, the Company will pay to Mr Ban-Shabat a sum of US$38,000.
3. In addition to his salary, Mr Paitaridis received benefits through issues of performance rights to an aggregate value of:
   (a) US$61,827 during the financial year ended 30 June 2018; and
   (b) US$7,936 during the financial year ended 30 June 2019.

Securities

Director	Shares	Performance Rights[5]	Options
Proposed Directors			
Aaron Banks[1]	72,600,000[8]	20,000,000	Nil
Robert Martin[1]	15,580,000[7]	12,000,000	10,000,000[6]
Leonard Troncone[1]	1,250,000[7]	8,000,000	1,250,000[6]
Current Directors			
Kobi Ben-Shabaat[2]	12,210,816[3]	Nil	333,334[4]
Anthony Brown[2]	275,000	Nil	Nil
John Paitaridis[2]	900,000	Nil	Nil

Notes:

1. To be appointed on and from Settlement of the Acquisitions.
2. To resign at Settlement of the Acquisitions.
3. Comprising:
   (a) 1,966,667 Shares held directly by Mr Ben-Shabat;
   (b) 2,251,309 Shares held by 102 Capital Management ATF Kobi Ben-Shabat;
   (c) 2,992,840 Shares held by Reblaze Singapore Pte Ltd (an entity associated with Mr Ben-Shabat); and
   (d) 5,000,000 Shares that may be issued under the Public Offer (noting that the Company has no obligation to issue these Shares to Mr Ben Shabat and Mr Ben Shabat has no obligation to apply for these Shares).

   All references are subject to rounding of individual holdings.
4. Options exercisable at $0.08 each on or before 4 September 2022.
5. Refer to Section 10.3 for the terms of the Performance Rights.
6. Refer to Section 10.4 for the terms of the Director Options.
7. Shares that may be issued under the Public Offer (noting that the Company has no obligation to issue these Shares to Messrs Martin and Troncone and Messrs Martin and Troncone have no obligation to apply for these Shares). Shares to be issued to Mr Martin also include Proposed

Item	Summary	Further information
	Director Shares and the quantum of Shares held assumes Settlement occurs on 31 July 2020. 8. Consideration Shares to be issued under the Acquisition Agreements and Proposed Director Shares, with the quantum of Shares to be issued assuming Settlement occurs on 31 July 2020.	
Will any other benefits be conferred on related parties of the Company?	The Proposed Directors (other than Robert Martin) intend to procure that the Company enters into a lease agreement with an entity associated with Robert Martin, a Proposed Director, under which the Company will pay rent of $3,500 (plus GST) per month until 30 September 2020 and thereafter $5,500 (plus GST) per month.	Section 8.3
Will any other benefits be conferred in connection with the Acquisitions or Public Offer?	The following parties will also receive benefits in connection with the Acquisitions and Public Offer in consideration for the facilitation of the Acquisitions: (a) Sandton Capital Advisory Pty Ltd (**Sandton Capital**) will be entitled to: (i) 5% of the Shares issued as consideration for the Acquisitions, being an aggregate 7,500,000 Shares; and (ii) 45,000,000 Advisor Options; and (b) Astrid Hill Pty Ltd (**Astrid Hill**) will be entitled to 7% of the Shares issued as consideration for the Acquisitions, being an aggregate 10,500,000 Shares. In addition to the above, Sandton Capital will be entitled to the fees set out below in consideration for acting as Lead Manager to the Public Offer. It is currently anticipated that Astrid Hill and its principles may be responsible for raising half of the funds to be raised under the Public Offer. If this occurs, Astrid Hill will receive a proportionate number of the Lead Manager Options and Advisor Options the subject of the Lead Manager Mandate, as well as a commensurate proportion of the capital raising fees payable to Sandton Capital. Sandton Capital, Astrid Hill and their respective associates may also take up Shares under the Public Offer.	Sections 4.1.4, 9.1.1 and 9.2

Item	Summary	Further information
H. FINANCIAL INFORMATION		
How has the Company been performing?	The Company's audited financial information for the financial years ending 30 June 2018 and 30 June 2019 and audit-reviewed financial information for the half-years ended 31 December 2018 and 31 December 2019 are set out in Section 6.2.4. The Company has commenced the process of winding up its wholly owned Israeli subsidiary, the operating entity for its lithium-ion battery technology interests, which is anticipated to be completed in the coming months, subject to any claims made during the winding up process.	Section 6
How have Watershed and Mt Marshall been performing?	Audit reviewed statements of financial position for the period ended 31 December 2019 for each of Watershed and Mt Marshall are set out in Section 6.3.1. Watershed and Mt Marshall have had limited operations, other than: (a) taking transfers of the Eneabba Tenement and Mt Marshall Tenement; (b) making the Eneabba Applications, Mt Marshall Applications and Cadoux South Application; (c) entering into the Acquisition Agreements; (d) Mt Marshall being granted the Mt Marshall Loan; and (e) undertaking exploration on the Projects and preparations for the exploration programmes set out in this Prospectus, Watershed and Mt Marshall have undertaken limited operational activities.	Section 6
What is the financial outlook for the Company?	The reviewed pro-forma statement of financial position for the Company following completion of the Public Offer and the Acquisitions is set out in Section 6.4. Further detail with respect to the pro-forma statement of financial position is set out in the Independent Limited Assurance Report at Annexure C. Following Settlement of the Acquisitions, the Company will fund the exploration programmes set out in this Prospectus, with a view to fast tracking development of the Eneabba Sands Project and Mt Marshall Kaolin Project. The Company anticipates significant expenditure over the next 24 months while	Section 6.4 and Annexure C

Item	Summary	Further information
	these exploration and development activities are ongoing.	
Does the Company have sufficient funds for its activities?	The Current Directors and Proposed Directors are of the view that the funds raised under the Public Offer, together with existing cash reserves of the Company, will provide the Company with sufficient working capital to progress the business set out in this Prospectus.	Section 5.12
I. OFFERS		
What is being offered under the Public Offer and who is entitled to participate?	Under the Public Offer, the Company invites applications for 200,000,000 Shares at an issue price of $0.02 per Share to raise a minimum of $4,000,000 (**Minimum Subscription**). The Company also reserves the right to accept oversubscriptions of up to a further 50,000,000 Shares at an issue price of $0.02 per Share to raise up to a further $1,000,000, for a maximum subscription of $5,000,000 (**Maximum Subscription**). Only residents of Australia may participate in the Offer.	Sections 4.1.1 and 4.1.2
What is the purpose of the Public Offer?	The primary purpose of the Offer is to: (a) assist the Company to meet the re-admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules (see Section 4.8.1 for further details); (b) provide the Company with additional funding to progress exploration and development of the Projects; (c) remove the need for an additional disclosure document to be issued upon the sale of any Securities that are to be issued under the Offers, including any Shares issued upon exercise of convertible Securities; and (d) provide the Company with sufficient working capital. The Company intends on applying the funds raised under the Offer along with its current cash reserves in the manner detailed in Section 5.12.	Sections 4.4 and 5.12
Is the Public Offer underwritten?	The Public Offer is not underwritten.	Section 4.1.3
Will there be a lead manager to the Public Offer?	The Company has appointed Sandton Capital Advisory Pty Ltd (**Lead Manager** or **Sandton Capital**) to lead manage the Public Offer. The terms of the Lead Manager Mandate are detailed in Section 8.1.	Sections 4.1.4 and 9.1.1

Item	Summary	Further information
	The Lead Manager will receive the following fees: (a) lead management fee of 2% of all funds raised under the Public Offer; (b) capital raising fee of 4% of all funds raised under the Public Offer; and (c) monthly retainer of $10,000 plus GST per month commencing on 16 September 2019 and ending on the date of termination of the Lead Manager Mandate, which expires on 16 September 2021 if not terminated earlier, provided that the monthly retainer payable to Sandton Capital for the period from 1 April until Settlement will be $8,000 per month. Sandton Capital will also be entitled to 5% of the Shares issued as consideration for the Acquisitions, being an aggregate 7,500,000 Shares and 45,000,000 Advisor Options. It is currently anticipated that Astrid Hill and its principles may be responsible for raising half of the funds to be raised under the Public Offer. If this occurs, Astrid Hill will receive a proportionate number of the Lead Manager Options and Advisor Options the subject of the Lead Manager Mandate, as well as a commensurate proportion of the capital raising fees payable to Sandton Capital. Michael Shaw-Taylor, principal of Sandton Capital, also holds 800,000 Options exercisable at $0.50 on or before 30 June 2020, which were issued as advisory fees in respect of placements by the Company announced on 3 November 2017 and 4 June 2018. Sandton Capital and its associates may also take up Shares under the Public Offer.	
What are the Secondary Offers?	The Prospectus also includes the following secondary offers: (a) offers of 150,000,000 Shares as consideration for the Acquisitions and 8,750,000 Shares on conversion under the Mt Marshall Loan (**Consideration Offer**); (b) offers of Proposed Director Shares, 11,250,000 Director Options and 40,000,000 Performance Rights to the Proposed Directors or their nominees (**Director Offer**); and (c) offers of 45,000,000 Advisor Options and 45,616,903 Lead Manager Options to Sandton Capital or its nominees,	Section 4.2

Item	Summary	Further information
	including Astrid Hill or its nominees in the event Astrid Hill raises funds under the Public Offer (**Advisor Offer**), (together, the **Secondary Offers**). Only specified persons will be entitled to participate in the Secondary Offers, all of whom will be approached directly by the Company.	
What will the Company's capital structure look like after completion of the Offer and the Acquisitions?	Refer to Section 5.14 for a pro forma capital structure following completion of the Acquisitions and the Offers.	Section 5.14
Will I be guaranteed a minimum allocation under the Offer?	No, the Company is not in a position to guarantee a minimum allocation of Shares under the Public Offer. Shares will be issued under the Public Offer in accordance with the allocation policy set out in Section 4.1.7.	Section 4.1.7
What are the terms of the Securities offered under this Prospectus?	A summary of the material rights and liabilities attaching to: (a) the Shares offered under the Public Offer, Director Offer and Consideration Offer are set out in Section 10.2; (b) the Performance Rights under Director Offer are set out in Section 10.3; and (c) the Director Options, Advisor Options and Lead Manager Options offered under the Director Offer and Advisor Offer are set out in Section .10.4.	Sections 10.2 to 10.4
Will any Securities be subject to escrow?	The Shares issued pursuant to the Public Offer will not be classified as restricted securities and will not be required to be held in escrow. Subject to the Company complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers and Acquisitions, it is anticipated that: (a) the Consideration Shares, will be subject to escrow periods of: (i) in respect of Consideration Shares issued to persons that are not related parties or promoters of the Company – 12 months from the date of issue of the Consideration Shares; and	Section 4.11

Item	Summary	Further information
	(ii) in respect of Consideration Shares issued to persons that are related parties or promoters of the Company - 24 months after the date of re-admission to the Official List (including Aaron Banks, Sandton Capital and Astrid Hill). (b) the Proposed Director Shares, Director Options, Performance Rights, Lead Manager Options and Advisor Options will be subject to escrow periods of 24 months from the date of re-admission to the Official List. During the period in which restricted Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner. The Company expects to announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Company's listed securities being reinstated to trading on ASX (which reinstatement is subject to ASX's discretion and approval). The Company's 'free float' (being the percentage of Shares not subject to escrow and held by Shareholders that are not related parties of the Company (or their associates) at the time of admission to the Official List) will be approximately 61.18%, comprising all Shares issued following completion of the Acquisitions, other than Shares subject to ASX imposed escrow or held by Directors, Proposed Directors or promoters.	
Will the Shares be quoted?	Application for quotation of all Shares to be issued under the Offers will be made to ASX no later than 7 days after the date of this Prospectus.	Section 4.6
What are the key dates of the Offers?	The key dates of the Offers are set out in the indicative timetable in page 6.	Page 6
What is the minimum investment size under the Offer?	Applications under the Offer must be for a minimum of $2000 worth of Shares (100,000 Shares) and thereafter, in multiples of $500 worth of Shares (25,000 Shares).	Section 4.1.6

Item	Summary	Further information
Are there any conditions to the Offers?	The Offers are conditional upon the Acquisition Agreements becoming unconditional, including: (a) the Company raising the Minimum Subscription under the Public Offer; (b) the Company received Shareholder approval for the revised terms of the Acquisitions and Public Offer; and (c) the Company receiving Conditional Approval (and the Company being satisfied that it can meet those conditions), (each a **Condition**). In the event that Conditions are not satisfied within the requisite period, the Offer will not proceed, and no Securities will be issued pursuant to this Prospectus. If this occurs, the Company will repay all application monies received by it in connection with this Prospectus within the time prescribed under the Corporations Act, without interest.	Section 4.3
J. ADDITIONAL INFORMATION		
Is there any brokerage, commission or duty payable by Applicants?	No brokerage, commission or duty is payable by Applicants on the acquisition of Shares under the Offers.	Section 4.7
What are the tax implications of investing in Shares?	Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares subscribed for under this Prospectus. The tax consequences of any investment in Shares depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Shares offered under this Prospectus.	Section 4.7
What are the corporate governance principles and policies of the Company?	To the extent applicable, in light of the Company's size and nature, the Company has adopted The Corporate Governance Principles and Recommendations (4th Edition) as published by ASX Corporate Governance Council (**Recommendations**). The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined in Section 8.4. In addition, the Company's full Corporate Governance Plan is available from the Company's website (http://www.suvo.com.au).	Section 8.4

Item	Summary	Further information
	Prior to listing on ASX, the Company will announce its main corporate governance policies and practices and the Company's compliance and departures from the Recommendations.	
Where can I find more information?	• By speaking to your sharebroker, solicitor, accountant or other independent professional adviser. • By reviewing the Company's public announcements, which are accessible from ASX's website at www.asx.com.au under the ASX code "UTR". • By visiting the Company's website at http://www.suvo.com.au. • By contacting Justyn Stedwell, the Company's Company Secretary, on +61 3 9191 0135. • By contacting the Share Registry on 1300 288 664.	

4. DETAILS OF THE OFFERS

4.1 The Public Offer

Pursuant to this Prospectus, the Company invites applications for up to 200,000,000 Shares at an issue price of $0.02 per Share to raise up to $4,000,000, with oversubscriptions of up to a further 50,000,000 Shares at an issue price of $0.02 per Share to raise up to a further $1,000,000.

The Shares offered under the Public Offer will rank equally with the existing Shares on issue. Refer to Section 10.2 for a summary of the terms of the Shares.

4.1.1 Minimum subscription

The minimum amount which must be raised under the Public Offer is $4,000,000 (**Minimum Subscription**). If the Minimum Subscription has not been raised within four months after the date of this Prospectus, the Offers will not proceed and no Securities will be issued pursuant to this Prospectus.

If this occurs, the Company will repay all application monies received by it in connection with this Prospectus within the time prescribed under the Corporations Act, without interest.

4.1.2 Oversubscriptions

The Company reserves the right to accept oversubscriptions of up to a further 50,000,000 Shares at an issue price of $0.02 per Share to raise up to a further $1,000,000. The maximum amount which may be raised under the Public Offer is accordingly $5,000,000 (**Maximum Subscription**).

4.1.3 Not underwritten

The Public Offer is not underwritten.

4.1.4 Lead Manager

The Company has entered into a mandate with Sandton Capital Advisory Pty Ltd (**Lead Manager** or **Sandton Capital**) pursuant to which the Company has appointed Sandton Capital as lead manager to the Public Offer and corporate advisor to the Company (**Lead Manager Mandate**). The Lead Manager Mandate commenced on 16 September 2019 and will continue for a fixed period of 24 months unless extended by written agreement between the parties.

In consideration for its services, the Company has agreed to pay the following fees to the Lead Manager:

(a) lead manager and corporate advisory fees of:

(i) a lead management fee of 2% of all funds raised under the Public offer;

(ii) a capital raise fee of 4% of all funds raised under the Public Offer; and

(iii) a monthly retainer of AUD$10,000 plus GST per month commencing on 16 September 2019 and ceasing upon the effective date of any termination of the Lead Manager Mandate (the Lead Manager Mandate has a term of 24 months from its

commencement on 16 September 2019) in consideration for ongoing services to be provided to the Company, including corporate advice, promotional activities, reviewing the Company's presentations and announcements and investor and media relations, provided that for the period from 1 April 2020 until Settlement, the monthly retainer has been reduced to $8,000 per month, which will revert to $10,000 per month following Settlement; and

(b) success fees (upon the successful completion of the Acquisitions and the Public Offer) of:

(i) 5% of the total Consideration Shares to be issued in connection with the Acquisitions, being an aggregate 7,500,000 Shares – valued at $150,000 assuming a value $0.02 per Share (being the price at which Shares are being raised under the Public Offer);

(ii) 45,616,903 Lead Manager Options – valued at $490,137, based on the value ascribed to Lead Manager Options in Note 8 to the pro-forma statement of financial position set out in Section 6.4 of $0.0107 per Lead Manager Option; and

(iii) 45,000,000 Advisor Options – valued at $483,508, based on the value ascribed to Advisor Options in Note 8 to the pro-forma statement of financial position set out in Section 6.4 of $0.0107 per Advisor Option.

The total value of all Securities to be issued to Sandton Capital in connection with the Acquisitions and the Offers is therefore $1,123,645. However, it is likely that a portion of the Lead Manager Options and Advisor Options will be passed on to other advisors that assist with completion of the Public Offer. However, it is currently anticipated by Sandton Capital that Astrid Hill and its principles may be responsible for raising up to half of the funds to be raised under the Public Offer. If this occurs, Astrid Hill will receive a proportionate number of the Lead Manager Options and Advisor Options the subject of the Lead Manager Mandate.

In the event that all Lead Manager Options and Advisor Options to which Sandton Capital is entitled are exercised, an additional $2,718,507 will be raised.

In the event the Minimum Subscription is raised and Settlement occurs on 31 July 2020, all Lead Manager Options and Advisor Options held by Sandton Capital are exercised and no other Shares are issued, Sandton Capital would hold 17.45% of the total Shares on issue (being the maximum potential voting power of Sandton Capital). It should be noted that a portion of the Lead Manager Options and Advisor Options may be granted to other parties that assist with raising funds under the Public Offer, including to Astrid Hill or its nominees and the potential maximum voting power of Sandton Capital will reduce to the extent this occurs.

Michael Shaw-Taylor, the sole principal of Sandton Capital, also holds 800,000 Options exercisable at $0.50 on or before 30 June 2020, which were issued as advisory fees in connection with placements undertaken by the Company announced on 3 November 2017 and 4 June 2018. Sandton Capital and its associates may also take up Shares under the Public Offer.

Sandton Capital is an authorised representative (Australian Financial Services Authorised Representative Number 001 279 024) of Armada Capital Pty Ltd (AFSL 28 98 98) (**Armada Capital**).

Michael Shaw-Taylor is the sole key person and responsible manager in respect of the AFSL held by Armada Capital. Armada Capital was formerly engaged as the Company's corporate advisor, receiving fees in that capacity from October 2016 until October 2017 and in June 2018. Through his role with Armada Capital, Mr Shaw-Taylor had an ongoing relationship with the Company and its Directors.

The Company is aware that a former responsible manager and current director of Armada Capital, Mr Ananda Kathiravelu, is facing charges regarding allegations he conspired with another to take part in, or carry out, either directly or indirectly, transactions that had, or would likely have, the effect of creating or maintaining an artificial price for trading in shares.

4.1.5 Benefits to Astrid Hill

Astrid Hill or its nominees will receive 7% of the total Consideration Shares to be issued in connection with the Acquisitions, being an aggregate 10,500,000 Shares – valued at $210,000 assuming a value $0.02 per Share (being the price at which Shares are being raised under the Public Offer). Astrid Hill is an investment vehicle in which Mr Duncan Relf and Mr Byron Schammer each hold 50% of the issued capital. Messrs Relf and Schammer are both directors of Astrid Hill.

In the event the Minimum Subscription is raised, Settlement occurs on 31 July 2020 and no other Shares are issued, Astrid Hill and its nominees would hold 2.21% of the total Shares on issue.

Astrid Hill and its associates may also take up Shares under the Public Offer and assist the Company and Sandton Capital with raising funds under the Public Offer. If Astrid Hill and its associates assist with raising funds under the Public Offer, a portion of the Advisor Options or Lead Manager Options to be granted to Sandton Capital may be allocated to Astrid Hill or its associates.

It is currently anticipated by Sandton Capital that Astrid Hill and its principles may be responsible for raising up to half of the funds to be raised under the Public Offer. If this occurs, Astrid Hill will receive a proportionate number of the Lead Manager Options and Advisor Options the subject of the Lead Manager Mandate, which would have an aggregate value of $486,822, based on the value ascribed to Advisor Options in Note 8 to the pro-forma statement of financial position set out in Section 6.4 of the Prospectus, being $0.0107 per Advisor Option, as well as a commensurate proportion of the capital raising fees payable to Sandton Capital.

4.1.6 Minimum application amount

Applications under the Public Offer must be for a minimum of $2000 worth of Shares (100,000 Shares) and thereafter, in multiples of $500 worth of Shares (25,000 Shares).

4.1.7 Allocation Policy

The Company retains an absolute discretion to allocate Shares under the Public Offer and reserves the right, in its absolute discretion, to issue to an Applicant a lesser number of Shares than the number for which the Applicant applies or to reject an Application Form. If the number of Shares issued is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

No Applicant under the Public Offer has any assurance of being allocated all or any Shares applied for. The allocation of Shares by the Board will be influenced by the following factors:

(a) the number of Shares applied for;

(b) the overall level of demand for the Public Offer;

(c) the desire for spread of investors, including institutional investors; and

(d) the desire for an informed and active market for trading Shares following completion of the Public Offer.

The Company received Shareholder approval at the Original General Meeting for certain Current Directors and Proposed Directors to take up Shares under the Public Offer, which will be sought once again at the Second General Meeting. The issue of Shares under the Public Offer to the Current Directors and Proposed Directors is subject to Shareholder approval at the Second General Meeting. The Company is not obliged to issue such Shares to the Current Directors and Proposed Directors, nor are the Current Directors and Proposed Directors obliged to take up such Shares. Sandton Capital, Astrid Hill and their respective associates may also take up Shares under the Public Offer.

The Company's decision on the number of Shares to be allocated to an Applicant will be final. The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

4.2 Secondary Offers

4.2.1 Consideration Offer

This Prospectus includes the offers of:

(a) 75,000,000 Shares to be issued to the Watershed Shareholders or their nominees; and

(b) 75,000,000 Shares to be issued to the Mt Marshall Shareholders or their nominees,

(together, the **Consideration Shares**) in consideration for the Acquisitions (**Consideration Offer**). 8,750,000 Shares issued upon conversion of the Mt Marshall Loan will also be issued under the Consideration Offer.

As set out in Sections 5.5.1 and 5.7.1, 5% of the Consideration Shares will be issued to Sandton Capital and 7% of the Consideration Shares will be issued to Astrid Hill in accordance with the terms of the Acquisition Agreements. The material terms and conditions of the Acquisition Agreements are summarised at Section 9.2 of this Prospectus.

The Consideration Shares and Shares issued upon conversion of the Mt Marshall Loan offered under the Consideration Offer will rank equally with the existing Shares on issue other than in respect of any escrow imposed by ASX. A summary of the material rights and liabilities attaching to Shares is set out in Section 10.2 and a summary of the anticipated application of escrow to the Company's Securities is set out in Section 4.11.

Application for quotation of the Consideration Shares and Shares to be issued upon conversion of the Mt Marshall Loan, which will be issued under the Consideration Offer, will be made to ASX no later than 7 days after the date of this Prospectus.

Only the Watershed Shareholders, Mt Marshall Shareholders, Sandton Capital, Astrid Hill and lenders under the Mt Marshall Loan may accept the Consideration Offer. A personalised Application Form in relation to the Consideration Offer will be issued to these parties together with a copy of this Prospectus.

4.2.2 Director Offer

This Prospectus includes the offer of:

(a) up to that number of Shares, when multiplied by $0.02, will have a value equal to the remuneration accrued by Messrs Aaron Banks and Robert Martin from Mt Marshall and Watershed for the period from 1 April 2020 to Settlement (**Proposed Director Shares**),

(b) 20,000,000 Performance Rights to Aaron Banks;

(c) 12,000,000 Performance Rights and 10,000,000 Director Options to Robert Martin; and

(d) 8,000,000 Performance Rights and 1,250,000 Director Options to Leonard Troncone,

(the **Director Offer**).

The Proposed Director Shares offered under the Director Offer will rank equally with the existing Shares on issue other than in respect of any escrow imposed by ASX. A summary of the material rights and liabilities attaching to Shares is set out in Section 10.2.

The Performance Rights will be issued on the terms and conditions set out in Section 10.3 and the Director Options will be issued on the terms and conditions set out in Section 10.4. The Performance Rights and Director Options issued under the Director Offer will not be quoted, but the Company will apply for quotation of all Shares issued upon exercise of the Performance Rights and Director Options.

Only Messrs Banks, Martin and Troncone may accept the Director Offer. A personalised Application Form in relation to this Director Offer will be issued to Messrs Banks, Martin and Troncone together with a copy of this Prospectus.

All Proposed Director Shares, Performance Rights and Director Options are expected to be restricted from trading for 24 months from the date of Official Quotation in accordance with the ASX Listing Rules. A summary of the anticipated application of escrow to the Company's Securities is set out in Section 4.11.

4.2.3 Advisor Offer

This Prospectus includes the offer of:

(a) 45,616,903 Lead Manager Options to be issued to Sandton Capital or its nominees; and

(b) 45,000,000 Options to be issued to Sandton Capital or its nominees in consideration for corporate advisory and capital raising services provided to the Company by Sandton Capital,

(**Advisor Offer**).

The Lead Manager Options and Advisor Options offered under the Advisor Offer will be issued on the terms and conditions set out in Section 10.4. The Lead Manager Options and Advisor Options will not be quoted, but the Company will apply for quotation of all Shares issued upon exercise of the Lead Manager Options and Advisor Options.

It is currently anticipated by Sandton Capital that Astrid Hill and its principles may be responsible for raising up to half of the funds to be raised under the Public Offer. If this occurs, Astrid Hill will receive a proportionate number of the Lead Manager Options and Advisor Options the subject of the Lead Manager Mandate, as well as a commensurate proportion of the capital raising fees payable to Sandton Capital.

Only Sandton Capital and its nominees (including Astrid Hill, if applicable) may accept the Advisor Offer. A personalised Application Form in relation to the Advisor Offer will be issued to Sandton Capital or its nominees together with a copy of this Prospectus.

All Lead Manager Options and Advisor Options are expected to be restricted from trading for 24 months from the date of Official Quotation in accordance with the ASX Listing Rules. A summary of the anticipated application of escrow to the Company's Securities is set out in Section 4.11.

4.3 Conditions to the Offers

The Offers are conditional upon the Acquisition Agreements becoming unconditional, including:

(a) the Company raising the Minimum Subscription under the Public Offer;

(b) the Company receiving Shareholder approval for the Essential Resolutions at the Second General Meeting; and

(c) the Company receiving Conditional Approval (and the Company being satisfied that it can meet those conditions),

(each a **Condition**).

The Essential Conditions to be voted on by Shareholders at the Second General Meeting are:

A summary of the Essential Resolutions is as follows:

(a) the Acquisitions, if successfully completed, will represent a significant change in the nature and scale of the Company's operations, for which Shareholder approval is required under ASX Listing Rule 11.1.2;

(b) the issue of 75,000,000 Watershed Consideration Shares to the Watershed Vendors, of which 3,750,000 will be issued to Sandton Capital and 5,250,000 will be issued to Astrid Hill (or their respective nominee(s));

(c) the issue of 75,000,000 Mt Marshall Consideration Shares to the Mt Marshall Shareholders on a pro-rata basis, of which 3,750,000 will be issued to Sandton Capital and 5,250,000 will be issued to Astrid Hill;

(d) the issue of 20,000,000 Performance Rights and the Proposed Director Shares to Mr Aaron Banks (or his nominee(s));

(e) the issue of 12,000,000 Performance Rights, 10,000,000 Director Options and the Proposed Director Shares to Mr Robert Martin (or his nominee(s));

(f) the issue 8,000,000 Performance Rights and 1,250,000 Director Options to Leonard Troncone (or his nominee(s));

(g) the Company will need to re-comply with Chapters 1 and 2 of the ASX Listing Rules and, to achieve this, must successfully complete the Public Offer, for which Shareholder approval is required under ASX Listing Rule 7.1;

(h) the issue of up to 8,750,000 Shares to the lenders of under the Mt Marshall Loan; and

(i) the appointment of the Proposed Directors.

In the event that Conditions are not satisfied within the requisite period, the Offer will not proceed, and no Securities will be issued pursuant to this Prospectus. If this occurs, the Company will repay all application monies received by it in connection with this Prospectus within the time prescribed under the Corporations Act, without interest.

4.4 Purpose of the Offers

The primary purpose of the Offers is to:

(a) assist the Company to meet the re-admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules (see Section 4.10 for further details);

(b) provide the Company with additional funding to progress exploration and development of the Projects;

(c) remove the need for an additional disclosure document to be issued upon the sale of any Securities that are to be issued under the Offers, including any Shares issued upon exercise of convertible Securities; and

(d) provide the Company with sufficient working capital.

The Company intends on applying the funds raised under the Public Offer along with its current cash reserves in the manner detailed in Section 5.12.

4.5 Applications

Applications for Securities under the Offers must be made using the relevant Application Form. For further information on how to complete the Application Form, Applicants should refer to the instructions set out on the form.

Applications under the Public Offer must be accompanied by payment in full in Australian currency by cheque or electronic funds transfer in accordance with the instructions set out in the Application Form.

(a) **Option 1**

Submit an Application form with a cheque

Investors may complete an Application Form which accompanies and forms part of this Prospectus and enclose a cheque, made payable to

"Ultracharge Limited" and crossed "Not Negotiable". Investors must either mail or deliver both the Application Form (completed in accordance with the terms set out in the Application Form) and the cheque to the address set out on the Application Form by no later than the Closing Date.

(b) **Option 2**

Submit an online Application Form and pay with BPAY

For online applications, investors can apply online with payment made electronically via BPAY®. Investors applying online will be directed to use an online Application Form and make payment by BPAY®. Applicants will be given a BPAY® biller code and a customer reference number (**CRN**) unique to the online Application once the online Application Form has been completed. BPAY® payments must be made from an Australian dollar account of an Australian institution. Using the BPAY® details, Applicants must:

(i) access their participating BPAY® Australian financial institution either via telephone or internet banking;

(ii) select to use BPAY® and follow the prompts;

(iii) enter the biller code and unique CRN that corresponds to the online Application;

(iv) enter the amount to be paid which corresponds to the value of Shares under the online Application Form;

(v) select which account payment is to be made from;

(vi) schedule the payment to occur on the same day that the online Application Form is completed. Applications without payment will not be accepted; and

(vii) record and retain the BPAY® receipt number and date paid. Investors should confirm with their Australian financial institution whether there are any limits on the investor's account that may limit the amount of any BPAY® payment and the cut off time for the BPAY® payment.

Investors can apply online by following the instructions at https://investor.automic.com.au/#/w/ultracharge and completing a BPAY® payment. If payment is not made via BPAY®, the Application will be incomplete and will not be accepted. The online Application Form and BPAY® payment must be completed and received by no later than the Closing Date.

Completed Application Forms and any accompanying cheques or BPAY® payment must be received by the Company before 5.00pm (WST) on the relevant Closing Date by either being posted or delivered to the following addresses:

By Post:

Ultracharge Limited
C/- Automic Pty Ltd
GPO Box 5193

By hand delivery:

Ultracharge Limited
C/- Automic Pty Ltd
Level 5, 126 Phillip Street
SYDNEY NSW 2000

SYDNEY NSW 2001

An original, completed and lodged Application Form together with a cheque or BPAY® payment for any Application Monies, constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application as valid and how to construe amend or complete the Application Form is final, however an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque or BPAY® payment for the Application Monies.

It is the responsibility of Applicants outside Australia to obtain all necessary approvals for the allotment and issue of Securities pursuant to this Prospectus. The return of a completed Application Form with the requisite Application Monies (if applicable) will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained and that the Applicant:

(a) agrees to be bound by the terms of the relevant Offer;

(b) declares that all details and statements in the Application Form are complete and accurate;

(c) declares that, if they are an individual, they are over 18 years of age and have full legal capacity and power to perform all its rights and obligations under the Application Form;

(d) authorises the Company and its respective officers or agents, to do anything on their behalf necessary for the Securities to be issued to them, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;

(e) acknowledges that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Securities are suitable for them given their investment objectives, financial situation or particular needs; and

(f) acknowledges that the Securities have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and accordingly, the Securities may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws.

Participation in the Secondary Offers is personal and Application Forms in relation to the Secondary Offers will be issued to the relevant participants together with a copy of this Prospectus.

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

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**.

The Company reserves the right to close the Offers early.

If you require assistance in completing an Application Form, please contact the Company Secretary, Justyn Stedwell, on +61 3 9191 0135.

4.6 ASX listing

The Company will apply for Official Quotation of all Shares issued under this Prospectus within 7 days after the date of this Prospectus. However, Applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be re-admitted to the Official List. As such, the Shares may not be able to be traded for some time after the Closing Date.

If the Shares are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of issue of this Prospectus, or such period as varied by ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

4.7 Taxation

The acquisition and disposal of Securities may have tax consequences, which may differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential Applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities 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/or responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

No brokerage, commission or duty is payable by Applicants on the acquisition of Securities under the Offers.

4.8 Issues of Securities

4.8.1 General

Subject to the satisfaction of the Conditions (see Section 4.3), the issue of Securities offered by this Prospectus will take place as soon as practicable after the Closing Date and in accordance with the timetable set out in the Key Offer Information Section on page 6 of the Prospectus.

4.8.2 Defects in applications

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

4.8.3 Interest

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

4.9 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer of, or invitation to apply for Securities in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or invitation. 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 of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or otherwise permit a public offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed in order to accept the Public Offer.

If you are outside Australia, it is your responsibility to ensure compliance with all laws of any country relevant to, and obtain all necessary approvals for, the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that there has been no breach of any such laws and all relevant approvals have been obtained.

Where this Prospectus has been dispatched to persons in jurisdictions outside of Australia, in which the securities legislation or regulation requires registration or any analogous treatment, this Prospectus is provided for information purposes only. This Prospectus has not been and will not be registered under any such legislation or regulation or in any such jurisdiction.

The Offers do not and will not constitute an offer of Securities in the United States of America (**US**). Furthermore, no person ordinarily resident in the US is or will become permitted to submit an Application Form. If the Company believes that any Applicant is ordinarily resident in the US, or is acting on behalf of a person or entity that is ordinarily a resident of the US, the Company will reject that Applicant's application.

4.10 Suspension and Re-admission to ASX

ASX has determined that the Acquisitions, if successfully completed, will represent a significant change in the nature and scale of the Company's activities. In accordance with the ASX Listing Rules, the change in the nature and scale of the Company's activities will require:

(a) Shareholder approval for the Acquisitions, which was received at the Original General Meeting held on 28 February 2020 but will be sought again at the Second General Meeting as a result of changes to the structure of the Acquisitions and Public Offer; and

(b) the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

The Company's Securities are currently suspended from trading on the ASX and will remain suspended and not be reinstated to Official Quotation until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and is re-admitted by the ASX to the Official List.

Some of the key requirements of Chapters 1 and 2 of the Listing Rules are:

(a) the Company must satisfy the shareholder spread requirements relating to the minimum number of Shareholders and the minimum value of the shareholdings of those Shareholders; and

(b) the Company must satisfy the "assets test" as set out in ASX Listing Rule 1.3.

The Company expects that the conduct of the Public Offer pursuant to this Prospectus will enable the Company to satisfy the above requirements.

4.11 Restricted Securities and Free Float

Subject to the Company being admitted to the Official List and completing the Public Offer and Acquisitions, certain Securities on issue (including the Consideration Shares) may be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. The Company anticipates that:

(a) all Consideration Shares will be restricted from trading for a period of either:

  (i) for Vendors that are not related parties or promoters – 12 months from the date of Settlement of the Acquisitions; and

  (ii) for Vendors that are related parties or promoters (including Sandton Capital and Astrid Hill) – 24 months from the date of recommencement of trading of the Company's Shares on the Official List.

(b) all Proposed Director Shares, Performance Rights, Director Options, Advisor Options will be escrowed for a period of 24 months from the date of recommencement of trading of the Company's Shares on the Official List.

No Shares issued pursuant to the Public Offer will be subject to any escrow requirements by the ASX.

The Company will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Company's Shares being reinstated to trading on ASX (which reinstatement is subject to ASX's discretion and approval).

Upon the Minimum Subscription being raised under this Prospectus, the Company's 'free float', being the percentage of Shares not subject to escrow and which are held by Shareholders that are not related parties or promoters of the Company (or their associates) at the time of admission to the Official List, will be approximately 61.18%, comprising all Shares on issue following completion of the Offers, other than Shares held by related parties and promoters of the Company and Shares subject to ASX imposed escrow.

4.12 Enquiries

If you have any queries in relation to the Offers, please contact Justyn Stedwell, the Company Secretary, on +61 3 9191 0135.

5. COMPANY AND PROJECTS OVERVIEW

5.1 Background

Ultracharge Limited (ACN 140 316 463) (ASX: "UTR") (**Company**) is an Australian public company which has been listed on the Official List of the ASX since 17 May 2011. Most recently the Company's activities have consisted of conducting research and development dedicated to creating leading edge Lithium-Ion battery technology through its Israeli subsidiary, Ultracharge Ltd (**Ultracharge Israel**).

The Company announced on 29 October 2019 that it had entered into:

(a) an acquisition agreement with Watershed Enterprise Solutions Pty Ltd (ACN 609 289 938) (**Watershed**) and the shareholders of Watershed (**Watershed Agreement**) under which the Company has a conditional right to acquire 100% of the issued capital in Watershed (**Watershed Acquisition**); and

(b) an acquisition agreement with Mt Marshall Kaolin Pty Ltd (ACN 626 494 399) (**Mt Marshall**) and the shareholders of Mt Marshall (**Mt Marshall Agreement**) under which the Company has a conditional right to acquire 100% of the issued capital in Mt Marshall (**Mt Marshall Acquisition**),

(together, the **Acquisition Agreements** and the **Acquisitions**). Refer to Section 9.2 for summaries of the terms and conditions of the Acquisition Agreements.

Watershed is the holder of the Eneabba Sands Project and the applicant for the Cadoux South Kaolin Project and Mt Marshall is the holder of the Mt Marshall Kaolin Project (together, the **Projects**). Further details with respect to the Projects are set out in Section 5.6.1, 5.7.3 and 5.8, the Independent Geologist's Report set out in Annexure A and the Solicitor's Report on title set out in Annexure B.

In connection with the proposed Acquisitions, the Company will change its name to "Suvo Strategic Minerals Limited" and will change its ticker code to "SUV".

The Company has commenced the process of winding up its wholly owned Israeli subsidiary, which is anticipated to be completed in the coming months, subject to any claims made during the winding up process. It is anticipated that this will occur prior to Settlement of the Acquisitions.

The Company has also entered into a buy-back and cancellation deed with ETV Energy Limited (**ETV**), under which the Company has agreed to a cancellation of a licence granted to the Company in May 2018 (further details of which are set out the Company's announcement dated 31 May 2018) (**ETV Licence**) in consideration for 3,000,000 Shares issued to ETV being bought-back and cancelled (**ETV Shares**). The Company is seeking Shareholder approval for a buy-back and cancellation of the Buy-Back Shares at the Second General Meeting.

5.2 Background to Acquisitions

The Board considered a number of potential acquisition opportunities prior to entering into the Acquisitions Agreements and settled on the Acquisitions due to the unique opportunities the Acquisitions present. A detailed program of legal and technical due diligence was undertaken prior to the Company exercising its options to acquire Mt Marshall and Watershed.

The Acquisitions were presented to Sandton Capital by Astrid Hill, who subsequently presented the Acquisitions to the Company. The Acquisitions, the appointment of Sandton Capital as Lead Manager, the issue of a portion of the Consideration Shares to Sandton Capital and Astrid Hill and the issue of Advisor Options and Lead Manager Option as a facilitation and capital raising fee for the Acquisitions, were presented to the Company by Sandton Capital as a package. For the reasons set out below, the Company was comfortable with the consideration payable for the Acquisitions, including the fees payable in connection with the Acquisitions.

The value of the 150,000,000 Consideration Shares to be issued to the vendors of Watershed and Mt Marshall is $3,000,000 based on the issue price of Shares under the Public Offer. The Board considers that the quantum of the Consideration Shares to be issued in consideration for the Acquisitions reflects reasonable fair value of the Projects in view of the key investment highlights set out in Section 5.4 of the Prospectus.

In determining the consideration for the Acquisitions, the Company also took into account the following considerations:

(a) recent third-party backdoor listing transactions involving acquisitions of mineral exploration assets;

(b) internal revenue and profit forecasts of Watershed and Mt Marshall, however, those forecasts cannot be stated publicly as they do not comply with ASIC guidelines (in particular, ASIC Regulatory Guide 170 which requires directors to have a reasonable basis for disclosing forecast financial information); and

(c) the Board's assessment of the future prospects of the Projects based on its geological review of the Projects, including a program of aircore drilling undertaken at the Mt Marshall Kaolin Project, and the Projects' proximity to ports suitable for distribution of product extracted from the Projects.

As with the acquisition of any business or asset that does not have a meaningful track record of revenue and profitability, there is not always an appropriate formal valuation methodology (e.g. discounted cash flow) available when determining the consideration. As such, the Company was required to take into account qualitative factors such as those set out above in coming to a decision on price. This is particularly relevant to the Acquisitions, as kaolin and industrial sands prices are not benchmarked and, at the time of entry into the Acquisition Agreements, there were no defined mineral resources or ore reserves at the Projects.

The opportunity presented under the Acquisitions presents Shareholders with the opportunity to hold a position in exploration projects with the potential to develop relatively low-cost mining operations in the short to medium term, subject to receipt of positive exploration results and subsequent definition of mineral resources and completion of technical studies, of which an Inferred Mineral Resource has now been estimated in respect of the Mt Marshall Kaolin Project, with details set out in the Independent Geologist's Report and Mineral Resource Report.

5.3 Board and Management

Prior to re-listing on the ASX and subject to completion of the Acquisitions, existing Directors Kobi Ben-Shabat, Anthony Brown and John Paitaridis will resign and the Proposed Directors will be appointed, such that the Board of the Company on listing on ASX will be comprised of:

(a) Aaron Banks – Managing Director;

(b) Robert Martin – Executive Chairman; and

(c) Leonard Troncone – Non-Executive Director.

The profiles of each of the Proposed Directors are set out in Section 8.1.

5.4 Key Investment Highlights

The Current Directors and Proposed Directors are of the view that the following non-exhaustive list of advantages may be relevant to an investor's decision to apply for Shares under the Public Offer:

(a) the Company will obtain ownership of the Eneabba Sands Project and Mt Marshall Kaolin Project pursuant to the Acquisitions, which are each ideally situated for export of product and considered to be low cost exploration and potential production opportunities for products that have an active market;

(b) the potential increase in market capitalisation of the Company following completion of the Acquisitions and the Public Offer may lead to access to improved equity capital market opportunities and increased liquidity;

(c) Shareholders may be exposed to further debt and equity opportunities that the Company did not have prior to the Acquisitions;

(d) the Company will re-comply with the ASX Listing Rules, ensuring its re-instatement to quotation and continued liquidity of its listed Shares (however, the Company notes that the ASX reserves the right to re-admit the Company and there is no guarantee that the Company will successfully re-comply with Chapters 1 and 2 of the ASX Listing Rules);

(e) the appointment of the Proposed Directors will add experience and skill to the Board to assist with the growth of the Company; and

(f) the cash reserves of the Company will be conserved as a majority of the consideration payable by the Company in respect of the Acquisitions is comprised of Shares.

5.5 Overview of Watershed and the Eneabba Sands Project

5.5.1 Watershed

Watershed is an Australian proprietary company limited by shares, incorporated on 13 November 2015.

Watershed currently holds one exploration licence, E70/5001 (**Eneabba Tenement**), and is the applicant for:

(a) three exploration licences, E70/5322, E70/5323, E70/5324 (**Eneabba Applications**);

(b) two exploration licences in Western Australia, E 70/5332 and E 70/5333, which will form part of the Mt Marshall Kaolin Project if granted (**Mt Marshall Applications**); and

(c) one exploration licence in Western Australia, E 70/5334, which will form the Cadoux South Kaolin Project if granted (**Cadoux South Application**).

The Eneabba Tenement forms the Eneabba Sands Project, described further in Section 5.4 below. The Eneabba Applications, if granted, will expand the boundaries of the Eneabba Sands Project.

Other than Watershed Shares issued on incorporation of Watershed, Watershed has issued no securities.

The Company paid $50,000 to Watershed in consideration for an option to acquire Watershed from the Watershed Shareholders, which was subsequently exercised by the Company through an additional $100,000 payment to Watershed. The consideration payable for the Watershed Acquisition is 75,000,000 Shares, to be issued to the parties set out below:

Name of Shareholder	Consideration Shares	Voting Power[2] (Undiluted)
JTB Holdings (WA) Pty Ltd (ACN 137 326 973) ATF the Petkovic Family Trust	1,980,000	0.69%
Mark Balfour ATF the Balfour Resources Trust	3,300,000	0.69%
Aaron Peter Banks ATF the Banks Family Trust	42,240,000	15.27%
Asia Pacific Consulting Pty Ltd (ACN 009 311 406)	2,640,000	0.69%
Sselkrow Pty Ltd (ACN 618 366 457)	6,600,000	2.08%
Brockman Solutions Pty Ltd (ACN 124 482 417) ATF the Sandpit Investment Trust	1,320,000	0.56%
Murray Grigg Lines	660,000	0.28%
Paul Ryding	660,000	0.28%
Denise Ryding	660,000	0.28%
Paulden (WA) Pty Ltd (ACN 600 412 226)	660,000	0.28%
Christopher James Weed and Janet Elizabeth Brockman ATF the Brockman Weed Family Trust	3,300,000	1.43%
Wayne Stephen Clarke	660,000	0.32%
Croft Lifestyle Fund Pty Ltd (ACN 626 022 151) ATF Croft Superannuation Fund	1,320,000	0.51%
Sandton Capital (or nominees)[1]	3,750,000	1.58%
Astrid Hill (or nominees)[1]	5,250,000	2.21%

Note:

1. Neither Sandton Capital nor Astrid Hill are currently Watershed Shareholders. Sandton Capital and Astrid Hill are receiving a portion of the Consideration Shares as consideration for facilitation of the Acquisitions and have been included in the table above for illustrative purposes.
2. These percentages are calculated based on the Minimum Subscription being raised under the Public Offer and include Consideration Shares issued under both the Mt Marshall

Agreement and Watershed Agreement, as well as Proposed Director Shares to be issued to Aaron Banks on the assumption that Settlement occurs on 31 July 2020.

5.6 Silica Sands and Construction Sands

High-grade silica sand is a key raw material in the industrial development of the world, especially in the specialist glass, metal casting, and ceramics industries. High-grade silica sand contains a high portion of silica (over 95% SiO2) and is used for applications other than construction aggregates.

Unlike construction sands, which are used for their physical properties alone, high-grade silica sands are valued for a combination of chemical and physical properties. Ongoing economic and infrastructure development in the Asia/Pacific region is expected to drive growth.

Glassmaking silica sand is the primary component of all types of standard and specialty glass. It provides the essential SiO2 component of glass formulation; its chemical purity is the primary determinant of colour, clarity and strength in glass. Industrial sand is used to produce flat glass for building and automotive use, container glass for foods and beverages, and tableware. In its pulverised form, ground silica is required in the production of fibreglass insulation and for reinforcing glass fibres. Specialty glass applications include test tubes and other scientific tools, incandescent and fluorescent lamps.

Globally, silica sand is in a growth phase due to increasing demand from the construction sector, with both volume and value having increased worldwide. Sales of silica sand has experienced a compound annual growth rate of approximately 8.7% in value terms from 2009 to 2016, with a market value of US$6.3 billion. This was due to its applications across a range of industries, including glass making, foundry casting, water filtration, chemicals and metals, along with the hydraulic fracturing process. Accelerations in construction spending and manufacturing output worldwide are expected to drive growth in important silica sand-consuming industries, including the glass, foundry and building glass products sectors.

There is no global benchmark for the price of silica sands. Pricing of silica sands is typically set between a buyer and seller and is dependent on the quality and specifications of the product being sold as well as the application to which it will be applied. Set out below is an Asian market overview:

Use	Spec	Asia Market
Float Glass (incl. auto)	99.5% SiO2	60-65 Mt
Container Glass	99.5% SiO2	60-65 Mt
Cover Glass	99.5% SiO2	5-6 Mt
Smart Glass	99.5% SiO2 & low iron	5-6 Mt
Specialist Glass	99.97% SiO2 & low iron	500-660 kt

At present, there is a global shortage of silica sand, owing to a number of export bans and the increased demand for sourced sand which is both environmentally and socially responsible. Sands found in deserts are unsuitable for the purposes the market requires, as it is shaped by wind rather than water, resulting in a further lack of supply.

Significant growth is projected in the hydraulic fracturing market as horizontal drilling for shale oil and gas resources expands, largely in North America. The Asia-

Pacific region is expected to remain the largest regional consumer of industrial sand through 2025, supported by the dominant Chinese market. The country's container glass industry will drive further silica sand sales, supported by rising production of glass bottles, particularly in the alcoholic beverage sector including wine and beer.

5.6.1 Eneabba Sands Project

The Eneabba Sands Project covers an area of approximately 50.4 square kilometres and is located on the Gin Gin scarp (within Cainozoic ferruginous laterite and associated leached quartz sand). The Eneabba Sands Project is prospective for silica sand and construction sand. Previous exploration in the area of what is now the Eneabba Sands Project has concentrated on the search for mineral sands.

Figure 1: Eneabba Sands Project Location

The Eneabba Sands Project comprises an exploration licence, approximately 15km south-east of Eneabba, 50km north-east of Jurien Bay, and 230km north-north-west of Perth.

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Figure 2: Access Track to Eneabba Sands Project

The Eneabba Sands Project is adjacent to rail connections to Geraldton Port and has the potential to be a low capital expenditure and low environmental impact mining operation. All exploration work will be over the water table with low cost shallow drilling in free running sand.

Renison Exploration Pty Ltd (**Renison**) drilled 29 aircore holes on the area of the Eneabba Tenement in 1990. The work encountered what appears to be cream, grey and yellow sand on the western side of the Eneeabba Project from surface up to 50m. The results from the aircore drill program are discussed further in the Independent Geologist's Report set out in Annexure A to this Prospectus.

During May 2019, a program of fieldwork was conducted by Watershed on the Eneabba Tenement. The fieldwork consisted of mapping the location and extent of various sand lithologies, specifically silica sand and yellow construction sand, taking representative samples of the various sand units, mapping the location and extent of lateritic gravels and become familiar with the general topography of the area. A total of 33 samples were collected across the different sand types within the tenement with the representative SiO2 set out in Figure 3 below.

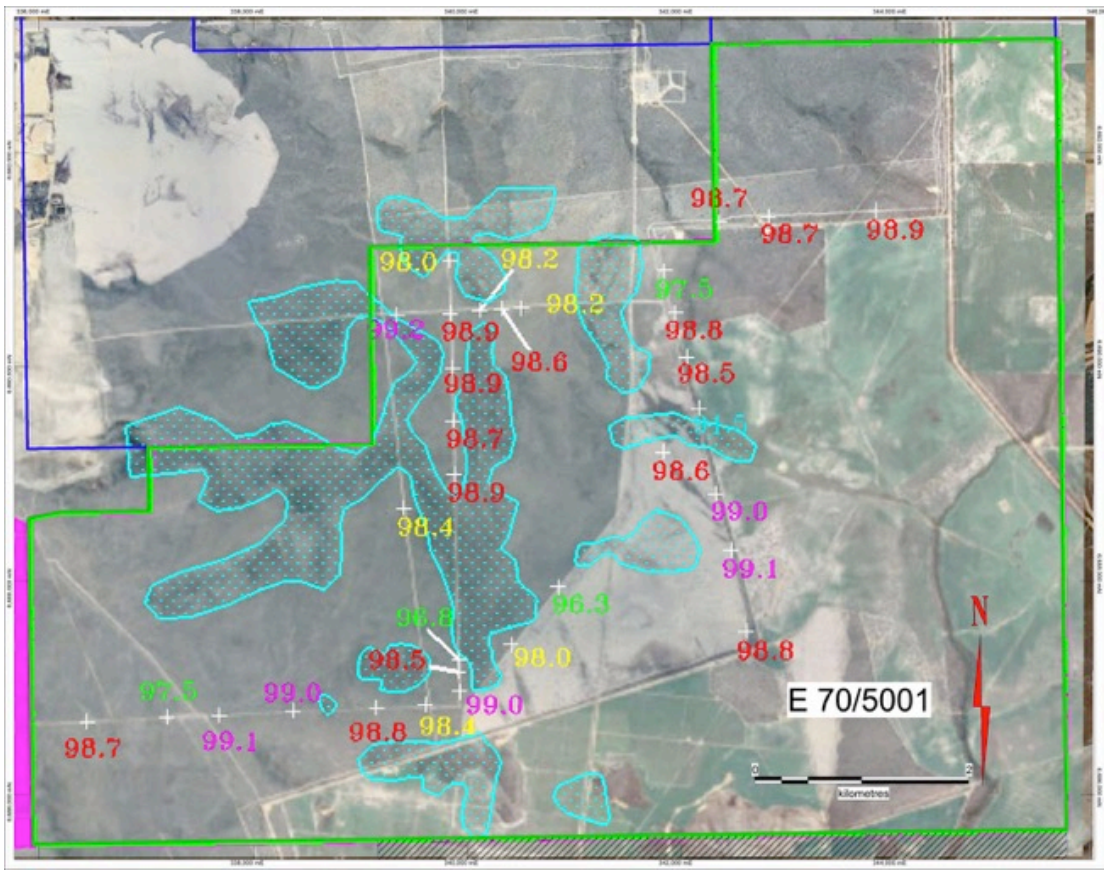


Figure 3: Results of Sampling Program

The results from the hand auger sampling program are set out in the Independent Geologist's Report set out in Annexure A to this Prospectus.

5.6.2 Proposed Exploration Programme at the Eneabba Sands Project

Two drill programs are planned at the Eneabba Sands Project totalling 5520m which follow on and extend the historic drilling undertaken at the Eneabba Sands Project. Historic work was limited to the Western side of the Eneabba Sands Project and the Company intends to extend this coverage to adequately test the whole tenement. Drilling will be performed using aircore and auger drill rigs suitable for accessing this type of terrain.

Mapping, geophysics and marketing work is also planned to provide sufficient information through to preparation of a scoping study in respect of the Eneabba Sands Project, subject to receipt of positive exploration results.

The work program is budgeted at $1,472,000 if the Minimum Subscription is raised and $2,135,125 if the Maximum Subscription is raised. Set out below is a table detailing the proposed exploration expenditure at the Eneabba Sands Project over the two years following completion of the Acquisitions:

ITEM	Minimum Subscription $4,000,000			Maximum Subscription ($5,000,000)		
	Yr1	Yr2	TOTAL	Yr1	Yr2	TOTAL
Tenure Costs	$25,000	$25,000	$50,000	$25,000	$25,000	$50,000
Access - Heritage and Ministerial Agreements	$20,000		$20,000	$20,000		$20,000
Access - Native Vegetation Assessment	$10,000		$10,000	$10,000		$10,000
Drilling 5520m aircore and auger	$246,700	-	$246,700	$246,700	-	$246,700
Indigenous Land Use Agreement	$20,000	-	$20,000	$20,000	-	$20,000
Geophysics	$40,000	-	$40,000	$40,000	-	$40,000
Mapping- detailed laterite	$50,000	-	$50,000	$50,000	-	$50,000
Assays	$5,300	-	$5,300	$5,300	-	$5,300
Drafting, reporting, geology	$100,000	-	$100,000	$100,000	-	$100,000
Testwork, plant design	-	$100,000	$100,000	-	$100,000	$100,000
Bulk Sampling	-	$50,000	$50,000	-	$50,000	$50,000
Sample freight logistics	-	$50,000	$50,000	-	$50,000	$50,000
Resources Modelling	-	$100,000	$100,000	-	$100,000	$100,000
Scoping Study	-	$50,000	$50,000	-	$50,000	$50,000
Marketing and Offtake agreements and negotiations	-	$50,000	$50,000	-	$50,000	$50,000
Vehicles and accommodation	-	$80,000	$80,000	-	$80,000	$80,000
Preliminary Feasibility	-	$150,000	$150,000	-	$150,000	$150,000
Subtotal Exploration	**$517,000**	**$655,000**	**$1,172,000**	**$517,000**	**$655,000**	**$1,172,000**
Vegetation topsoil removed store. (partial completion if MIN raised)	-	$300,000	$300,000	-	$963,125	$963,125
Subtotal Partial Development	**-**	**$300,000**	**$300,000**	**-**	**$963,125**	**$963,125**
TOTAL	**$517,000**	**$955,000**	**$1,472,000**	**$517,000**	**$963,125**	**$2,135,125**

5.7 Overview of Mt Marshall and the Mt Marshall Kaolin Project

5.7.1 Mt Marshall

Mt Marshall is an Australian proprietary company limited by shares, incorporated on 30 May 2018.

Mt Marshall currently holds one exploration licence, E70/5039 (**Mt Marshall Tenement**). Watershed is also the applicant for an additional two exploration

licences (**Mt Marshall Applications**), which will form part of the Mt Marshall Kaolin Project, if granted.

Other than Mt Marshall Shares issued on incorporation of Mt Marshall, Mt Marshall has issued no securities.

The Company paid $50,000 to Mt Marshall in consideration for an option to acquire Mt Marshall from the Mt Marshall Shareholders, which was subsequently exercised by the Company through an additional $100,000 payment to Mt Marshall. The consideration payable for the Mt Marshall Acquisition is 75,000,000 Shares, to be issued to the parties set out below:

Name of Shareholder	Consideration Shares	Voting Power[2] (Undiluted)
JTB Holdings (WA) Pty Ltd (ACN 137 326 973) ATF the Petkovic Family Trust	1,320,000	0.69%
Balfour Meagher Pty Ltd	3,300,000	0.69%
Aaron Peter Banks ATF the Banks Family Trust	25,960,000	15.27%
Asia Pacific Consulting Pty Ltd (ACN 009 311 406)	660,000	0.69%
Sselkrow Pty Ltd (ACN 618 366 457)	3,300,000	2.08%
Brockman Solutions Pty Ltd (ACN 124 482 417) ATF the Sandpit Investment Trust	1,320,000	0.56%
Murray Grigg Lines	660,000	0.28%
Robert Kingsley Fitzgerald ATF the RKF Trust	22,000,000	4.63%
Paul Ryding	660,000	0.28%
Denise Ryding	660,000	0.28%
Paulden (WA) Pty Ltd (ACN 600 412 226)	660,000	0.28%
Christopher James Weed and Janet Elizabeth Brockman ATF the Brockman Weed Family Trust	3,520,000	1.43%
Croft Lifestyle Fund Pty Ltd (ACN 626 022 151) ATF Croft Superannuation Fund	1,100,000	0.51%
Wayne Stephen Clarke	880,000	0.32%
Sandton Capital (or nominees)	3,750,000	1.58%
Astrid Hill (or nominees)	5,250,000	2.21%

Note:

1. Neither Sandton Capital nor Astrid Hill are currently Mt Marshall Shareholders. Sandton Capital and Astrid Hill are receiving a portion of the Consideration Shares as consideration for facilitation of the Acquisitions and have been included in the table above for illustrative purposes.

2. These percentages are calculated based on the Minimum Subscription being raised under the Public Offer and include Consideration Shares issued under both the Mt Marshall Agreement and Watershed Agreement, as well as Proposed Director Shares to be issued to Aaron Banks on the assumption that Settlement occurs on 31 July 2020.

5.7.2 Kaolin

Kaolinite is a mineral belonging to the group of aluminosilicates. It is commonly referred to as "China Clay" because it was first discovered at Kao-Lin, in China. The term kaolin is used to describe a group of relatively common clay minerals dominated by kaolinite and derived primarily from the alteration of alkali feldspar and micas. Kaolin is an industrial mineral used primarily as an inert filler and customers combine it with other raw materials in a wide variety of applications.

Kaolin is a white, soft, plastic clay mainly composed of fine-grained plate-like particles. Kaolin is formed when the anhydrous aluminium silicates which are found in feldsparrich rocks, like granite, are altered by weathering or hydrothermal processes. The process which converted the hard granite into the soft matrix found in kaolin pits is known as "kaolinisation". The quartz and mica of the granite remain relatively unchanged whilst the feldspar is transformed into kaolinite. Smectite may also form in small quantities in some deposits. The refining and processing of the fine fraction of the kaolinised granite yields predominantly kaolinite with minor amounts of mica, feldspar, traces of quartz and, depending on the origin, organic substances and/or heavy minerals.

Individual kaolins vary in many physical aspects, which in turn influence their end use. Of particular commercial interest is the degree of crystallinity which influences the brightness, whiteness, opacity, gloss, film strength, and viscosity.

Kaolin is part of our natural world. Its uses are multiple and diversified. Kaolin's whiteness and plasticity make it extremely suitable for its extensive use as a filler, extender, ceramic raw material and pigment. It is also an important raw material to refractories, and to catalyst, cement and fibre glass industries.

Kaolin is used in many applications. It is a unique industrial mineral, which remains chemically inert over a relatively wide pH range and it offers excellent covering when used as a pigment or extender in coated films and filling applications. In addition, it is soft and non-abrasive and has a low conductivity of heat and electricity.

The two largest applications of kaolin are the coating of paper to hide the pulp strands and the production of high-grade ceramic products. It is also used in many other industrial processes.

There is no global benchmark for the price of kaolin. Pricing of kaolin is typically set between a buyer and seller and is dependent on the quality and specifications of the product being sold as well as the application to which it will be applied. Set out below is a global market overview compiled from various industry sources:

Application	Estimated 2019 Million Tonnes	%	Range USD/Tonne of Hydrous Kaolin cif Asia	Range USD/Tonne of Calcined Clay, cif Asia
Paper	9.9	37	230-260	400-450
Ceramics	8.9	34	180-900	250-260

Application	Estimated 2019 Million Tonnes	%	Range USD/Tonne of Hydrous Kaolin cif Asia	Range USD/Tonne of Calcined Clay, cif Asia
Paint & Coatings	2.1	8	230-300	500-700
Refractories	1.3	5		
Fibreglass	1.4	5	200-220	
Rubber	0.9	3	180-200	300-400
Plastics	1.0	4	200-220	450-650
Cement	0.8	3		300-650
Others	0.2	1		

A booming construction industry in the Asia-Pacific region is leading an increase in the demand for ceramic products, which in turn is expected to boost the growth of the halloysite kaolin market. Due to the decline in Chinese supply, the global halloysite kaolin market is characterised by a limited number of players. China has traditionally supplied the market in this sector; however, mines have been closing due to government crackdowns on environmentally damaging mines.

5.7.3 Mt Marshall Kaolin Project

The Mt Marshall Kaolin Project is located 215 km Northeast of Perth in Western Australia. It is substantially situated on cleared farming land (with access agreements in place) so there are fewer environmental considerations than what might otherwise normally exist. The Mt Marshall Kaolin Project is prospective for kaolin, which the Company will test to determine whether it is suitable for the ceramics industry, fibreglass industry and paper industry as a raw feed stock.

The Mt Marshall Kaolin Project comprises an exploration licence, approximately 210km North-East of Perth. Access is via Koorda – Bencubbin Road. Transport logistics are in place with significant available rail capacity to Fremantle Port.

Figure 4: Location of Mt Marshall Kaolin Project (Blue Line is Rail Line to Fremantle Port)

In connection with its due diligence on the Acquisitions, the Company undertook an aircore drilling program under which it drilled 27 holes for 644m. Bright white

kaolin averaged 13m in thickness over the 27 holes and reached a thickness of 28m in one hole.

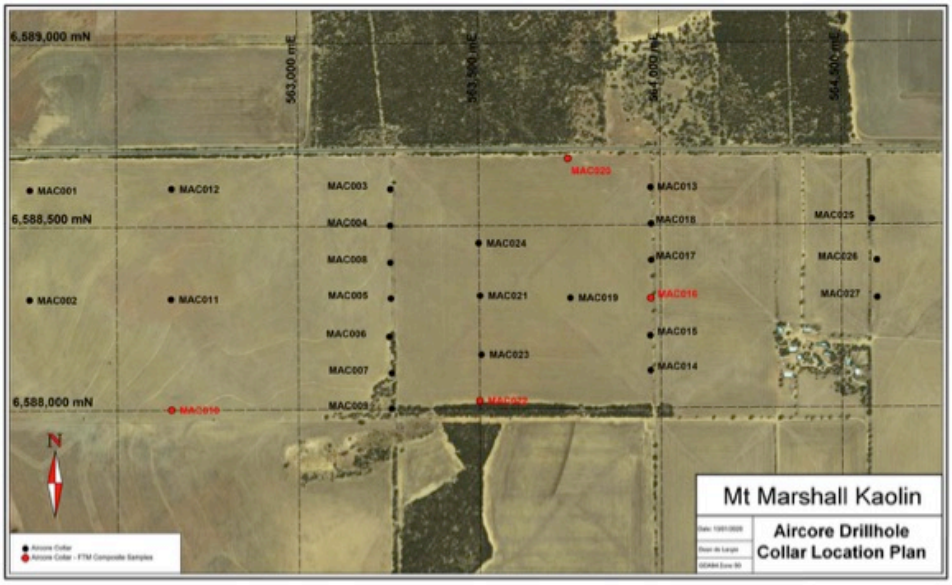


Figure 5: Mt Marshall Kaolin Project Aircore Collar Locations

Refer to Section 3.5 of the Independent Geologist's Report set out in Annexure A for further details with respect to this drill program.

A suite of samples from this program have been sent to First Test Minerals in the United Kingdom for independent analysis. Samples were also taken to Malaysia and Vietnam to establish relationships with potential end users, analysis of which has resulted in an Inferred Mineral Resource of white kaolin having been estimated in respect of the Mt Marshall Kaolin Project, details of which are set out below:

	White Kaolinised granite (Mt)	ISO Brightness (%)	Yield (%)	Kaolin <45 micron (Mt)
Total	35.1	80.3	38.2	13.4

The modelling of the Inferred Mineral Resource has been undertaken on the basis of lithology of the deposit rather than the brightness value. A brightness cut-off has not been applied to the Inferred Mineral Resource estimate, as the average brightness values of the product tested are generally high (averaging 80.3%). It is the opinion of the author of the Independent Geologist's Report that, based on the average brightness value of the deposit, reporting the Inferred Mineral Resource without a brightness cut-off is appropriate. Refer to the Independent Geologist's Report in Annexure A for further detail with respect to the Inferred Mineral Resource.

5.7.4 Proposed Exploration Programme at the Mt Marshall Kaolin Project

The proposed exploration and development at the Mt Marshall Kaolin Project follows on from due diligence drilling undertaken by the Company. The Company plans to achieve three objectives:

(a) to extend the knowledge base on the property from a 2km strike length to approximately 6km – 39 air core drill holes for 1560m are therefore planned to cover that part of the tenure south of Koorda Road;

(b) to expand the area drilled during due diligence – it is anticipated that approximately 97 aircore or RC drill holes, 40m deep on average, will be drilled during the first year following completion of the Acquisitions and Capital Raising, which will encompass 3,880m of drilling and bring the total to 5440m; and

(c) to undertake several rounds of testing of the kaolin in order to determine efficient processing routes and sales channels.

Having the product suit the end user is necessary for kaolin projects and the Company has engaged experts in the field of kaolin marketing to assist in this process with respect to product extracted from the Mt Marshall Kaolin Project.

The work program is budgeted at $1,768,000 if the Minimum Subscription is raised and $1,964,875 if the Maximum Subscription is raised. Set out below is a table detailing the proposed exploration expenditure at the Mt Marshall Kaolin Project over the two years following completion of the Acquisitions:

	Minimum Subscription $4,000,000			**Maximum Subscription $5,000,000**		
ITEM	**YR 1**	**YR 2**	**TOTAL**	**YR 1**	**YR 2**	**TOTAL**
Tenure Costs	$50,000	-	$50,000	$50,000	-	$50,000
Landowner Payments	$40,000	-	$40,000	$40,000	-	$40,000
Aboriginal Heritage	$5,000	-	$5,000	$5,000	-	$5,000
Drilling Aircore 5440m	$160,000	-	$160,000	$160,000	-	$160,000
Assays	$243,000	-	$243,000	$243,000	-	$243,000
Clay Testwork	$400,000	-	$400,000	$400,000	-	$400,000
Bulk Sampling	$50,000	-	$50,000	$50,000	-	$50,000
Bulk Sample Testing	$100,000	-	$100,000	$100,000	-	$100,000
Resource Geology Modelling	$50,000	-	$50,000	$50,000	-	$50,000
Scoping	$60,000	-	$60,000	$60,000	-	$60,000
Marketing and Offtake Agreements	$60,000	-	$60,000	$60,000	-	$60,000
PFS	$80,000	-	$80,000	$80,000	-	$80,000
SUBTOTAL EXPLORATION	**$1,298,000**	**-**	**$1,298,000**	**$1,298,000**		**$1,298,000**
Site Civil works	-	$232,693	$232,693	-	$232,693	$232,693
Pre-production strip	-	$106,295	$106,295	-	$106,295	$106,295
Building	-	$131,012	$131,012	-	$327,887	$327,887
SUBTOTAL DEVELOPMENT	**-**	**$470,000**	**$470,000**	**-**	**$666,875**	**$666,875**
TOTAL	**$1,298, 000**	**$470,000**	**$1,768,000**	**$1,298,000**	**$666,875**	**$1,964,875**

5.8 Cadoux South Kaolin Project

Watershed has applied for E70/5334, which makes up the Cadoux South Kaolin Project, which is 180 km North-East of Perth and 50km West of the Mt Marshall Kaolin Project.

The Cadoux South Kaolin Project is immediately South of the Cadoux High Purity Alumina project belonging to FYI Resources Limited (**FYI**). The product they are producing through their pilot plant is very high grade, reporting 99.99% Al2O3. The grade reported by FYI should not be taken as indicative of the potential grade of deposits that may be identified at the Cadoux South Kaolin Project (refer to announcement released by FYI dated 11 December 2019).

The Cadoux South Kaolin Project is an early stage project with potential to become an important asset given its proximity to the high-grade FYI project. If the tenement underlying the Cadoux South Kaolin Project is granted, the exploration is anticipated to be conducted at the same time as work undertaken at the Mt Marshall Kaolin Project due to the proximity of the Projects and the common geological setting.

5.9 Business Model

Following completion of the Public Offer and the Acquisitions, the Company's proposed business model will be to further explore and develop the identified mineral deposits at the Projects in accordance with the exploration programmes set out in Sections 5.6.2 and 5.7.4, with a view to implementing low capital expenditure production projects for silica sand and kaolin.

The Company's main objectives on completion of the Public Offer are:

(a) systemically explore the Projects for silica and kaolin through geological mapping, surface sampling and drilling;

(b) assess the viability for, and if viable implement, a low capital expenditure silica sand production project on the Eneabba Sands Project and kaolin production project at the Mt Marshall Kaolin Project; and

(c) continue to pursue other acquisitions that have a strategic fit for the Company, particularly in respect of industrial minerals such as silica and kaolin with a focus on other mineral exploration or resource opportunities that have the potential to deliver growth for Shareholders, particularly in respect of industrial minerals.

5.10 Key Dependencies of the Business Model

The key dependencies influencing the Company's viability are:

(a) completion of the Acquisitions;

(b) the Company's capacity to re-comply with Chapters 1 and 2 of the ASX Listing Rules to enable re-admission to quotation of the Company's Securities;

(c) the Company's ability to negotiate tenure access and seek grant of Eneabba Applications, Mt Marshall Applications, Cadoux South Application and any tenement applications that may be made in the future;

(d) the Projects producing product that is of the quality and specifications required by potential buyers;

(e) the Company's ability to meet resource, reserve and exploration targets;

(f) raising sufficient funds to satisfy expenditure requirements, exploration and operating costs in respect of the Projects; and

(g) minimising the environmental impact of its activities and ensuring compliance with occupational health and safety requirements.

5.11 Growth Strategy

The Company intends to increase Shareholder value as per the vision outlined above, by adopting the following strategies:

(a) to advance the exploration and evaluation of deposits located within the Projects (where possible) to demonstrate the ability for the Projects to be developed into operating mines;

(b) to evaluate and pursue other prospective opportunities in the resources sector in line with its strategy to develop high quality assets, particularly in respect of industrial minerals such as silica and kaolin; and

(c) use funds raised from the Offer to continue exploration activities on the Projects aimed at the discovery and expansion of JORC Resources and implement low cost mining activities.

5.12 Use of Funds

The Company intends to apply funds raised from the Public Offer, together with existing cash reserves, over the first two years following admission of the Company to the Official List of ASX as follows:

Funds available	**Minimum Subscription $4,000,000**	**Minimum Subscription %**	**Maximum Subscription $5,000,000**	**Maximum Subscription %**
Existing cash reserves[1]	$922,022	19%	$922,022	16%
Funds raised from the Public Offer	$4,000,000	81%	$5,000,000	84%
Total	**$4,922,022**	**100%**	**$5,922,022**	**100%**
Allocation of funds	**Minimum Subscription $4,000,000**		**Maximum Subscription $5,000,000**	
Exploration at Eneabba Sands Project[2]	$1,172,000	24%	$1,172,000	20%
Exploration at Mt Marshall Kaolin Project[3]	$1,298,000	26%	$1,298,000	22%
Development of Eneabba Sands Project[4]	$300,000	6%	$963,125	16%
Development of Mt Marshall Kaolin Project[4]	$470,000	10%	$666,875	11%
Expenses of the Public Offer[5]	$497,368	10%	$560,611	9%
Administration Costs[6]	$600,000	12%	$600,000	10%
Working capital[7]	$584,654	12%	$661,411	11%
Total	**$4,922,022**	**100%**	**$5,922,022**	**100%**

Notes:

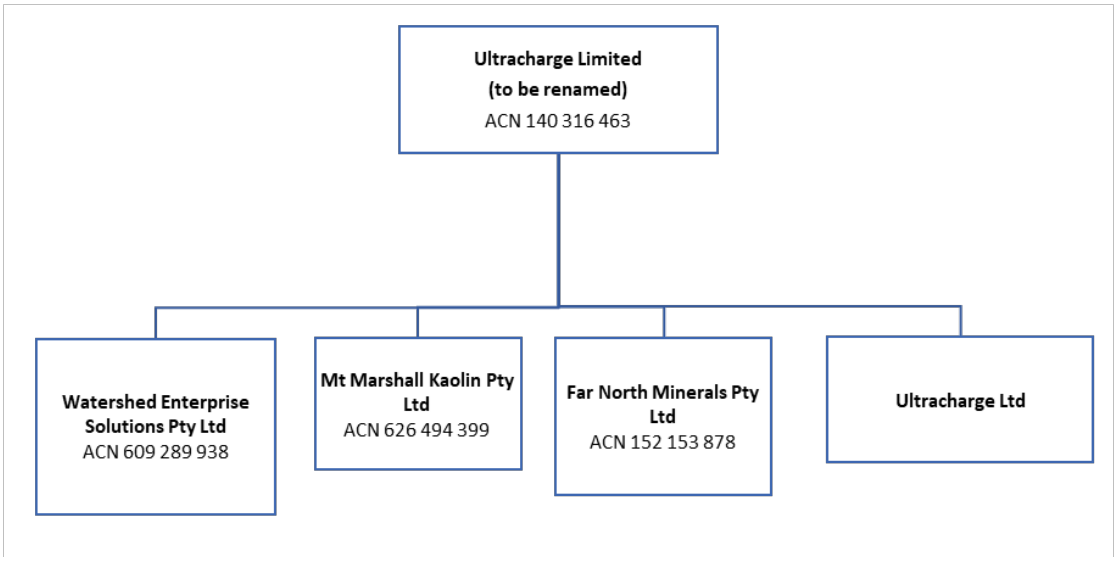
1. Refer to Section 6.4 and the Independent Limited Assurance Report set out in Annexure C. These funds represent cash held by the Company, Watershed and Mt Marshall as at 31 December 2019, less operating and tenement related expenses of approximately $700,000 incurred between 1 January 2020 and the date of this Prospectus. The Company, Watershed and Mt Marshall will incur further costs within the ordinary course of their respective businesses and in association with the Acquisitions, which will diminish this amount prior to listing.
2. Refer to Section 5.4 for a summary of the proposed exploration programme at the Eneabba Sands Project. Exploration expenses include tenure expenses, drilling, assays, testwork, resource estimations and costs of feasibility studies in respect of the Eneabba Tenement. If any of the Eneabba Applications are granted, additional funds will be applied to exploration of those tenements out of the Company's working capital.
3. Refer to Section 5.7.4 for a summary of the proposed exploration programme at the Mt Marshall Kaolin Project. Exploration expenses include tenure expenses, drilling, assays, testwork, resource estimations and expansions and costs of feasibility studies in respect of the Mt Marshall Tenement. All amounts allocated to exploration activities relate to proposed exploration on granted tenements held by Watershed and Mt Marshall.
4. Development expenses include capital expenditure associated with preparation for mining and processing minerals extracted from the Projects. All amounts allocated to development activities relate to proposed development on granted tenements held by Watershed and Mt Marshall and are subject to positive results received following the Company's exploration activities. These amounts will not be sufficient to cover all costs required to fully develop the Projects. Funds allocated toward development of the Projects relate to initial development activities and additional funds will be required in order to progress the Projects to development.
5. Expenses of the Public Offer include legal fees, ASX fees, advisor fees, Investigating Accountant fees, Geological Advisory Fees, Share Registry Fees and brokerage costs. Refer to Section 10.11 for further detail.
6. Administration costs include, without limitation, general corporate costs such as the provision of contract services to the Company, ASX listing fees, Board and executive remuneration, office rent and ongoing audit and accounting costs.
7. Working capital provides for additional capital to be used for additional exploration following the planned exploration programs or grant of additional tenements applied for by the Company and investment in new mineral exploration projects not yet identified by the Directors, including due diligence costs incurred in consideration of such projects.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis. As and when further funds are required, either for existing or future developments, the Company will consider both raising additional capital from the issue of Securities and/or from debt funding.

The Current Directors and Proposed Directors consider that, following completion of the Public Offer, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 7.

5.13 Group Structure (Post-Completion)

Upon completion of the Acquisitions, the corporate structure of the Company is anticipated to be as follows:



Both Watershed and Mt Marshall have not traded during the current and prior financial periods and do not have any assets and liabilities, other than their interests in the Eneabba Tenement, Eneabba Applications and Mt Marshall Tenement. Far North Minerals Pty Ltd is currently dormant.

Ultracharge Ltd is a company incorporated in Israel and is the operating company for the Company's existing activities (**Ultracharge Israel**). The Company has commenced the process of winding up Ultracharge Israel, which is anticipated to be completed in the coming months, subject to any claims made during the winding up process.

5.14 Capital Structure

5.14.1 Shares[1]

	Minimum Subscription	Maximum Subscription
Shares on issue in the Company as at the date of the Prospectus[2]	112,338,245	112,338,245
Cancellation of ETV Shares[3]	(3,000,000)	(3,000,000)
Shares to be issued for the Acquisition of Watershed under the Consideration Offer[4]	75,000,000	75,000,000
Shares to be issued for the Acquisition of Mt Marshall under the Consideration Offer[4]	75,000,000	75,000,000
Shares to be issued pursuant to the Public Offer[5]	200,000,000	250,000,000
Proposed Director Shares[6]	7,480,000	7,480,000
Mt Marshall Loan Shares[7]	8,750,000	8,750,000
Total Shares on completion of the Acquisitions	**475,568,245**	**525,568,245**

Notes:

1. Refer to Section 10.2 for a summary of the terms of the Shares.
2. Assuming no other Shares are issued prior to Settlement of the Acquisitions.
3. Refer to Section 5.1 for further details with respect to the cancellation of ETV Shares.

4. Refer to Section 9.2 for summaries of the material terms and conditions of the Acquisition Agreements. 5% of the Shares to be issued as consideration for the Acquisitions will be issued to Sandton Capital and 7% of the Shares to be issued as consideration for the Acquisitions will be issued to Astrid Hill (or their respective nominees) as a facilitation fee in respect of the Acquisitions.

5. The Company will seek to raise $4,000,000 through the issue of 200,000,000 Shares at $0.02 per Share, with oversubscriptions of up to an additional 50,000,000 Shares to raise up to a further $1,000,000.

6. In consideration for their services in developing the assets of Watershed and Mt Marshall, each of Messrs Aaron Banks and Robert Martin will accrue (but not be paid) the salaries payable to them by Watershed and Mt Marshall from 1 April 2020 until Settlement (being $20,000 per month to Mr Banks and $14,000 per month to Mr Martin, with each entitled to 10% superannuation on amounts payable in addition to their remuneration), which will be converted into Shares at Settlement of the Acquisitions at a deemed issue price of $0.02 per Share. The number of Shares will be determined by reference to the accrued salaries as at the date of Settlement. If Settlement occurs on 31 July 2020, 7,480,000 Shares will be issued to Messrs Banks and Martin. In the event the Acquisition Agreements are terminated prior to Settlement, the Company will be fully and finally released from any claims in respect to such entitlements and the issue of Shares in satisfaction of those entitlements.

7. Conversion of a loan of $175,000 to Mt Marshall at an issue price of $0.02 per Share. Refer to Section 9.1.2 for further details.

5.14.2 Options

Options	Number
Options on issue as at the date of this Prospectus[1]	15,166,670
Lead Manager Options to be issued to Sandton Capital or nominees[2, 3]	45,616,903
Director Options to be issued to Robert Martin and Leonard Troncone or nominees[2]	11,250,000
Advisor Options to be issued to Sandton Capital or nominees[2, 3]	45,000,000
Total Options on completion of the Acquisitions	**117,033,573**

Notes:

1. The following Options are currently on issue:
   (a) 10,000,000 Options exercisable at $0.50 each on or before 30 June 2020; and
   (b) 5,166,670 Options exercisable at $0.08 each on or before 3 September 2022.
2. Refer to Section 10.4 for the terms and conditions of the Lead Manager Options, Director Options and Advisor Options.
3. It is currently anticipated that Astrid Hill and its principles may be responsible for raising half of the funds to be raised under the Public Offer. If this occurs, Astrid Hill will receive a proportionate number of the Lead Manager Options and Advisor Options to be issued under the Lead Manager Mandate, as well as a commensurate proportion of the capital raising fees payable to Sandton Capital.

Performance Rights	Number
Performance Rights on issue as at the date of this Prospectus	Nil
Performance Rights to be issued to Messrs Aaron Banks, Robert Martin and Leonard Trancone[1]	40,000,000
Total Performance Rights on completion of the Acquisitions	**40,000,000**

Note:

1. Refer to Section 10.3 for the terms and conditions attaching to the Performance Rights.

5.15 Substantial Shareholders

Those Shareholders holding a voting power of 5% or more of the Shares on issue as at the date of this Prospectus and on completion of the Offers (assuming both Minimum Subscription and Maximum Subscription) are set out in the respective tables below.

As at the date of this Prospectus

Shareholder	Shares	% (undiluted)	% (fully diluted)
Ori Ackerman	6,666,666	5.93%	5.23%

Post-completion of the Offers – Minimum Subscription

Shareholder	Shares	% (undiluted)	% (fully diluted)
Aaron Peter Banks ATF the Banks Family Trust	72,600,000	15.27%	14.64%
Robert Martin	15,580,000	3.28%	5.94%
Astrid Hill	10,500,000	2.21%	1.66%
Sandton Capital	7,500,000	1.58%	15.64%

Post-completion of the Offers – Maximum Subscription.

Shareholder	Shares	% (undiluted)	% (fully diluted)
Aaron Peter Banks ATF the Banks Family Trust	72,600,000	13.81%	13.57%
Robert Martin	15,580,000	2.96%	5.51%
Astrid Hill	10,500,000	2.00%	1.54%
Sandton Capital	7,500,000	1.43%	14.49%

It is currently anticipated that Astrid Hill and its principles may be responsible for raising half of the funds to be raised under the Public Offer. If this occurs, Astrid Hill will receive a proportionate number of Lead Manager Options and Advisor Options the subject of the Lead Manager Mandate. If this occurs:

(a) Sandton Capital's voting power on a fully-diluted basis will reduce to 8.47% if the Minimum Subscription is raised under the Public Offer and 7.85% if the Maximum Subscription is raised under the Public Offer; and

(b) Astrid Hill's voting power on a fully-diluted basis will increase to 8.82% if the Minimum Subscription is raised under the Public Offer and 8.18% if the Maximum Subscription is raised under the Public Offer.

The Company will announce to the ASX details of its top 20 Shareholders following the completion of the Public Offer and prior to the date of re-admission of the Company to the Official List.

5.16 Dividend Policy

For the Company to progress its business model as detailed in Section 5.9, significant funding is likely to be required and therefore the Company currently has no plans to declare any dividends.

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

6. FINANCIAL INFORMATION

6.1 Overview of the Financial Information

The financial information for the Company, Watershed and Mt Marshall contained in this Section 6 includes:

(a) statutory historical financial information of the Company:

(i) statutory historical statements of financial position for the Company as at 30 June 2018, 30 June 2019 and 31 December 2019;

(ii) statutory historical statements of profit or loss and other comprehensive income for the Company for the financial years ended 30 June 2018, 30 June 2019 and the six-month period ended 31 December 2019; and

(iii) statutory historical statements of cash flows for the Company for the financial years ended 30 June 2018, 30 June 2019 and the six-month period ended 31 December 2019;

(together, the **Statutory Historical Financial Information**);

(b) reviewed statements of financial position of Watershed and Mt Marshall as at 31 December 2019 (together, the **Reviewed Historical Financial Information**); and

(c) pro-forma combined historical statement of financial information position of the Company, Watershed and Mt Marshall (together, the **Transaction Entities**) as at 31 December 2019 (**Pro-forma Historical Financial Information**). The financial statements of Watershed and Mt Marshall have been reviewed by BDO Audit (WA) Pty Ltd who issued an unmodified opinion.

The Pro-forma Historical Financial Information, Statutory Historical Financial Information and Reviewed Historical Financial Information are together referred to in this Prospectus as the **Financial Information**.

The Financial Information has been reviewed and reported upon by the Investigating Accountant, BDO Corporate Finance (WA) Pty Ltd, whose Independent Limited Assurance Report is set out in Annexure C of this Prospectus. Investors should note the scope and limitations of that report.

All amounts disclosed in this Section 6 are presented in Australian dollars ($), unless otherwise noted, and are rounded to the nearest dollar. US$ have been converted to Australian dollars at an exchange rate of 0.6418.

Also summarised in this Section 6 are:

(a) the basis of preparation of the Financial Information (refer to Section 6.2);

(b) a summary of the Company's dividend policy (refer to Section 6.5); and

(c) a summary of significant accounting policies (refer to Section 6.2).

6.2 Basis of preparation of the Financial Information

6.2.1 Preparation of the Pro-forma Historical Information:

The Pro-Forma Historical Financial Information has been prepared solely for inclusion in this Prospectus. The Pro-Forma Historical Financial Information has been prepared based upon the audited financial position as at 31 December 2019 of the Company and the reviewed financial positions of Watershed and Mt Marshall as at 31 December 2019.

This information is then combined with the pro-forma adjustments to form the financial position as at 31 December 2019 of the Transaction Entities.

Asset Acquisitions

The Company has entered into binding Acquisition Agreements to acquire 100% of the issued capital in both Watershed and Mt Marshall (refer to Section 9.2), subject to certain conditions including the completion of the Public Offer. The transaction will result in existing shareholders of both Watershed and Mt Marshall becoming Shareholders of the Company, which is ultimately the parent entity of the group. The characteristics of this transaction (no shareholder gaining more than a 20% interest, no party controlling the board among others), are not considered to meet the requirements of a business combination under *IFRS 3 – Business Combinations* and thus, has been provisionally accounted for as two asset acquisition transactions and has been included in the Pro-Forma Historical Financial Information as a subsequent event.

Pro-forma Adjustments

The following pro-forma and subsequent adjustments have been included to the Pro-forma Historical Information:

(a) the issue of a minimum of 200 million Shares at an offer price of $0.02 each to raise $4 million before costs and a maximum of 250 million Shares at an offer price of $0.02 each to raise $5 million before costs pursuant to the Prospectus;

(b) cash costs of the Offer are estimated to be $497,368 under the minimum subscription and $560,611 under the maximum subscription. Of these costs, $317,047 and $387,147 under the minimum and maximum subscription respectively are directly attributable to the capital raising and have therefore been offset against contributed equity. The remaining cash costs of the Offer which are not directly attributable to the capital raising have been expensed through accumulated losses. These costs amount to $180,206 under the minimum and $173,464 under the maximum subscriptions;

(c) a 1 for 10 Consolidation of share capital;

(d) cancellation of 3,000,000 Shares held by ETV;

(e) the issue of 8,750,000 Shares upon conversion of the Mt Marshall Loan;

(f) the issue of 7,480,000 Proposed Director Shares, which assumes that Settlement occurs on 31 July 2020;

(g) the issue of 46,616,903 Lead Manager Options;

(h) the issue of 45,000,000 Advisor Options;

(i) the issue of 11,250,000 Director Options; and

(j) the issue of 40,000,000 Performance Rights.

(together, the **Pro-forma Adjustments**).

6.2.2 Preparation of the Statutory Historical Financial Information

The Statutory Historical Financial Information has been prepared in accordance with the International Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**), as appropriate for for-profit oriented entities.

The Statutory Historical Financial Information has been prepared on an accruals basis and is based on historical cost.

The Statutory Historical Financial Information is presented in an abbreviated form and does not include all of the disclosures, statements or comparative information required by the International Financial Reporting Standards (**IFRS**).

The Statutory Historical Financial Information was audited by the Company's auditors, BDO Audit (WA) Pty Ltd. The auditors have issued unqualified opinions on all reports.

(a) **Adoption of new and revised Accounting Standards**

A number of new or amended standards became applicable for the 31 December 2019 reporting period and the Group had to change its accounting policies as a result of the adoption of the following standards:

(i) **AASB 16 Leases**

The impact of the adoption of these standards and the new accounting policies are disclosed below. The impact of these standards, and the other new and amended standards adopted by the Group, has not had a material impact on the amounts presented in the Group's financial statements.

Changes in accounting policies

This note explains the impact of the adoption of AASB 16 Leases on the group's financial statements and also discloses the new accounting policies that have been applied from 1 July 2019, where they are different to those applied in prior periods.

Under AASB 16 all lease obligations are recognized on the Balance Sheet regardless of whether the lease is an operating lease or finance lease, as defined in the previous standard AASB 117. A right-of-use asset is also recognized on the Balance Sheet. As at the balance date the Group did not have any lease arrangements, and therefore adoption of the standard has had no impact on the Group's accounting policies or disclosures.

(b) **Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (**Group**). Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) exposure, or rights, to variable returns from its involvement with the investee; and

(iii) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) the contractual arrangement with the other vote holders of the investee;

(ii) rights arising from other contractual arrangements; and

(iii) the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (**OCI**) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

(i) de-recognises the assets (including goodwill) and liabilities of the subsidiary;

(ii) de-recognises the carrying amount of any non-controlling interests;

(iii) de-recognises the cumulative translation differences recorded in equity;

(iv) recognises the fair value of the consideration received;

(v) recognises the fair value of any investments retained; and

(vi) recognises any surplus or deficit in profit and loss;

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

(c) **Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Interest income is brought to account on an accruals basis using the effective interest rate method and, if not received at the end of the reporting period, is reflected in the statement of financial position as a receivable

(d) **Foreign Currency Translation**

Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional and presentation currency of Ultracharge Limited is United States dollars.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

Group entities

The results and financial position of all the Company entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

(ii) income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are taken to foreign currency translation reserve.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the statement of profit or loss and other comprehensive income, as part of the gain or loss on sale where applicable.

(e) **Income tax**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, deferred tax assets and liabilities are not recognized where the timing of the reversal of temporary differences can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and

liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(f) **Other taxes**

Revenues, expenses and assets are recognised net of the amount of GST except:

(i) when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(g) **Cash and cash equivalents**

Cash and cash equivalents include deposits held at call with banks with original maturities of three months or less.

(h) **Financial Instruments**

Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and subsequent measurement

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

(i) **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

(ii) **Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit and loss through the amortisation process and when the financial liability is derecognised.

Derivative instruments

The Group does not trade or hold derivatives.

Financial guarantees

The Group has no material financial guarantees.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flow expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(i) **Impairment of non-financial assets**

At each reporting date, the Group reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable

amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(j) **Intangible Assets**

Separately acquired intangible assets are measured on initial recognition at cost including directly attributable costs. Intangible assets acquired in a business combination are measured on initial recognition at fair value at the acquisition date.

Intangible assets with a finite useful life are amortized over their useful life and reviewed for impairment whenever there is an indication that the asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at each year end.

Intangible assets with indefinite useful lives are not systematically amortized and are tested for impairment annually or whenever there is an indication that the intangible asset may be impaired. The useful life of these assets is reviewed annually to determine whether their indefinite life assessment continues to be supportable. If the events and circumstances do not continue to support the assessment, the change in the useful life assessment from indefinite to finite is accounted for prospectively as a change in accounting estimate and on that date the asset is tested for impairment. As of 30 June 2019, the Group has recorded intangible asset amounted to $Nil.

(k) **Property, plant and equipment**

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment is measured on the cost basis.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a reducing balance basis over their useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets for 2019 and 2018 are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	5-10%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the consolidated statement of comprehensive income.

(l) **Contributed equity**

Ordinary shares are classified as equity. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

(m) **Share based payments**

Share-based payments

Employees (including senior executives) of the Group received remuneration in the form of share-based payments, whereby employees receive equity instruments as consideration for services rendered (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

The statement of profit or loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

(n) **Critical accounting estimates and judgments**

The Directors make estimates and judgments in preparing the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on the fair value less cost of disposal. The company reviews intangible assets for impairment once a year or more frequently if events or changes in circumstances indicate that there is impairment. An impairment loss is recognised if the recoverable amount of the cash-generating unit to which goodwill has been allocated is lower than the carrying value of the cash generating unit.

The Directors make estimates and judgments in preparing the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Share based payments

Share-based payments are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant

effect on the amounts recognised in the consolidated financial statements:

Capitalisation of Development Cost

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technical feasibility and its costs can be measured reliably. The carrying value of an intangible asset arising from development expenditure is tested for impairment annually when the asset is not yet available for use, or more frequently when an indication of impairment arises during the reporting period.

Intangible assets with indefinite useful life

The Group has recognised intangible assets in its financial statements including development assets and patents. The directors have made a judgement that the development assets have an indefinite useful life and accordingly these assets are carried at cost and are not amortised. The directors consider the assets to have an indefinite useful life as it is currently not in the location and condition necessary for it to be capable of operating in the manner intended by management . They are tested for impairment on an annual basis or whenever there are indicators of impairment. The useful life of an intangible asset that is not being amortised shall be reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. Accordingly, this judgement may change in the future if facts or circumstances exist to indicate that the useful life is no longer indefinite.

(o) **Going concern basis of accounting**

For the half-year ended 31 December 2019 the Company recorded a loss of US$784,958 (2018: US$3,903,530) and had net cash outflows of US$614,713 (2018: US$1,066,864).

The ability of the Company to continue as a going concern is dependent on securing additional funding through raising of debt or equity to continue to fund its development activities.

These conditions indicate a material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors have reviewed the Company's financial position and are of the opinion that there are sufficient funds to meet the Company's working capital requirements as at 31 December 2019.

The half-year financial statements have been prepared on the basis that the Company is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

(i) the Company currently has sufficient cash resources to fund its requirements; and

(ii) the Company has entered into the Acquisition Agreements and is intending to raise at least $4,000,000 in equity to fund the Projects. The Current Directors and Proposed Directors expect that the capital raised will be sufficient to progress the Projects.

Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the half-year financial statements and that the half-year financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Company not continue as a going concern.

6.2.3 Preparation of the Reviewed Financial Information

Basis of preparation

These interim financial statements are special purpose financial statements prepared in accordance with requirements of Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Compliance with AASB134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The interim financial statements have been presented in Australian dollars (AUD), which is the Company's functional and presentation currency.

Significant accounting policies

Other income

Other income is recognised when it is received or when the right to receive payment is established.

Exploration and evaluation expenditure

The Company applies the most appropriate accounting policy for exploration and evaluation expenditure incurred for each area of interest. From 1 July 2019, the Company has adopted its accounting policy for exploration and evaluation expenditure incurred in the Eneabba Sands Project and Mt Marshall Kaolin Project, Western Australia, areas of interest to capitalise as follows:

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has legal rights to explore in the specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource.

Accounting for exploration and evaluation expenditures is assessed separately for each 'area of interest'. An 'area of interest' is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such deposit.

Expenditure incurred on activities that precede exploration and evaluation of mineral resources, including all expenditure prior to securing the legal rights to explore an area, is expensed as incurred. For each area of interest the expenditure is recognised as an exploration and evaluation asset where the following conditions are satisfied:

(a) the rights to tenure of the area of interest are current; and

(b) at least one of the following conditions is also met:

(i) The expenditure is expected to be recouped through the successful development and commercial exploitation of an area of interest, or alternatively by its sale; and

(ii) Exploration and evaluation activities in the area of interest have not, at reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of 'economically recoverable reserves' and active and significant operations in, or in relation to, the area of interest are continuing. Economically recoverable reserves are the estimated quantity of product in an area of interest that can be expected to be profitably extracted, processed and sold under current and foreseeable conditions.

Impairment testing of exploration and evaluation expenditure

Exploration and evaluation expenditure is assessed for impairment if insufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Exploration and evaluation expenditure is tested for impairment when any of the following facts and circumstances exist:

(a) the term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;

(b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area are not budgeted nor planned;

(c) exploration for and evaluation of mineral resources in the specific area of interest have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specified area; or

(d) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full form of successful development or sale.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition

Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent historical collection rates.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Exploration and evaluation expenditure

Exploration and evaluation expenditure is capitalised on the basis that the Company will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

6.2.4 Other considerations

All figures are reported in Australian dollars ($) unless otherwise stated. Investors should note that past results are not a guarantee of future performance. Investors should note the limitations of the Independent Limited Assurance Report in Annexure A of this Prospectus.

The information in this Section 6 should be read in conjunction with the risk factors set out in Section 7 and other information contained in this Prospectus.

6.3 Statutory Historical Financial Information

6.3.1 Statutory Historical Statements of Financial Position and Reviewed Historical Statements of Financial Position

Ultracharge

	Reviewed As at 31-Dec-19 US$	Audited As at 30-Jun-19 US$	Audited As at 30-Jun-18 US$
ASSETS			
Current Assets			
Cash and cash equivalents	797,014	1,411,618	2,159,687
Trade and other receivables	71,255	88,803	239,282
Financial assets held at fair value	12,095	14,925	-
Total Current Assets	**880,364**	**1,515,347**	**2,398,969**
Non-Current Assets			
Property plant and equipment			212,490
Intangible assets			4,628,387
Total Non-Current Assets	**880,364**	**1,515,347**	**4,840,877**
TOTAL ASSETS	**880,364**	**1,515,347**	**7,239,846**
LIABILITIES			
Current Liabilities			
Trade and other payables	118,322	104,518	204,379
Other creditors	-	70,153	90,743
TOTAL CURRENT LIABILITIES	**118,322**	**174,311**	**295,122**
TOTAL LIABILITIES	**118,322**	**174,311**	**295,122**
NET ASSETS	**762,042**	**1,341,036**	**6,944,724**
EQUITY			
Contributed equity	12,904,230	12,803,460	12,548,100
Other reserves	2,638,090	2,532,896	2,565,690
Accumulated losses	(14,780,278)	(13,995,320)	(8,169,066)
TOTAL EQUITY	**762,042**	**1,341,036**	**6,944,724**

Mt Marshall

	Reviewed 31.12.19 $
Assets	
Current assets	
Cash and cash equivalents	91,987
Other receivables	23,932
Total current assets	**115,919**
Non-current assets	
Exploration and evaluation expenditure	48,000
Total non-current asset	**48,000**
Total assets	**163,919**
Liabilities	
Current liabilities	
Trade and other payables	18,324
Total current liabilities	**18,324**
Total liabilities	**18,324**
Net assets	**145,595**
Equity	
Issued capital	300
Accumulated profits	145,295
Total equity	**145,595**

Watershed

	Reviewed 31.12.19 $
Assets	
Current assets	
Cash and cash equivalents	113,193
Total current assets	**113,193**
Non-current assets	
Exploration and evaluation expenditure	7,694
Plant and equipment	7,919
Total non-current asset	**15,613**
Total assets	**128,806**
Liabilities	
Current liabilities	
Trade and other payables	6,580
Other payables	23,932
Total current liabilities	**30,512**
Total liabilities	**30,512**
Net assets	**98,294**
Equity	
Issued capital	100
Accumulated profits	98,194
Total equity	**98,294**

6.3.2 Statutory Historical Statements of Profit or Loss and Other Comprehensive Income – The Company

	Reviewed Half-year ended 31-Dec-19 US$	Audited year ended 30-Jun-19 US$	Audited year ended 30-Jun-18 US$	Half-year ended 31-Dec-18 US$
Other income	20	881	5,027	461
Revenue	-	83,113	905	-
Gain on sale of intangible assets	-	580,580	-	-
General and administrative expenses	(125,746)	(631,651)	(866,641)	(172,551)
Corporate expenses	(205,403)	(378,424)	(414,392)	(227,227)
Sales and marketing expenses	-	(65,744)	(210,731)	(14,328)
Research and development expenses	-	(792,437)	(1,104,304)	-
Other expenses	(31,199)	(21,060)	(21,621)	(11,562)
Loss on sale of plant and equipment	-	(30,717)	-	-
Fair value loss on financial asset held at fair value	(2,583)	-	-	-
Share based payments	-	(35,858)	(604,713)	(34,598)
Impairment loss	-	(4,534,937)	-	-
Option fee expense	(208,079)	-	-	-
Loss before income tax from continuing operations	**(572,990)**	**(5,826,254)**	**(3,217,470)**	**(459,805)**
Income tax expense	-	-	-	-
Loss after tax from continuing operations	**(572,990)**	**(5,826,254)**	**(3,217,470)**	**(459,805)**
Loss from discontinued operations	(211,968)	-	-	(3,443,725)
Net loss	**(784,958)**	**(5,826,254)**	**(3,217,470)**	**(3,903,530)**
Other comprehensive income/(expense) for the period	-	-	-	-
Items that may be reclassified through profit or loss				
Exchange differences on translating discontinued foreign operations	105,194	(95,169)	(222,931)	(256,929)
Total comprehensive loss for the period	(679,764)	(5,921,423)	(3,440,401)	(4,160,459)
Total comprehensive loss attributable to members of Ultracharge Limited	**(679,764)**	**(5,921,423)**	**(3,440,401)**	**(4,160,459)**

6.3.3 Statutory Historical Statements of Cash Flows – The Company

	Reviewed Half-Year ended 31-Dec-19 US$	Audited Year ended 30-Jun-19 US$	Audited Year ended 30-Jun-19 US$	Reviewed Half-Year ended 31-Dec-18 US$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	-	83,113	905	40,875
Payments to suppliers and employees	(412,372)	(1,047,961)	(1,551,439)	(573,145)
Payments for research	(47,510)	(798,333)	(1,082,998)	(509,833)
Return of deposit	19,637	-	-	-
Payment of option fees	(208,079)	-	-	-
Interest received	21	881	5,027	461
Net cash flows used in operating activities	**(648,303)**	**(1,762,300)**	**(2,628,504)**	**(1,041,642)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Technology Acquisition	-	-	-	(319,156)
Proceeds from sale of intangible assets	**-**	665,000	**-**	**-**
Purchase of plant and equipment	-	(26,000)	(126,522)	(25,222)
Proceeds from sale of plant and equipment	-	188,523	-	-
Net cash flows used in investing activities	**-**	**827,523**	**(445,678)**	**(25,222)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issue of shares	33,590	281,876	3,883,693	-
Payment of share issue costs	-	-	(271,909)	-
Net cash flows from financing activities	**33,590**	**281,876**	**3,611,784**	**-**
Net increase in cash and cash equivalents	**(614,713)**	**(652,901)**	**537,602.00**	**(1,066,864)**
Cash and cash equivalents at beginning of financial period	1,411,618	2,159,687	1,845,016	2,159,687
Net foreign exchange differences	109	(95,168)	222,931	(91,286)
Cash and cash equivalents at end of financial period	**797,014**	**1,411,618**	**2,159,687**	**1,001,537**

6.4 Pro-forma Combined Statement of Financial Position

	Note	Reviewed As at 31-Dec-19 $	Subsequent Events $	Pro forma adjustments Minimum $	Pro forma adjustments Maximum $	Pro Forma Minimum $	Pro Forma Maximum $
ASSETS							
Current Assets							
Cash and cash equivalents	1	1,241,842	380,180	3,502,632	4,439,389	5,124,654	6,061,411
Trade and other receivables		111,024	0	0	0	111,024	111,024
Financial assets held at fair value		18,845	0	0	0	18,845	18,845
Other receivables	2	0	23,932	0	0	23,932	23,932
Total Current Assets		**1,371,711**	**404,112**	**3,502,632**	**4,439,389**	**5,278,455**	**6,215,212**
Non-Current Assets							
Plant and equipment	3	0	7,919	0	0	7,919	7,919
Exploration and evaluation expenditure	4	0	2,811,805	0	0	2,811,805	2,811,805
Total non-current assets		**0**	**2,819,724**	**0**	**0**	**2,819,724**	**2,819,724**
TOTAL ASSETS		**1,371,711**	**3,223,836**	**3,502,632**	**4,439,389**	**8,098,179**	**9,034,936**
LIABILITIES							
Current Liabilities							
Trade and other payables	5	184,360	24,904	0	0	209,264	209,264
Other payables	6	0	23,932	0	0	23,932	23,932
TOTAL CURRENT LIABILITIES		**184,360**	**48,836**	**0**	**0**	**233,196**	**233,196**
TOTAL LIABILITIES		**184,360**	**48,836**	**0**	**0**	**233,196**	**233,196**
NET ASSETS		**1,187,351**	**3,175,000**	**3,502,632**	**4,439,389**	**7,864,983**	**8,801,740**
EQUITY							
Contributed equity	7	20,106,310	3,324,600	3,192,816	4,122,716	26,623,726	27,553,627
Reserves	8	4,110,455	0	1,094,522	1,094,522	5,204,977	5,204,977
Accumulated losses	9	(23,029,414)	(149,600)	(784,706)	(777,850)	(23,963,721)	(23,956,864)
TOTAL EQUITY		**1,187,351**	**3,175,000**	**3,502,632**	**4,439,389**	**7,864,983**	**8,801,740**

Notes:

NOTE 1. CASH AND CASH EQUIVALENTS	Reviewed 31-Dec-19 $	Pro-forma after Minimum Subscription $	Pro-forma after Maximum Subscription $
Cash and cash equivalents	**1,241,842**	**5,124,654**	**6,061,411**
Adjustments to arrive at the pro-forma balance:			
Reviewed balance of Ultracharge at 31 December 2019		**1,241,842**	**1,241,842**
Subsequent events:			
Acquisition of Mt Marshall		91,987	91,987
Acquisition of Watershed		113,193	113,193
Mt Marshall Loan		175,000	175,000
		380,180	380,180
Pro-forma adjustments:			
Proceeds from shares issued under this Prospectus		4,000,000	5,000,000
Capital raising costs and listing expenses		(497,368)	(560,611)
		3,502,632	**4,439,389**
Pro-forma Balance		**5,124,654**	**6,061,411**

NOTE 2. OTHER RECEIVABLES	Reviewed 31-Dec-19 $	Pro-forma after Minimum Subscription $	Pro-forma after Maximum Subscription $
Other receivables	**-**	**23,932**	**23,932**
Adjustments to arrive at the pro-forma balance:			
Reviewed balance of Ultracharge at 31 December 2019		**-**	**-**
Subsequent events:			
Acquisition of Mt Marshall		-	-
Acquisition of Watershed		23,932	23,932
		23,932	**23,932**
Pro-forma Balance		**23,932**	**23,932**

NOTE 3. PLANT AND EQUIPMENT	Reviewed 31-Dec-19 $	Pro-forma after Minimum Subscription $	Pro-forma after Maximum Subscription $
Plant and equipment	**-**	**7,919**	**7,919**
Adjustments to arrive at the pro-forma balance:			
Reviewed balance of Ultracharge at 31 December 2019		**-**	**-**
Subsequent events:			
Acquisition of Mt Marshall		-	-
Acquisition of Watershed		7,919	7,919
		7,919	**7,919**
Pro-forma Balance		**7,919**	**7,919**

NOTE 4. EXPLORATION AND EVALUATION EXPENDITURE	Reviewed 31-Dec-19 $	Pro-forma after Minimum Subscription $	Pro-forma after Maximum Subscription $
Exploration and evaluation expenditure	**-**	**2,811,805**	**2,811,805**
Adjustments to arrive at the pro-forma balance:			
Reviewed balance of Ultracharge at 31 December 2019		**-**	**-**
Subsequent events:			
Acquisition of Mt Marshall 31 December reviewed		48,000	48,000
Acquisition of Watershed 31 December reviewed		7,694	7,694
Revaluation of Mt Marshall on acquisition		1,354,405	1,354,405
Revaluation of Watershed on acquisition		1,401,706	1,401,706
		2,811,805	**2,811,805**
Pro-forma Balance		**2,811,805**	**2,811,805**

The revaluation of Mt Marshall and Watershed's exploration assets has been calculated by reference to the shares to be issued under the acquisition agreement being 75 million shares at the capital raising price of $0.02 resulting in consideration of $1.5 million in respect of the acquisition of each asset. The excess of the consideration over the net assets acquired has been allocated to exploration and evaluation expenditure.

NOTE 5. TRADE AND OTHER PAYABLES	Reviewed 31-Dec-19 $	Pro-forma after Minimum Subscription $	Pro-forma after Maximum Subscription $
Trade and other payables	**184,360**	**209,264**	**209,264**
Adjustments to arrive at the pro-forma balance:			
Reviewed balance of Ultracharge at 31 December 2019		**184,360**	**184,360**
Subsequent events:			
Acquisition of Mt Marshall 31 December reviewed		18,324	18,324
Acquisition of Watershed 21 December reviewed		6,580	6,580
Proposed Directors fees		149,600	149,600
Conversion of Proposed Directors fees		(149,600)	(149,600)
Mt Marshall Loan		175,000	175,000
Conversion of Loan to Mt Marshall		(175,000)	(175,000)
		24,904	**24,904**
Pro-forma Balance		**209,264**	**209,264**

NOTE 6. OTHER PAYABLES	Reviewed 31-Dec-19 $	Pro-forma after Minimum Subscription $	Pro-forma after Maximum Subscription $
Other payables	**-**	**23,932**	**23,932**
Adjustments to arrive at the pro-forma balance:			
Reviewed balance of Ultracharge at 31 December 2019		-	-
Subsequent events:			
Acquisition of Mt Marshall 31 December reviewed		-	-
Acquisition of Watershed 21 December reviewed		23,932	23,932
		23,932	**23,932**
Pro-forma Balance		**23,932**	**23,932**

NOTE 7. CONTRIBUTED EQUITY	31-Dec-19 $	31-Dec-19 $	Pro-forma after Minimum Subscription $	Pro-forma after Maximum Subscription $
Contributed equity	**20,106,310**	**20,106,310**	**26,623,726**	**27,553,627**
	Number of shares	**Number of shares**	**$**	**$**
	Minimum	Maximum		
Reviewed balance of Ultracharge at 31 December 2019	1,123,380,620	1,123,380,620	19,525,238	19,525,238
Subsequent events				
Consolidation of share capital	(1,011,042,375)	(1,011,042,375)	-	-
Issue of 75 million shares to acquire Mt Marshall	75,000,000	75,000,000	1,500,000	1,500,000
Issue of 75 million shares to acquire Watershed	75,000,000	75,000,000	1,500,000	1,500,000
Proposed Directors shares	7,480,000	7,480,000	149,600	149,600
Conversion of Mt Marshall Loan	8,750,000	8,750,000	175,000	175,000
	(847,812,375)	**(847,812,375)**	**3,324,600**	**3,324,600**
Proceeds from shares issued under this Prospectus	200,000,000	250,000,000	4,000,000	5,000,000
Capital raising costs - Lead Manager options	-	-	(490,137)	(490,137)
Capital raising costs- cash expenses	-	-	(317,047)	(387,147)
	200,000,000	**300,000,000**	**3,192,816**	**4,122,716**
Pro-forma Balance	**475,568,245**	**525,568,245**	**26,623,726**	**27,553,627**

NOTE 8. RESERVES	Reviewed 31-Dec-19 $	Pro-forma after Minimum Subscription $	Pro-forma after Maximum Subscription $
Reserves	**4,110,455**	**5,086,185**	**5,086,185**
Adjustments to arrive at the pro-forma balance:			
Reviewed balance of Ultracharge at 31 December 2019		**4,110,455**	**4,110,455**
Pro-forma adjustments:			
Issue of Advisor options		483,508	483,508
Issue of Director options		120,877	120,877
Issue of Lead manager options		490,137	490,137
		1,094,522	**1,094,522**
Pro-forma Balance		**5,204,977**	**5,204,977**

The Options have been valued using the Black Scholes Option pricing model the key inputs being:

Risk free rate 0.68%
Volatility 100%
Option life 3 years
Exercise price $0.03

The resulting value is $0.0107 per option. The options vest immediately.

NOTE 9. ACCUMULATED LOSSES	Reviewed 31-Dec-19 $	Pro-forma after Minimum Subscription $	Pro-forma after Maximum Subscription $
Accumulated losses	**-**	**(23,963,721)**	**(23,956,864)**
Adjustments to arrive at the pro-forma balance:			
Reviewed balance of Ultracharge at 31 December 2019		**(23,029,414)**	**(23,029,414)**
Subsequent events			
Proposed Directors fees		(149,600)	(149,600)
		(149,600)	(149,600)
Pro-forma adjustments:			
Issue of Advisor options		(483,508)	(483,508)
Issue of Director options		(120,877)	(120,877)
Listing expenses		(180,321)	(173,464)
		(784,706)	**(777,850)**
Pro-forma Balance		**(23,963,721)**	**(23,956,864)**

The Performance rights have a value of $0.02 per right and have nonmarket based vesting conditions, as the performance conditions have been assessed as being less likely to vest than to vest at the date of the Pro-forma no expense has been recognised.

6.5 Dividend policy

The Company does not expect to declare any dividends after the completion of the Offers. Any future determination as to the payment of dividends by the Company will be at the discretion of the Board and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Board. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

6.6 Forecast financial information

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 beyond expected listing date on the basis that the operations of the Company are inherently uncertain. 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.

7. RISK FACTORS

The business, assets and operations of the Company, including after completion of the Acquisitions, are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of our Company.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited.

The risks and uncertainties described below are not intended to be exhaustive. The summary of risks that follows is not intended to be exhaustive and this Prospectus does not take into account the personal circumstances, financial position or investment requirements of any particular person. There may be additional risks and uncertainties that the Company is unaware of or that the Company currently considers to be immaterial, which may affect the Company, or its related entities and consequently Applicants. Based on the information available, a non-exhaustive list of risk factors for the Company associated with the Company's proposal to undertake the Acquisitions is as follows.

7.1 Risks relating to the Change in Nature and Scale of Activities

(a) Completion Risk

Pursuant to the Acquisition Agreements, the Company has a conditional right to acquire 100% of the issued capital in Watershed and Mt Marshall.

The Acquisitions constitute a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the Official List of ASX. Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following completion of the Acquisitions.

There is a risk that the conditions for completion of the Acquisitions cannot be fulfilled, including where the Company is unable to meet the requirements of the ASX for re-quotation of its Securities on the ASX. If the Acquisitions are not completed, the Company will incur costs relating to advisors and other costs without any material benefit being achieved. Should this occur, Shares will not be able to be traded on the ASX until such time as the Company has recompiled with Chapters 1 and 2 of the ASX Listing Rules and Shareholders may be prevented from trading their Shares until such time as a successful re-compliance is completed.

(b) Subsidiary and Historical Activities Risk

The Company's existing activities relate to conducting research and development dedicated to creating lithium-ion battery technology, which will cease to be the focus of the Company's business following completion of the Acquisitions.

The Company has various subsidiaries, including Ultracharge Israel, which was the operating subsidiary for the Company's existing business activities. The Company has commenced the process for the winding up

or Ultracharge Israel, which is anticipated to be completed in the coming months, subject to any claims made during the winding up process.

While the Company is not aware of any material claims against it or its subsidiaries, there is a risk of claims being made against the Company's subsidiaries, including with respect to Ultracharge Israel during the winding up process by creditors or regulatory bodies for historical claims. There is also a risk of claims being made against the Company with respect to its historical operations. Any such claims have the potential to cause detriment to the Company and may be adverse to Shareholders.

(c) **Dilution Risk**

The Company currently has 112,338,245 Shares on issue, with 3,000,000 Shares to be cancelled if Shareholders approve cancellation of the ETV Shares. In connection with the Acquisitions, the Company proposes to issue:

(i) 150,000,000 Consideration Shares;

(ii) up to 250,000,000 Public Offer Shares, with a Minimum Subscription of 200,000,000 Shares;

(iii) 7,480,000 Proposed Director Shares, assuming Settlement occurs on 31 July 2020;

(iv) 8,750,000 Shares on conversion of the Mt Marshall Loan;

(v) 20,000,000 Performance Rights to Mr Aaron Banks;

(vi) 12,000,000 Performance Rights and 10,000,000 Director Options to Mr Robert Martin;

(vii) 8,000,000 Performance Rights and 1,250,000 Director Options to Mr Leonard Troncone;

(viii) 45,616,903 Lead Manager Options to Sandton Capital or nominee(s), including potentially Astrid Hill as discussed in Section 4.2.3; and

(ix) 45,000,000 Advisor Options to Sandton Capital or nominee(s), including potentially Astrid Hill as discussed in Section 4.2.3.

Set out below is a table setting out the interests of various groups following the issue of the above Securities and assuming the Minimum Subscription is raised under the Public Offer and that Settlement occurs on 31 July 2020, including that the ETV Shares are cancelled:

Group	% (undiluted)	% (diluted)
Existing Shareholders and Option holders (excluding related parties and Sandton Capital)	21.23%	18.18%
Investors under Public Offer	38.11%	28.65%
Vendors (excluding Aaron Banks, Sandton Capital and Astrid Hill)	13.42%	10.09%

Group	% (undiluted)	% (diluted)
Lenders under Mt Marshall Loan	1.84%	1.38%
Sandton Capital	1.58%	15.64%
Astrid Hill	2.21%	1.66%
Kobi Ben-Shabat	2.57%	1.98%
Anthony Brown	0.06%	0.04%
John Paitaridis	0.19%	0.14%
Aaron Banks	15.27%	14.64%
Robert Martin	3.28%	5.94%
Leonard Troncone	0.26%	1.66%

As set out in Section 5.15, in the event Astrid Hill receives a proportion of the Lead Manager Options and Advisor Options the subject of the Lead Manager Mandate, its voting power on a fully diluted basis will increase and Sandton Capital's voting power on a fully diluted basis will decrease.

Some investors may consider that this concentration of ownership and risk of future dilution increases the risk of participating in the Public Offer.

(d) **Additional Requirements for Capital**

The funds to be raised under the Public Offer are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.

In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Prospectus.

Following completion of the Public Offer, the Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of their activities and the Company's proposed expansion strategy. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Shareholders.

7.2 Company Specific

(a) Tenure and access risk

Applications

Watershed is applicant for the Eneabba Applications. While the Company does not anticipate there to be any issues with the grant of these applications, there can be no assurance that the applications will be granted. While the Company considers the risk to be low, there can also be no assurance that when the relevant tenement is granted, it will be granted in its entirety. Some of the tenement areas applied for may be excluded.

Renewal

Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to the discretion of the relevant authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Access

A number of the tenements overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities, including private land, Crown Reserves, areas on which native title is yet to be determined and other forms of tenure for railways, pipelines and similar third party interests.

Where the Projects overlap private land, exploration and mining activity on the Projects may require authorisation or consent from the owners of that land. The Company has entered into access agreements with the holders of private land on which the Mt Marshall Kaolin Project is located, details of which are set out in the Solicitor's Report on Title set out in Annexure B to this Prospectus.

In circumstances where authorisation or consent is delayed or not granted, the Company would be required to engage in a court process to obtain an easement for it to access the land to conduct its proposed exploration activities. There is a risk that this process could result in the Company incurring additional cost or that it could create delays to the Company's proposed exploration program. Further, if the relevant easement is not granted, then depending on the significance of the mining tenements involved, this could impact upon the Company's operations.

The Company will also require consent of the Minister or from relevant native title parties prior to commencing exploration and development of parts of the Projects that are subject to Crown Reserves, outstanding Native Title determinations or Indigenous Land Use Agreements. Please refer to the Solicitor's Report set out in Annexure B for further details.

(b) **Exploration Risk**

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Eneabba or Mt Marshall Kaolin Projects, or any other tenements that may be 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 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, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenement, a reduction in the cash reserves of the Company and possible relinquishment of the projects.

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

(c) **Mine Development Risk**

Possible future development of a mining operation at the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, 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, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.

(d) **Silica Sand, Construction Sand and Kaolin Demand Risk**

There is a risk that the kaolin and silica sand that may be produced by the Company does not meet market specifications (refer to Sections 0 and 0 for further details). For example, the silica sand market has demanding major element specifications for parameters such as purity (e.g. SiO2 content) in addition to tight specifications for trace elements such as Fe, Ti and Cr in the glass industry.

Failure to meet specifications may result in selling the products at discounted rates, or not finding markets at all. Other risks for silica sand may include particle size distribution and physical strength (crush resistance) as in the case of proppants for the oil industry. Industrial minerals are generally considered to be bulk commodities and are therefore susceptible to distance to market and transport costs; therefore, logistics may pose a risk to supplying markets.

Prices for silica sand, construction sand and kaolin will be largely subject demand in Asia. Such a decline could have a material adverse effect on the Company's business, results of operations and financial conditions generally.

A reduction in flat glass and/or container glass production would generally depress the demand, development, production and mining activity for silica sand the Company is aiming produce. Similarly, a reduction in ceramics production could depress the demand, development, production and mining activity for kaolin.

The development and use of new technology for effective alternatives for glass or ceramics, or the development of new processes to replace silica sand, could also cause a decline in demand for the products produced and could have a material adverse effect on the Company's business, results of operations and financial conditions generally.

Demand for silica sand and kaolin products can be affected generally by advances in industry and the development and use of new technology or new processes that reduce or eliminate the need for silica sand and kaolin products, including as a material for metal casting, ceramics, metallurgical processes, chemical production, paint and coatings, filtration and water production and proppant. Such events could cause a decline in demand for the products produced and could have a material adverse effect on the Company's business, results of operations and financial conditions generally.

(e) **Supply Agreement Risk**

The Company does not currently have supply agreements in place with respect to product that may be extracted from the Projects and may not be able to negotiate supply agreements on terms that permit the Company to finance and commence development of the Projects.

Supply agreements involving the sale of silica sand and kaolin products typically have market-based pricing mechanisms. Accordingly, in periods with decreasing prices, results of operations may be lower than if agreements had fixed prices. In periods with increasing prices, some agreements may permit an increase in prices; however, some customers may elect to cease purchasing products if they do not agree with price increases or are able to find alternative, cheaper sources of supply.

Furthermore, certain volume-based supply agreements may influence the ability to fully capture current market pricings. These pricing provisions may result in significant variability in results of operations and cash flows from period to period.

If the Company is successful in developing the Projects to the mining of product, the Company is likely to sell products to customers on a purchase order basis and pursuant to supply agreements that will contain customary termination provisions for bankruptcy related events and uncured breaches of the applicable agreement. If any of these major customers substantially reduces or altogether ceases purchasing products and the Company is not able to generate replacement sales into the market, the business, financial condition, and results of operations could be adversely affected for a short-term period until such time as the Company can generate replacement sales in the market.

(f) **Climate Change**

The operations and activities of the Company are subject to changes to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage and other possible restraints on industry that may further impact the Company. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns, 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.

(g) **COVID-19**

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19, including limitations on travel to jurisdictions in which the Company identifies potential end-users for its products, may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The Company is monitoring the situation closely and considers the impact of COVID-19 on the Company's business and financial performance to be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

(h) **Reliance on Key Personnel**

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its

executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(i) **Limited History**

Having been incorporated on 13 November 2015 and 30 May 2018 respectively, Watershed and Mt Marshall have limited operating history, although it should be noted that the Proposed Directors have between them significant operational experience. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its projects. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(j) **Restricted Securities Reducing Liquidity**

Subject to the Company being admitted to the Official List, certain securities on issue prior to the Offer will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX.

7.3 Industry Specific Risks

(a) **Exploration Costs**

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

(b) **Exploration Success**

The mining tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the mining tenements, or any other licenses that may be 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 Company has published a Inferred Mineral Resource estimate of white kaolin in respect of the Mt Marshall Kaolin Project (details of which

are set out in the Independent Geologist's Report and Mineral Resource Report), but not for any other prospects. There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit or that the exploration tonnage estimates and conceptual project developments discussed in this Prospectus are able to be achieved.

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

(c) **Resource, Reserves and Exploration Targets**

The Company has identified a number of exploration targets based on geological mapping and interpretations, geophysical data, geochemical sampling and historical drilling. Insufficient data however, exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work with the aim of defining an economic resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the exploration targets identified or expansion of the existing inferred Inferred Mineral Resource at the Mt Marshall Kaolin Project. Even if a resource is identified or the existing Inferred Mineral Resource at the Mt Marshall Kaolin Project is expanded, 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) **Operations**

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

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

(e) **Environmental**

The operations and proposed activities of the Company are subject to Australian laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or fires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(f) **Native title**

The Native Title Act recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with Native Title in Australia and this may impact on the Company's operations and future plans.

The Projects overlap land that is subject to claims of native title and to Indigenous Land Use Agreements (**ILUAs**), which require that the Company enters into an Aboriginal heritage agreement with the Indigenous group the subject of the ILUA prior to commencing exploration activities over those parts of the Projects that overlap the areas covered by the ILUAs.

The existence of a native title claim or an ILUA is not an indication that native title in fact exists on the land covered by the claim, as this is a matter ultimately determined by the Federal Court. The Company must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining operations.

7.4 General Risks

(a) Economic

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

(b) Commodity price volatility and exchange rate risk

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to, general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.

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

As the Company's Shares have been suspended from trading for approximately three months, there is currently no public market for Shares. There is no guarantee that an active trading market in the Company's Shares will develop or that the prices at which Shares trade will increase following completion of the Acquisition and the Public Offer. The prices at which Shares trade may be above or below the Public Offer price and may fluctuate in response to a number of factors.

(c) Competition risk

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company.

(d) 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) currency fluctuations

(iv) interest rates and inflation rates;

(v) changes in investor sentiment toward particular market sectors;

(vi) the demand for, and supply of, capital; and

(vii) 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, the Directors, or the Proposed Directors warrant the future performance of the Company or any return on an investment in the Company.

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

(e) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring 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.

(f) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is however 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.

(g) **Agents and contractors**

The Proposed Directors are unable to predict the risk of the insolvency or managerial failure by any of the contractors used (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.

(h) **Force majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil

disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(i) **Litigation risks**

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

(j) **Insurance**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with the Company's business may not always be available and where available the costs may be prohibitive.

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

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

8. BOARD AND MANAGEMENT

8.1 Directors of the Company

Upon completion of the Acquisitions, it is intended that existing directors, Kobi Ben-Shabat, Anthony Brown and John Paitaridis will resign.

Upon completion of the Acquisitions, the Company has agreed to appoint Aaron Banks as Managing Director, Robert Martin as Executive Chairman and Leonard Troncone as Non-Executive Director, such that the directors of the Company upon re-listing on the ASX will be as follows:

(a) **Aaron Banks**
(Proposed Managing Director)

Mr Banks is a specialist business consultant with over 20 years' experience in contract negotiations and business development including senior roles in sales, marketing and construction management where he successfully negotiated contracts exceeding 300 million dollars of value within the housing sector.

Since 2015 as Founder and since 2016 as Managing Director of Australian Silica Pty Ltd, Mr Banks has developed extensive relationships with glass companies and manufactures of specialty products for LCD screens and photovoltaic systems in the Asian-Pacific Region.

In 2016 he discovered what has become to be known as one of the largest high-grade silica sand resources in the world. While on the board of Australian Silica, he successfully negotiated the sale of the Muchea Silica Sand Project to VRX Silica (ASX:VRX) in 2017, which helped re-pivot VRX from a base metals explorer to a silica sand explorer with a market capitalisation as at 20 November 2019 of approximately $50 million.

The Board considers that Mr Banks is not an independent Director.

(b) **Robert Martin**
(*Proposed Executive Chairman*)

Mr Martin has over 20 years' experience across the mining services, supply chain and capital market sectors. Mr Martin has operated a highly successful mining services company which became a leading provider of products and services to the mining industry and operated globally with offices across Australia and internationally. After 7 of years of revenue growth and profitability and expansion into multiple countries, Mr Martin's company was acquired by a prominent Perth business for an undisclosed multi-million dollar sum. Mr Martin runs a family office in Western Australia with a focus on investing and supporting emerging private and public businesses and currently holds the position of non-executive director for PARKD Limited and Fusion Pty Ltd and was the former non-executive chairman of publicly listed JV Global Ltd.

The Board considers that Mr Martin is not an independent Director.

(c) **Leonard Troncone**
(*Proposed Non-Executive Director*)

Mr Troncone is a senior finance executive with over 35 years' hands-on experience in the Australian corporate environment, with experience gained in a range of industries including mining, mineral exploration, mine development and oil and gas, diversified engineering, manufacturing and construction, financial services and private investment. Mr Troncone holds a Bachelor of Business from Curtin University of Technology (formerly the Western Australian Institute of Technology).

Mr Troncone has been involved with initial public offerings, capital raisings and the arrangement of debt facilities to fund major acquisitions and projects. He has made transformative contributions to newly listed entities including the delivery and creation of strong shareholder wealth in the years post-initial public offer at both United Group Limited and Decmil Group Limited (formerly Paladio Group Limited). Mr Troncone has previously been involved in the preparation of long-term strategic plans with the single objective of delivering shareholder wealth through revenue growth, profitability growth, return on shareholders' funds, share price growth, increasing market share, competitor analysis, industry trends and acquisition targets.

Mr Troncone is currently the chief executive officer, chief financial officer and company secretary at PARKD Limited (ASX: PKD), having previously been the chief financial officer of a large, private, vertically integrated manufacturing group, undertaking a leading role in the trade sale of that business to an international private equity group.

Mr Troncone entered into a Personal Insolvency Agreement (**PIA**) on 23 May 2019. A PIA is a legally binding agreement between a person and their unsecured creditors in order for a person to settle unsecured debts without becoming bankrupt. A PIA involves appointing a trustee to take control of a person's property and making an offer to that person's unsecured creditors.

Trustees were appointed by Mr Troncone pursuant to the PIA and Mr Troncone's creditors approved the PIA. The PIA was subsequently discharged by Mr Troncone on 29 May 2019, resulting in Mr Troncone having no further liabilities under the PIA. The circumstances leading to Mr Troncone entering into a PIA included the sudden and unexpected redundancy from his previous employer, followed by a prolonged period of unemployment during which he self-funded costly, and ultimately inconclusive, legal proceedings against that former employer.

The Current Directors and Proposed Directors (other than Mr Troncone, who has abstained from deliberations on this matter) have considered that notwithstanding he was a party to a PIA, his extensive experience and demonstrated successful track record in managing the financial affairs of public and private enterprises makes Mr Troncone a person of good frame and character and suitable to be a Non-Executive Director of the Company.

The Board considers that Mr Troncone is an independent Director.

The Company is aware of the need to have sufficient management to properly manage the business and the Board will continually monitor the management roles in the Company. The Board may look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company.

8.2 Personal Interests of Directors

Directors are not required under the Constitution to hold any Shares to be eligible to act as a Director. Details of the Directors' and Proposed Director's remuneration are set out in the table below:

Director[1]	Remuneration for year ended 30 June 2018	Remuneration for year ended 30 June 2019	Proposed remuneration for current financial year
Aaron Banks[1]	N/A	N/A	$240,000 per annum
Robert Martin[1]	N/A	N/A	$168,000 per annum
Leonard Troncone	N/A	N/A	$42,000 per annum
Kobi Ben-Shabaat[2]	US$240,000	US$177,000	US$240,000 per annum
Anthony Brown	Nil	Nil	$49,992 per annum
John Paitaridis[3]	US$37,271	US$25,381	$48,000 per annum

Notes:

1. These amounts exclude superannuation (payable at 10% for Messrs Banks and Martin) and become payable on and from Settlement of the Acquisitions. In addition, the Proposed Directors will receive the following securities in connection with their appointments as Directors:

   (a) Aaron Banks – 4,400,000 Proposed Director Shares (assuming Settlement occurs on 31 July 2020) and 20,000,000 Performance Rights;

   (b) Robert Martin – 3,080,000 Proposed Director Shares (assuming Settlement occurs on 31 July 2020), 12,000,000 Performance Rights and 10,000,000 Director Options; and

   (c) Leonard Troncone – 8,000,000 Performance Rights and 1,250,000 Director Options.

2. In addition to his salary, Mr Ben Shabat received benefits through a combination of cash payments and issues of securities to an aggregate value of:

   (a) US$346,378 during the financial year ended 30 June 2018; and

   (b) US$45,432 during the financial year ended 30 June 2019.

   Under Mr Ben-Shabat's consultancy agreement with the Company, the Company is required to give Mr Ben-Shabat 12 months' written notice of an intention to terminate his employment. The Company and Mr Ben-Shabat have agreed that in lieu of the 12 month notice period, the Company will pay to Mr Ban-Shabat a sum of US$38,000.

3. In addition to his salary, Mr Paitaridis received benefits through issues of performance rights to an aggregate value of:

   (a) US$61,827 during the financial year ended 30 June 2018; and

   (b) US$7,936 during the financial year ended 30 June 2019.

The Company's Constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The Shareholders have approved the payment of fees to the Non-Executive Directors which in aggregate cannot exceed $350,000 per annum, although this may be varied by ordinary resolution of the Shareholders in general meeting.

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility.

Details of the Directors' and the Proposed Directors' relevant interest in the Securities of the Company upon completion of the Offers (assuming the Minimum Subscription is raised under the Public Offer is set out in the table below):

Director/Proposed Director	Shares	% (undiluted)[5]	Performance Rights	Options	% (diluted)[6]
Current Directors					
Kobi Ben-Shabat[1]	12,210,816[3]	2.57%	Nil	333,334[4]	1.98%
John Paitaridis[1]	900,000	0.19%	Nil	Nil	0.14%
Anthony Brown[1]	275,000	0.06%	Nil	Nil	0.04%
Proposed Directors					
Robert Martin[2]	15,580,000[7]	3.28%	12,000,000[5]	10,000,000[6]	5.94%
Leonard Troncone[2]	1,250,000[7]	0.26%	8,000,000[5]	1,250,000[6]	1.66%
Aaron Banks[2]	72,600,000	15.27%	20,000,000[5]	Nil	14.64%

Notes:

1. To resign at Settlement of the Acquisitions.
2. To be appointed on and from Settlements of the Acquisitions.
3. Comprising:
   (a) 1,966,667 Shares held directly by Mr Ben-Shabat;
   (b) 2,251,309 Shares held by 102 Capital Management ATF Kobi Ben-Shabat;
   (c) 2,992,840 Shares held by Reblaze Singapore Pte Ltd (an entity associated with Mr Ben-Shabat); and
   (d) 5,000,000 Shares that may be issued under the Public Offer (noting that the Company has no obligation to issue these Shares to Mr Ben Shabat and Mr Ben Shabat has no obligation to apply for these Shares).
4. Options exercisable at $0.08 each on or before 4 September 2022.
5. Refer to Section 10.3 for the terms of the Performance Rights.
6. Refer to Section 10.4 for the terms of the Director Options.

7. Includes Proposed Director Shares to be issued to Messrs Banks and Martin, Consideration Shares to be issued to Mr Banks and Shares that may be issued under the Public Offer (noting that the Company has no obligation to issue Shares under the Public Offer to Messrs Martin and Troncone and Messrs Martin and Troncone have no obligation to apply for these Shares). Refer to Section 9.3 for summaries of the services agreements between the Company and Messrs Banks and Martin, under which the Proposed Director Shares are to be issued.

8.3 Agreements with Directors and Related Parties

In addition to the above, the Proposed Directors (other than Robert Martin) intend to procure that the Company enters into a lease agreement with an entity associated with Robert Martin, a Proposed Director, under which the Company will pay rent of $3,500 (plus GST) per month until 30 September 2020 and thereafter $5,500 (plus GST) per month.

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

(a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and

(b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The terms and conditions of the services agreements and director appointment letters in place with the Proposed Directors are summarised in Section 9.3.

8.4 Corporate Governance

8.4.1 ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. To implement these systems, the Company has adopted a set of policies and procedures. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information Section of the Company's website http://www.suvo.com.au.

8.4.2 Board of directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

(a) maintain and increase Shareholder value;

(b) ensure a prudential and ethical basis for the Company's conduct and activities consistent with the Company's stated values; and

(c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

(a) leading and setting the strategic direction, values and objectives of the Company;

(b) appointing the Chairman of the Board, Managing Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary;

(c) overseeing the implementation of the Company's strategic objectives, values, code of conduct and performance generally;

(d) approving operating budgets, major capital expenditure and significant acquisitions and divestitures;

(e) overseeing the integrity of the Company's accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance);

(f) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;

(g) overseeing the Company's procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities;

(h) reviewing, ratifying and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and

(i) approving the Company's remuneration framework.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

8.4.3 Composition of the Board and diversity

Election of Board members is substantially the responsibility of the Shareholders in general meeting, subject to the following:

(a) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and

(b) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent shareholders and fulfil the business objectives and values of the Company as well as to deal with new and emerging business and governance issues.

Following completion of the Acquisitions, the Board will consists of three directors (one non-executive Director and two executive Directors) of whom only Leonard Troncone will be considered independent. The Board considers the current balance of skills and expertise to be appropriate given the Company for its currently planned level of activity.

The Company, the Company's stated values and all the Company's related bodies corporate are committed to workplace diversity. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

To assist in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board intends to maintain a Board Skills Matrix to ensure that the Board has the skills to discharge its obligations effectively and to add value.

The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director or senior executive.

The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director.

The Company shall develop and implement a formal induction program for Directors, which is tailored to their existing skills, knowledge and experience. The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Company's policies and procedures.

The Board maintains oversight and responsibility for the Company's continual monitoring of its diversity practices. The Company's Diversity Policy provides a framework for the Company to achieve enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent.

8.4.4 Identification and management of risk

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

8.4.5 Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all of the Company's business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. In particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in in the Company's Anti-Bribery and Anti-Corruption Policy. In addition, the Company encourages reporting of actual and suspected violations of the Company's Code of Conduct or other instances of illegal, unethical or improper conduct. The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy

8.4.6 Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

8.4.7 Remuneration arrangements

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

The total maximum remuneration of non-executive Directors is initially set by the Constitution. Subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum cap will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $350,000 per annum.

In addition, a Director may be paid fees or other amounts (i.e. subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

8.4.8 Trading policy

The Board has adopted a trading policy that sets out the guidelines on the sale and purchase of securities in the Company by its directors, officers, employees and contractors. The trading policy generally provides that for directors, the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.

8.4.9 External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company. From time to time, the Board will review the scope, performance and fees of those external auditors.

8.4.10 Audit committee

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to:

(a) monitoring and reviewing any matters of significance affecting financial reporting and compliance;

(b) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor;

(c) monitoring and reviewing the Company's internal audit and financial control system, risk management systems; and

(d) management of the Company's relationships with external auditors.

8.4.11 Departures from Recommendations

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company's compliance and departures from the Recommendations will also be announced prior to admission to the Official List of the ASX.

9. MATERIAL CONTRACTS

9.1 Financial Agreements

9.1.1 Lead Manager Mandate

The Company has entered into a mandate agreement with Sandton Capital Advisory Pty Ltd (**Sandton Capital** or **Lead Manager**) pursuant to which the Company has appointed Sandton Capital as the lead manager and corporate advisor to the Company (**Lead Manager Mandate**).

The material terms and conditions of the Lead Manager Mandate are set out below:

Term	The Lead Manager Mandate commenced on 16 September 2019 and will continue for a fixed period of 24 months unless extended by written agreement between the parties (**Term**).
Fees	In consideration for its services, the Company has agreed to pay to the following fees to the Lead Manager: (a) lead manager and corporate advisory fees of: (i) a lead management fee of 2% of all funds raised under the Public offer; (ii) a capital raise fee of 4% of all funds raised under the Public Offer; and (iii) a monthly retainer of AUD$10,000 plus GST per month commencing on 16 September 2019 and ceasing upon the effective date of any termination of the Lead Manager Mandate, provided that the retainer payable for the period from 1 April 2020 to Settlement will be $8,000 per month. (b) success fees (upon the successful completion of the Acquisitions and the Public Offer) of: (i) 5% of the total Consideration Shares to be issued in connection with the Acquisitions, being an aggregate 7,500,000 Shares; (ii) 45,616,903 Lead Manager Options; and (iii) 45,000,000 Advisor Options. It is currently anticipated that Astrid Hill and its principles may be responsible for raising half of the funds to be raised under the Public Offer. If this occurs, Astrid Hill (or its nominees) will receive a proportionate number of Lead Manager Options and Advisor Options the subject of the Lead Manager Mandate.
Expenses	The Lead Manager is entitled to be reimbursed for out of pocket expenses (with prior written approval of the Company) and reasonable travel incurred in undertaking its role (subject to all travel expenses in excess of $1,000 receiving prior approval from the Company).
Termination	The Lead Manager Mandate may be terminated by either party: (a) By fourteen (14) days' notice in writing to that effect:

	(i) if the other party commits or allows to be committed a material breach of any of the terms or conditions of the Lead Manager Mandate; or (ii) if any warranty or representation given or made by the other party is not complied with or proves to be untrue in any respect. (b) Immediately by notice in writing to that effect if: (i) if the other party becomes insolvent, has a receiver, administrative receiver or manager or administrator appointed over the whole of or any of their assets, enters into any composition with creditors generally or has an order made or resolution passed for it to be wound up; or (ii) if a court makes an administration order with respect to the other party or any composition in satisfaction of its debts of or a scheme of arrangement of the affairs of such other party. The right under paragraph (a) above cannot be exercised by a party without first giving the other party 28 day's prior notice for the reason of the proposed termination and the other party being unable to rectify the matter within that time. The Lead Manager Mandate may be terminated by the Company, by ninety (90) days' notice in writing at its discretion.
Future Capital Raisings	In the event of termination by the Company (except under paragraphs (b)(i) and (b)(ii) above), all applicable fees under section (b) in relation to any capital raising by the Company will be payable by the Company to the Lead Manager if: (a) the capital raise is completed within 6 months of termination of the Lead Manager Mandate; or (b) the capital raise is completed by a counterparty introduced to the Company by the Lead Manager.

The Lead Manager Mandate also contains various other terms and conditions that are considered standard for an agreement of its nature.

9.1.2 Mt Marshall Loan

Mt Marshall has entered into agreements with various lenders, pursuant to which the lenders have granted loans to Mt Marshall for an aggregate sum of $175,000 (**Mt Marshall Loan**). The Mt Marshall Loan has been granted on an unsecured and interest free basis, other than interest payable by Mt Marshall in the event that the Mt Marshall Acquisition does not complete.

The Mt Marshall Loan contains customary representations and warranties from Mt Marshall, as well as customary events of default, including a default arising in the event that Mt Marshall fails to make any payment required under the Mt Marshall Loan, Mt Marshall otherwise breaching any provision of the Mt Marshall Loan and in respect of the occurrence of an insolvency event in respect of Mt Marshall.

In the event Mt Marshall defaults in its obligations under the Mt Marshall Loan, lenders of funds to Mt Marshall will have no recourse against the Company. However, such a default occurring prior to Settlement may result in the Acquisitions not proceeding.

In the event that Settlement occurs, the Mt Marshall Loan will be converted into Shares at an issue price of $0.02 per Share in full and final satisfaction of Mt Marshall's obligations under the Mt Marshall Loan. The Company will have no obligations or liabilities in respect of the Mt Marshall Loan in the event that Settlement does not occur.

No related party of the Company or promoter has loaned funds to Mt Marshall under the Mt Marshall Loan. The lenders under the Mt Marshall Loan, together with the amounts loaned to Mt Marshall and the number of Shares each will receive are set out in the table below:

Lender	Loan Amount	Shares
MALAHIDE MANAGEMENT PTY LTD	$87,500	4,375,000
LUANG THAI PTE LTD	$20,000	1,000,000
ALWAYS HOLDINGS PTY LTD	$15,000	750,000
MR MARTIN ROSS HELEAN	$52,500	2,625,000

9.2 Acquisition Agreements

9.2.1 Watershed Agreement

The Company has entered into a binding acquisition agreement (**Watershed Agreement**) with Watershed Enterprise Solutions Pty Ltd (ACN 609 289 938) (**Watershed**) and the shareholders of Watershed (**Watershed Shareholders**), pursuant to which the Company has a conditional right to acquire (**Watershed Acquisition**) 100% of the fully paid ordinary shares in the capital of Watershed (**Watershed Shares**) from the Watershed Shareholders.

The material terms of the Watershed Agreement are as follows:

Consideration	The consideration payable by the Company for the Acquisition is 75,000,000 Shares (**Watershed Consideration Shares**) to be apportioned amongst the Watershed Shareholders on a pro rata basis (subject to the rights of Sandton Capital and Astrid Hill to a proportion of the Consideration Shares). Refer to Section 5.5.1 for a breakdown with respect to the issue of the Consideration Shares.
Conditions Precedent	Settlement of the Watershed Acquisition is subject to the satisfaction (or waiver) of the following conditions precedent: (a) the parties to the Mt Marshall Agreement being ready, willing and able to settle the acquisition of Mt Marshall pursuant to the Mt Marshall Agreement; (b) the Company completing the Public Offer; (c) the Company re-complying with the requirements of Chapters 1 and 2 of the ASX Listing Rules and receiving conditional approval from ASX to admit its

	securities to official quotation on ASX on terms reasonably acceptable to the Company; and (d) the parties obtaining all necessary shareholder and regulatory approvals to complete the Acquisition, (together, the **Conditions Precedent**). If the Conditions Precedent are not satisfied (or waived) on or before 5:00 pm (WST) on 5:00pm WST on 15 July 2020, provided that if the Minimum Subscription has been raised by 15 July 2020, the end date will automatically be extended to 31 July 2020 (or such later date as is agreed between the parties), any party may terminate the Watershed Agreement by notice in writing to the other parties.
Board Changes	At Settlement, all Current Directors will resign and the Proposed Directors will be appointed Directors of the Company.
Settlement	Settlement of the Watershed Acquisition will occur on the date which is five (5) business days after the satisfaction (or waiver) of the Conditions Precedent.

The Watershed Agreement otherwise contains representations and warranties, considered standard for an agreement of this nature.

9.2.2 Mt Marshall Agreement

The Company has entered into a binding acquisition agreement (**Mt Marshall Agreement**) with Mt Marshall Enterprise Solutions Pty Ltd (ACN 626 494 399) (**Mt Marshall**) and the shareholders of Mt Marshall (**Mt Marshall Shareholders**), pursuant to which the Company has a conditional right to acquire (**Mt Marshall Acquisition**) 100% of the fully paid ordinary shares in the capital of Mt Marshall (**Mt Marshall Shares**) from the Mt Marshall Shareholders.

The material terms of the Mt Marshall Agreement are as follows:

Consideration	The consideration payable by the Company for the Acquisition is 75,000,000 Shares (**Mt Marshall Consideration Shares**) to be apportioned amongst the Mt Marshall Shareholders on a pro rata basis (subject to the rights of Sandton Capital and Astrid Hill to a proportion of the Consideration Shares). Refer to Section 5.7.1 for a breakdown with respect to the issue of the Consideration Shares.
Conditions Precedent	Settlement of the Mt Marshall Acquisition is subject to the satisfaction (or waiver) of the following conditions precedent: (a) the parties to the Watershed Agreement being ready, willing and able to settle the acquisition of Watershed pursuant to the Watershed Agreement; (b) the Company completing the Public Offer; (c) the Company re-complying with the requirements of Chapters 1 and 2 of the ASX Listing Rules and receiving conditional approval from ASX to admit its securities to official quotation on ASX on terms reasonably acceptable to the Company; and (d) the parties obtaining all necessary shareholder and regulatory approvals to complete the Acquisition,

	(together, the **Conditions Precedent**). If the Conditions Precedent are not satisfied (or waived) on or before 5:00 pm (WST) on 5:00pm WST on 15 July 2020, provided that if the Minimum Subscription has been raised by 15 July 2020, the end date will automatically be extended to 31 July 2020 (or such later date as is agreed between the parties), any party may terminate the Mt Marshall Agreement by notice in writing to the other parties.
Board Changes	At Settlement, all Current Directors will resign and the Proposed Directors will be appointed Directors of the Company.
Settlement	Settlement of the Mt Marshall Acquisition will occur on the date which is five (5) business days after the satisfaction (or waiver) of the Conditions Precedent.

The Mt Marshall Agreement otherwise contains representations and warranties, considered standard for an agreement of this nature.

9.3 Agreements with Proposed Directors

9.3.1 Executive Services Agreement – Aaron Banks

The Company and Mr Aaron Banks have entered into an executive services agreement (**ESA**) pursuant to which Mr Banks will be appointed as "Managing Director" of the Company on and from Settlement of the Acquisitions. The material terms of the ESA are as follows:

Remuneration	The Company will pay Mr Banks a salary of $240,000 per annum (plus 10% superannuation). Mr Banks' salary will be reviewed annually by the Company. In addition to the salary: (a) the Company may at any time during the term of Mr Banks' employment, pay to Mr Banks an annual short term incentive; and (b) the Company will issue 20,000,000 Performance Rights to Mr Banks upon Settlement of the Acquisitions. In consideration for their services in developing the assets of Watershed and Mt Marshall, Mr Banks will accrue aggregate fees of $20,000 per month (plus 10% superannuation) from Watershed and Mt Marshall for the period from 1 April 2020 until Settlement, with such amounts to be satisfied at Settlement through the issue of Proposed Director Shares at an issue price of $0.02 per Share. In the event that Settlement occurs on 31 July 2020, Mr Banks will be issued 4,400,000 Proposed Director Shares. In the event the Acquisition Agreements are terminated prior to Settlement, the Company will be fully and finally released from any claims in respect to such entitlement and the issue of Shares in satisfaction of the entitlement.

Term	Mr Banks' employment will commence on the date of Settlement of the Acquisitions (**Commencement Date**) and will continue until the ESA is validly terminated in accordance with its terms.
Termination by Company	The Company may terminate Mr Banks' employment in the following manner: (a) by giving not less than three (3) months' notice, provided that the Company will be required to pay Mr Banks the equivalent of 3 months' salary at the end of the notice period or 6 months' salary if the notice period is dispensed with; (a) by giving not less than one (1) month's written notice if at any time Mr Banks: (i) is or becomes incapacitated by illness or injury of any kind which prevents Mr Banks from performing his duties for a period of two (2) consecutive months or any periods aggregating two (2) months in any period of 12 months during the term of his employment; (ii) is or becomes of unsound mind or under the control of any committee or officer under any law relating to mental health; (iii) commits any serious or persistent breach of any of the provisions contained in the ESA and the breach is not remedied within 14 days of the receipt of written notice from the Company to Mr Banks to do so; (iv) in the reasonable opinion of the Board, is absent in, or demonstrates incompetence with regard to the performance of his duties, or is neglectful of any duties under the ESA or otherwise does not perform all duties under the ESA in a satisfactory manner, provided that Mr Banks: (A) has been counselled on at least three separate occasions of the specific matters complained of by the Board; and (B) after each such occasion has been provided with a reasonable opportunity of at least a month to remedy the specific matters complained of by the Board. (v) commits or becomes guilty of any gross misconduct; or (vi) refuses or neglects to comply with any lawful reasonable direction or order given by the Company which Mr Banks, after receipt of prior notice, has failed to rectify to the reasonable satisfaction of the Company within 21 business days of receipt of that notice; or (b) summarily without notice:

	(i) if at any time Mr Banks is convicted of any major criminal offence which brings the Company or any of its related bodies corporate into lasting disrepute, by giving notice effective immediately and without payment of any salary other than salary accrued to the date of termination; or (ii) if Mr Banks breaches the Company's internet policy or email policy; or (iii) if Mr Banks discloses, communicates, uses or misuses price sensitive information without the prior written consent of the Board except to the extent that Mr Banks is required by law to disclose, communicate or use it.
Termination by Mr Banks	Mr Banks may at his sole discretion, terminate the ESA in the following manner: (a) after providing written notice to the Company if at any time the Company commits any serious or persistent breach of any of the provisions contained in the ESA and the breach is not remedied within 28 days of receipt of that notice, by giving notice effective immediately; and (b) without cause, by giving notice to the Company that the termination is effective at the end of 3 months.
Right of First Refusal	Mr Banks has granted a first right of refusal (**Right of First Refusal**) in favour of the Company in respect of any Prospective Tenement in which Mr Banks acquires an interest during the period commencing on the Commencement Date and ending on the date that is 12 months following the earlier of: (a) termination of the ESA; and (b) the commencement of any notice period applicable to termination of the ESA. However, the Right of First Refusal will not apply in the event the ESA is terminated by the Company without cause. **Prospective Tenements** means a tenement that is prospective for minerals for which the Company is actively exploring.

The ESA also contains various other terms and conditions that are considered standard for an agreement of this nature.

9.3.2 Executive Services Agreement – Robert Martin

The Company and Mr Robert Martin have entered into an executive services agreement (**ESA**) pursuant to which Mr Martin is appointed as "Executive Chairman" of the Company. The material terms of the ESA are as follows:

Remuneration	The Company will pay Mr Martin a salary of $168,000 per annum (plus 10% superannuation). Mr Martin's salary will be reviewed annually by the Company. In addition to the salary: (a) the Company may at any time during the term of Mr Martin's employment, pay to Mr Martin an annual short term incentive; and

	(b) the Company will issue 12,000,000 Performance Rights and 10,000,000 Director Options to Mr Martin upon Settlement of the Acquisitions. In consideration for their services in developing the assets of Watershed and Mt Marshall, Mr Martin will accrue aggregate fees of $14,000 per month (plus 10% superannuation) from Watershed and Mt Marshall for the period from 1 April 2020 until Settlement, with such amounts to be satisfied at Settlement through the issue of Proposed Director Shares at an issue price of $0.02 per Share. In the event that Settlement occurs on 31 July 2020, Mr Martin will be issued 3,080,000 Proposed Director Shares. In the event the Acquisition Agreements are terminated prior to Settlement, the Company will be fully and finally released from any claims in respect to such entitlement and the issue of Shares in satisfaction of the entitlement.
Term	Mr Martin's employment will commence on the date of Settlement of the Acquisitions (**Commencement Date**) and will continue until the ESA is validly terminated in accordance with its terms.
Termination by Company	The Company may terminate Mr Martin's employment in the following manner: (a) by giving not less than four (4) months' notice, provided that the Company will be required to pay Mr Martin the equivalent of 4 months' salary at the end of the notice period or 6 months' salary if the notice period is dispensed with; (b) by giving not less than one (1) month's written notice if at any time Mr Martin: (i) is or becomes incapacitated by illness or injury of any kind which prevents Mr Martin from performing his duties for a period of two (2) consecutive months or any periods aggregating two (2) months in any period of 12 months during the term of his employment; (ii) is or becomes of unsound mind or under the control of any committee or officer under any law relating to mental health; (iii) commits any serious or persistent breach of any of the provisions contained in the ESA and the breach is not remedied within 14 days of the receipt of written notice from the Company to Mr Martin to do so; (iv) in the reasonable opinion of the Board, is absent in, or demonstrates incompetence with regard to the performance of his duties, or is neglectful of any duties under the ESA or otherwise does not perform all duties under the ESA in a satisfactory manner, provided that Mr Martin: (A) has been counselled on at least three separate occasions of the specific matters complained of by the Board; and

	(B) after each such occasion has been provided with a reasonable opportunity of at least a month to remedy the specific matters complained of by the Board. (v) commits or becomes guilty of any gross misconduct; or (vi) refuses or neglects to comply with any lawful reasonable direction or order given by the Company which Mr Martin, after receipt of prior notice, has failed to rectify to the reasonable satisfaction of the Company within 21 business days of receipt of that notice; or (c) summarily without notice: (i) if at any time Mr Martin is convicted of any major criminal offence which brings the Company or any of its related bodies corporate into lasting disrepute, by giving notice effective immediately and without payment of any salary other than salary accrued to the date of termination; or (ii) if Mr Martin breaches the Company's internet policy or email policy; or (iii) if Mr Martin discloses, communicates, uses or misuses price sensitive information without the prior written consent of the Board except to the extent that Mr Martin is required by law to disclose, communicate or use it.
Termination by Mr Martin	Mr Martin may at his sole discretion, terminate the ESA in the following manner: (a) after providing written notice to the Company if at any time the Company commits any serious or persistent breach of any of the provisions contained in the ESA and the breach is not remedied within 28 days of receipt of that notice, by giving notice effective immediately; or (b) without cause, by giving notice to the Company that the termination is effective at the end of 3 months.

The ESA also contains various other terms and conditions that are considered standard for an agreement of this nature.

9.3.3 Non-Executive Director Appointment Letter – Leonard Troncone

Mr Leonard Troncone has entered into an appointment letter with the Company to act in the capacity of Non-Executive Director on and from the date of Settlement of the Acquisitions. Mr Troncone:

(a) will receive $42,000 (plus superannuation) as a fee for acting as a Director; and

(b) will be issued 8,000,000 Performance Rights and 1,250,000 Director Options upon Settlement of the Acquisitions.

9.4 Deeds of indemnity, insurance and access

The Company has entered into a Deed of Indemnity, Insurance and Access with each of the Current Directors and Proposed Directors. Under these deeds, the Company agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.

10. ADDITIONAL INFORMATION

10.1 Litigation

The Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

10.2 Rights and liabilities attaching to Shares

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

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

(a) **General meetings**

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

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

(b) **Voting rights**

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

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

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

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the

amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

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

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

(d) **Winding-up**

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

(e) **Shareholder liability**

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

(f) **Transfer of Shares**

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

(g) **Future increase in capital**

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

(h) **Variation of rights**

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

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of

that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of Constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of votes validly cast for Shares 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.

10.3 Rights and liabilities attaching to Performance Rights

Set out below are the terms and conditions of the Performance Rights:

(a) **Milestone**

(i) one third of the Performance Rights held by each holder of the Performance Rights (**Holder**) will convert into Shares upon satisfaction of the following milestones within 12 months following the date of listing:

(A) the definition of an Inferred JORC Resource at the Eneabba Sands Project of 80Mt @ 97.5% SiO2; and

(B) the definition of an Inferred JORC Resource at the Mt Marshall Kaolin Project – 20Mt @ cut-off grade of 25% Al2O3.

(ii) one third of the Performance Rights held by each Holder will convert into Shares upon satisfaction of the following milestones within 24 months following the date of listing:

(A) the definition of a Measured JORC Resource at the Eneabba Sands Project of 40Mt @ 97.5% SiO2; and

(B) the definition of a Measured JORC Resource at the Mt Marshall Kaolin Project – 20Mt @ cut-off grade of 25% Al2O3.

(iii) one third of the Performance Rights held by each Holder will convert into Shares upon completion of a preliminary feasibility study on both the Eneabba Sands Project and Mt Marshall Kaolin Project demonstrating an ability to operate broth projects as commercially viable enterprises within 36 months following the date of listing,

(each a **Milestone**).

(b) **Notification to Holder**

The Company shall notify the Holder in writing when the Milestone has been satisfied.

(c) **Consideration**

The Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the conversion of the Performance Rights.

(d) **Conversion**

Subject to paragraph (m) and satisfaction of the Milestone, each Performance Right will, at the election of the Holder, convert into one Share.

(e) **Lapse of a Performance Right**

If:

(i) the Milestone attaching to a Performance Right has not been satisfied within the period required under the relevant Milestone; or

(ii) the Performance Rights have not converted into Shares 5 years of the Company's admission to the Official List,

(**Expiry Date**), it will automatically lapse and the Holder shall have no entitlement to the Shares pursuant to those Performance Rights.

(f) **Share ranking**

All Shares issued upon the conversion of Performance Rights will upon issue rank pari passu in all respects with other Shares.

(g) **Application to ASX**

The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

(h) **Transfer of Performance Rights**

The Performance Rights are not transferable.

(i) **Participation in new issues**

A Performance Right does not entitle a Holder (in their capacity as a Holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(j) **Reorganisation of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a Holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

(k) **Adjustment for bonus issue**

If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the Holder would have received if the Holder had converted the Performance Right before the record date for the bonus issue.

(l) **Dividend and Voting Rights**

The Performance Rights do not confer on the Holder an entitlement to vote (except as otherwise required by law) or receive dividends (whether fixed or at the discretion of directors).

(m) **Deferral of conversion if resulting in a prohibited acquisition of Shares**

If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

(i) Holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and

(ii) the Company may (but is not obliged to) by written notice to a Holder request a Holder to provide the written notice referred to in paragraph (i) within seven days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

(n) **No rights to return of capital**

A Performance Right does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(o) **Rights on winding up**

A Performance Right does not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up.

(p) **No other rights**

A Performance Right gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

10.4 Director Options, Lead Manager Options and Advisor Options

Set out below are the terms and conditions of the Director Options, Lead Manager Options and Advisor Options:

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (k) below, the amount payable upon exercise of each Option will be $0.03 (**Exercise Price**).

(c) **Expiry Date**

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

(d) **Exercise Period**

The Options are exercisable at any time following the date of issue and will expire on the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

Within 15 Business Days after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)I 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 Options.

If a notice delivered under paragraph (ii) above 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.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

10.5 2020 Incentive Plan

The Company has adopted the Performance Rights and Option Plan (**2020 Incentive Plan**), the key terms of which are as follows:

(a) **Eligibility**

Participants in the 2020 Incentive Plan consist of:

(i) a Director (whether executive or non-executive) of the Company and any associated body corporate of the Company (each a **Group Company**);

(ii) a full or part time employee of any Group Company;

(iii) a casual employee or contractor of a group company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or

(iv) a prospective participant, being a person to whom the offer is made but who can only accept the Offer if an arrangement has been entered into that will result in the person becoming a under subparagraphs (i), (ii) or (iii) above,

who is declared by the Board to be eligible to receive grants of Options or Performance Rights (together, **Awards**) under the 2020 Incentive Plan (**Eligible Participant**).

(b) **Offer**

The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for Awards, upon the terms set out in the 2020 Incentive Plan and upon such additional terms and conditions as the Board determines (**Offer**).

(c) **Limit on Offers**

Where the Company has relied or intends relying on the Class Order to make an Offer, the Company must have reasonable grounds to believe, when making an Offer, that the number of Shares to be received on exercise of Awards offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.

The maximum number of Securities that may be issued under the Plan, should it be approved, is 56,233,806 securities (being 10% of the total number of Shares on issue following completion of the Acquisitions and assuming the Minimum Subscription is raised under the Public Offer).

(d) **Issue price**

Unless the Awards are quoted on the ASX, Awards issued under the 2020 Incentive Plan will be issued for no more than nominal cash consideration.

(e) **Exercise Price**

The Board may determine the Option exercise price (if any) for an Option offered under that Offer in its absolute discretion. To the extent the ASX Listing Rules specify or require a minimum price, the Option Exercise Price in respect of an Option offered under an Offer must not be less than any minimum price specified in the ASX Listing Rules.

(f) **Vesting Conditions**

In respect of any Award, any condition set out in the Offer which must be satisfied (unless waived in accordance with the 2020 Incentive Plan) before that Award can be exercised or any other restriction on exercise of that Award specified in the Offer or in the 2020 Incentive Plan (**Vesting Conditions**).

(g) **Vesting**

The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Awards have been granted under the 2020 Incentive Plan or their nominee where the Awards have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Awards due to:

(i) special circumstances arising in relation to a Relevant Person in respect of those Awards, being:

(A) a Relevant Person ceasing to be an Eligible Participant due to:

(B) death or total or permanent disability of a Relevant Person;

(C) retirement or redundancy of a Relevant Person;

(D) a Relevant Person suffering severe financial hardship;

(E) any other circumstance stated to constitute "special circumstances" in the terms of the relevant Offer made to and accepted by the Participant;

(F) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the Relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant;

(ii) a change of control occurring; or

(iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

(h) **Lapse of an Award**

An Award will lapse upon the earlier to occur of:

(i) an unauthorised dealing in, or hedging of, the Award occurring;

(ii) a vesting condition in relation to the Award is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the vesting condition and vest the Award;

(iii) in respect of an unvested Award only, a Relevant Person ceases to be an Eligible Participant, unless the Board:

(A) exercises its discretion to vest the Award; or

(B) in its absolute discretion, resolves to allow the unvested Award to remain unvested after the Relevant Person ceases to be an Eligible Participant.

(iv) in respect of a vested Award only, a Relevant Person ceases to be an Eligible Participant and, where required by the Board in its absolute discretion, the vested Performance Right is not exercised within a one (1) month period (or such other period as the Board determines) as notified by the Board to the Participant after the date the Relevant Person ceases to be an Eligible Participant;

(v) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant;

(vi) the Company undergoes a change of control or a winding up resolution or order is made, and the Award does not vest; and

(vii) the expiry date of the Award.

(i) **Cashless exercise facility**

If an Eligible Participant wishes to exercise some or all of their vested Options, they may, subject to Board approval, elect to pay the Option Exercise Price by using a cashless exercise facility, which entitles an Eligible Participant to set-off the Option exercise price against the number of Shares which the Participant is entitled to receive upon exercise of the Options as follows:

(i) the aggregate total Option exercise price otherwise payable in respect of all vested Options exercised, less the aggregate total market value of Shares as at the date the vested Option is exercised that would otherwise be issued or transferred on exercise of the vested Options; and

(ii) divided by the market value of a Share as at the date the vested Option is exercised.

(j) **Not transferrable**

Awards are only transferrable in special circumstances or a change of control, and in either case with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death to the Participant's legal personable representative or upon bankruptcy to the Participant's trustee in bankruptcy.

(k) **Shares**

All shares issued on exercise of an Award under the 2020 Incentive Plan will rank equally in all respects with the shares of the same class for the time being on issue except as regards any rights attaching to such shares by reference to a record date prior to the date of their issue.

(l) **Sale Restrictions**

The Board may, in its discretion, determine at any time up until exercise of Awards, that a restriction period will apply to some or all of the shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Awards up to a maximum of five (5) years from the grant date of the Awards. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.

(m) **No Participation Rights**

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

(n) **Change in exercise price of number of underlying securities**

An Award does not confer the right to a change in exercise price or in the number of underlying Shares over which the Award can be exercised.

(o) **Reorganisation**

If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of an Award are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

(p) **Trust**

The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Awards, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the 2020 Incentive Plan to effect the establishment of such a trust and the appointment of such a trustee.

10.6 2018 Incentive Plan

At a general meeting of Shareholders held on 17 August 2018, Shareholders approved the adoption of an option incentive plan (**2018 Incentive Plan**). The 2020 Incentive Plan is being adoptions to give the Company greater flexibility than the 2018 Incentive Option Plan. The key terms of the 2018 Incentive Plan are as follows:

(a) **Eligibility and grant of Options**

Options may be granted at the discretion of the Board to any director, contractor, full time, part time or casual employee of the Company or related body corporate (**Eligible Participant**).

(b) **Invitation to apply for Options**

The Board may provide a written invitation to the Eligible Participant to apply for Options upon the terms set out in the 2018 Incentive Plan and upon such additional terms and conditions as the Board determines (**Offer**). The invitation document must specify:

(i) the maximum number of Options that the Eligible Participant may apply for, or the formula for determining the maximum number of Options that may be applied for;

(ii) the maximum number of Shares that the Eligible Participant is entitled to be issued on the exercise of each Option or the formula for determining the maximum number of Shares;

(iii) any applicable vesting conditions;

(iv) any restriction period applied by the 2018 Incentive Plan or that the Board has resolved to apply to Shares issued on exercise of the Options;

(v) the expiry date of the Options (**Expiry Date**);

(vi) the date by which an application for Options must be received by the Company; and

(vii) any other information required by law or the ASX Listing Rules.

(c) **Number of Options Offered**

The number of Options which an Eligible Participant is invited to apply for pursuant to an Offer is within the discretion of the Directors. Each Option will, upon exercise of a vested Option, entitle the holder to receive, at the absolute discretion of the Board, either one (1) Share in the capital of the Company, or a cash payment of equivalent value.

(d) **Cashless Exercise Facility**

Subject to Board approval, a Participant may set off the Option exercise price (if any) against the number of Shares which the Participant is potentially entitled to receive upon exercise of the Options. The Participant will then receive, at the absolute discretion of the Board, either Shares or a cash payment to the value of the surplus after the Option exercise price has been set-off.

(e) **Vesting Conditions**

An Option may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the Offer for the Option.

(f) **Option Exercise Price**

Subject to any minimum price required by the ASX Listing Rules, the Board may determine the exercise price (if any) for an Option the subject of an Offer in its absolute discretion.

(g) **Consideration**

Options issued under the 2018 Incentive Plan will be issued for no more than nominal cash consideration.

(h) **Escrow**

A Share issued on exercise of an Option may be subject to a restriction period.

(i) **Quotation**

Options will not be quoted on the ASX.

(j) **Lapse of Offer**

To the extent that an application for Options is not received by the Company by a specified date (**Closing Date**), the Offer will lapse on the date following the Closing Date.

(k) **Shares Allotted Upon Exercise of Options**

The Company will issue or transfer Shares, or make a cash payment, to the Participant, within ten (10) days of receipt of a valid notice of exercise of vested Options. The Shares allotted under the 2018 Incentive Plan will be of the same class and will rank equally with Shares in the Company at the date of issue. The Company will seek listing of the new Shares on ASX within the time required by ASX Listing Rules.

(l) **Transfer of Options**

An Option is non-transferable other than in special circumstances (if the holder suffers death or total and permanent disability, retirement, redundancy, severe financial hardship, or other circumstances determined in the Board's discretion or specified in the relevant Offer) with the consent of the Board. Options are otherwise transferable upon the holder's death to their legal personal representative or upon the holder's bankruptcy to their trustee in bankruptcy.

(m) **Transfer of Shares**

The Board may, in its discretion, determine that a restriction period will apply to some or all of the Shares issued on exercise of Options, and Shares shall be subject to a restriction period to the extent necessary to comply with any escrow restrictions imposed by the ASX Listing Rules.

(n) **Lapse of Options**

An Option shall lapse when:

(i) an unauthorised dealing in the Option occurs, or the holder engages in fraud, dishonesty or other improper behaviour;

(ii) a vesting condition in relation to the Option is not satisfied by the due date, or becomes incapable of satisfaction;

(iii) in respect of an unvested Option only, the relevant person ceases to be an Eligible Participant, subject to the Board's discretion to waive the lapsing of Options in special circumstances;

(iv) in respect of a vested Option only, a relevant person ceases to be an Eligible Participant and the Board resolves that the Options granted in respect of that relevant person must:

(A) be exercised within a specific period, and the Option is not exercised within that period; or

(B) be cancelled by the Company in consideration for a cash payment to the Participant, and a cash payment is made.

(v) the Company undergoes a change of control or a winding up resolution or order is made; or

(vi) the Option has not been exercised by the Expiry Date.

(o) **Change of Control**

If a company (**Acquiring Company**) obtains control of the Company as a result of a change of control the Company the vesting conditions are deemed to be automatically waived.

(p) **Capital Reconstruction**

In the event of a capital reconstruction, the exercise price and/or number of Options will change to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

(q) **Participation in New Issues**

There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new shares of capital offered to Shareholders during the currency of the Options without exercising the Options. In addition holders of Options will not be entitled to vote or receive dividends as a result of their holding of Options.

10.7 ASX Waivers

The Company has received the following waiver from the ASX Listing Rules:

ASX Listing Rules 1.1 (Condition 12) and 2.1 (Condition 2)

ASX Listing Rule 1.1 (Condition 12) provides that if an entity has options on issue the exercise price for each underlying security must be at least 20 cents in cash. ASX Listing Rules 2.1 (Condition 2) provides that the issue price or sale price of all the securities for which an entity seeks quotation (except options) must be at least 20 cents in cash.

The Company has obtained a conditional waiver from the requirements of ASX Listing Rules 1.1 (Condition 12) and 2.1 (Condition 2) to allow the Company to offer Shares under the Offers at an issue price which is less than 20 cents and to have Options on issue with exercise prices below $0.20.

ASX Listing Rule 10.13.

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of equity securities, or agreement to issue equity securities, to a related party of the Company.

ASX Listing Rule 10.13 sets out the requirements for shareholder approval under ASX Listing Rule 10.11. In particular, ASX Listing Rule 10.13.5 provides that the notice of meeting must (inter alia) state the date by which the entity will issue the securities and that the securities must be issued no later than 1 month after the date of the meeting or such later date as may be permitted by any ASX waiver or modification of the ASX Listing Rules.

The Company has obtained a conditional waiver from the requirements of ASX Listing Rule 10.13.5 to allow the Company to issue the securities to be issued to Messrs Banks, Martin, Troncone and Ben-Shabat within a period of 3 months following the date of the Second General Meeting. Further details relating to these issues are set out in Section 8.2.

10.8 Interests of Directors

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

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

  (i) its formation or promotion; or

  (ii) the Offers.

(c) the Offers,

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

(d) as an inducement to become, or to qualify as, a Director; or

(e) for services provided in connection with:

  (i) the formation or promotion of the Company; or

  (ii) the Offers.

10.9 Interests of Experts and Advisers

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

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

(d) the formation or promotion of the Company;

(e) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offers.

(f) the Offers,

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

(g) the formation or promotion of the Company; or

(h) the Offers.

Sandton Capital has acted as Lead Manager for the Company in relation to the Offer. The Company estimates it will pay Sandton Capital those fees as set out in Section 9.1.1. During the 24 months preceding lodgement of this Prospectus with ASIC, Sandton Capital has received $60,000 in fees under the Lead Manager Mandate from the Company.

BDO Corporate (WA) Pty Ltd (**BDO Corporate**) has acted as Investigating Accountant for the Company and has prepared the Independent Limited Assurance Report which is included at Annexure C of this Prospectus. The Company estimates it will pay BDO Corporate $11,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, BDO Corporate has not received fees from the Company.

BDO Audit (WA) Pty Ltd (**BDO Audit**) has acted as auditor of the Company. During the 24 months preceding lodgement of this Prospectus with ASIC, BDO Audit has received $116,124 (excluding GST) from the Company.

Ian Wilson Consultancy Ltd has prepared the Independent Geologist's Report which is included at Annexure A of this Prospectus and the Mineral Resource Report annexed to it. The Company estimates it will pay Ian Wilson Consultancy Ltd a total of $14,000 (excluding GST) for these services. Other than in connection with preparation of the Independent Geologist's Report and Mineral Resource Report, during the 24 months preceding lodgement of this Prospectus with ASIC, Ian Wilson Consultancy Ltd has not received any fees from the Company, Watershed and Mt Marshall for their services.

Serik Urbisinov and Andrew Scogings have prepared the geological modelling on which the Inferred Mineral Resource set out in the Mineral Resource Report was based. The Company estimates it will pay Serik Urbisinov and Andrew Scogings a total of $12,000 (excluding GST) for these services. Other than in connection with preparation of the geological modelling, during the 24 months preceding lodgement of this Prospectus with ASIC, Serik Urbisinov and Andrew Scogings have

not received any fees from the Company, Watershed and Mt Marshall for their services.

Steinepreis Paganin has acted as the Australian solicitors to the Company in relation to the Offers. The Company estimates that it will pay Steinepreis Paganin up to $130,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with ASIC, Steinepreis Paganin has received fees totalling $238,631.72 from the Company (excluding GST and disbursements).

10.10 Consents

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

Each of the parties referred to in this Section 10.10:

(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.

Sandton Capital has given its written consent to being named as the Lead Manager to the Offer in this Prospectus. Sandton Capital has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

BDO Corporate has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Independent Limited Assurance Report at Annexure C of this Prospectus in the form and context in which the information and report is included. BDO Corporate has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

BDO Audit has given its written consent to being named as auditor of the Company in this Prospectus and to the inclusion of the Company's audited accounts in the Prospectus in the form and context in which the information is included. BDO Audit has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

Ian Wilson Consultancy Ltd has given its written consent for the inclusion of the Independent Geologist's Report at Annexure A of this Prospectus in the form and context in which the information and report is included. Ian Wilson Consultancy Ltd has not withdrawn his consent prior to lodgement of this Prospectus with ASIC.

Serik Urbisinov and Andrew Scogings have given their written consent for the inclusion of the geological modelling included in the Mineral Resource Report at Annexure A of this Prospectus in the form and context in which the information is

included. Serik Urbisinov and Andrew Scogings have not withdrawn their consents prior to lodgement of this Prospectus with ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors of the Company in the Prospectus and the inclusion of the Solicitor's Report on Title at Annexure B of this Prospectus in the form and context in which the information in the report is included. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus.

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

10.11 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately $497,368 for the Minimum Subscription and $560,611 for the Maximum Subscription and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Amount $	
	Minimum Subscription	Maximum Subscription
ASIC fees	$3,206	$3,206
ASX fees	$74,162	$77,405
Legal fees	$130,000	$130,000
Investigating Accountant's Fees	$11,000	$11,000
Lead Manager fees	$240,000	$300,000
Fees for Independent Geologist's Report	$26,000	$26,000
Other	$13,000	$13,000
TOTAL	**$497,368**	**$560,611**

10.12 Governing law

The Offers and the contracts formed on return of an Application Form are governed by the laws applicable in Western Australia, Australia. Each person who applies for Shares pursuant to this Prospectus submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia, and the relevant appellate courts.

11. DIRECTORS' AUTHORISATION

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

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

_____

Kobi Ben Shabat
Managing Director
For and on behalf of
ULTRACHARGE LIMITED

12. GLOSSARY

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

Acquisitions means the Watershed Acquisition and the Mt Marshall Acquisition.

Acquisition Agreements means Watershed Agreement and the Mt Marshall Agreement. the material terms of which are summarised in Section 9.2.1.

Advisor Offer means the offer of Options described in Section 4.2.3.

AFSL means Australian Financial Services Licence.

Applicant means a party that completes an Application Form and submits it to the Company in accordance with this Prospectus relating to the Offer.

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

ASIC means Australian Securities & Investments Commission.

Astrid Hill means Astrid Hill Pty Ltd (ACN 635 054 698).

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

ASX Listing Rules means the Listing Rules of ASX.

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

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

CHESS means the Clearing House Electronic Sub-register System.

Closing Date means the closing date of the Offer as set out in the indicative timetable on page 6 of this Prospectus (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

Company means Ultracharge Limited (to be renamed "Suvo Strategic Minerals Limited") (ACN 140 316 463).

Conditional Approval means the letter issued by the ASX to the Company stating the conditions that are required to be met by the Company in order to re-comply with Chapters 1 and 2 of the ASX Listing Rules for re-quotation of its Shares on the Official List.

Consideration Offer

Consideration Offer means the offer of Shares described in clause 4.2.1

Consideration Shares means Watershed Consideration Shares and the Mt Marshall Consideration Shares, being an aggregate 150,000,000 Shares.

Consolidation means the 1 for 10 consolidation of the Company's issued capital, for which approval was received at the Original General Meeting.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

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

Director means a director of the Company.

Director Offer means the offer of Performance Rights and Director Options described in clause 4.2.2

Essential Resolutions means the designated as such in Section 4.3.

ETV, **ETV Licence** and **ETV Shares** each have the meanings given to them in Section 5.1.

Lead Manager or **Sandton Capital** means Sandton Capital Advisory Pty Ltd (ACN 637 284 372), Authorised Representative (Australian Financial Services Authorised Representative Number 001 279 024) of Armada Capital Pty Ltd (AFSL 28 98 98).

Lead Manger Mandate has the meaning given to it in Section 9.1.1.

Maximum Subscription means the maximum amount to be raised pursuant to the Offer, being $5,000,000.

Mineral Resource Report means the mineral resource report that forms an appendix to the Independent Geologist's Report.

Minimum Subscription means the minimum amount to be raised under the Offer, being $4,000,000.

Mt Marshall Acquisition means the acquisition of Watershed by the Company pursuant to the Watershed Agreement.

Mt Marshall Agreement means the agreement between the Company and the Watershed Shareholders, as summarised in Section 9.2.2.

Mt Marshall Consideration Shares has the meaning given to that term in Section 9.2.2.

Mt Marshall means Mt Marshall Kaolin Pty Ltd (ACN 626 464 399).

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

Mt Marshall Shareholders means a holder of a Mt Marshall Share, as set out in Section 5.7.1.

Offers means the Public Offer and the Secondary Offers.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Option means an option to acquire a Share.

Original General Meeting means the general meeting convened by the Company on 28 February 2020.

Performance Rights mean the performance rights of the Company on the terms set out in 10.3 of this Prospectus.

Projects means the Eneabba Sands Project and Mt Marshall Kaolin Project.

Proposed Director Shares has the meaning given in Section 4.2.2.

Proposed Directors means Messrs Aaron Banks, Robert Martin and Leonard Troncone.

Prospectus means this prospectus.

Public Offer means the offer pursuant to this Prospectus of 200,000,000 Shares at an issue price of $0.02 per Share to raise $4,000,000, together with oversubscriptions of up to a further 50,000,000 Shares at an issue price of $0.02 per Share to raise up to a further $1,000,000.

Second General Meeting means the general meeting to be held by the Company on 7 July 2020, at which Shareholders will consider the Essential Resolutions.

Secondary Offers means the Consideration Offer, the Director Offer and the Advisor Offer.

Section means a section of this Prospectus.

Security has the same meaning as that given in the ASX Listing Rules.

Settlement means settlement of the Acquisitions pursuant to the Acquisition Agreements.

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

Shareholder means a registered holder of a Share.

Vendors means the Watershed Shareholders and the Mt Marshall Shareholders.

Watershed Acquisition means the acquisition of Watershed by the Company pursuant to the Watershed Agreement.

Watershed Agreement means the agreement between the Company and the Watershed Shareholders, as summarised in Section 9.2.1.

Watershed Consideration Shares has the meaning given to that term in Section 9.2.1.

Watershed means Watershed Enterprise Solutions Pty Ltd (ACN 609 289 938).

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

Watershed Shareholders means a holder of a Watershed Share, as set out in Section 5.5.1.

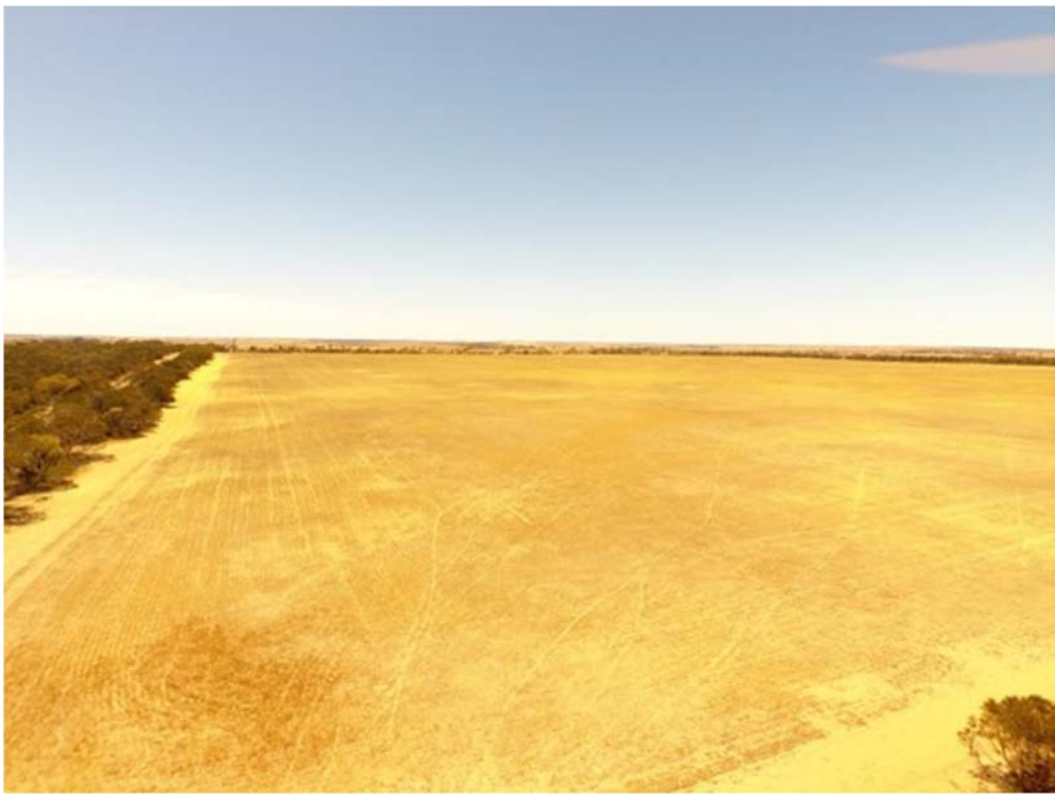
WST means Australian Western Standard Time as observed in Perth, Western Australia.

ANNEXURE A – INDEPENDENT GEOLOGIST'S REPORT

IAN WILSON CONSULTANCY LTD

Withielgoose Farmhouse, Withiel,
Bodmin, Cornwall, PL30 5NW, UK
(Email: ian.r.wilson@btinternet.com)

Independent Geologist Report



View of Gabbin farmland

REPORT BY DR IAN WILSON
BSc, MSc, PhD, MIMMM (IOM3), CEng, CGeol, FGS

19 June 2020

CONTENTS

1 EXECUTIVE SUMMARY 1
1.1 PROJECT LOCATIONS 1
1.2 ENEABBA SANDS PROJECT 1
1.3 MT MARSHALL KAOLIN PROJECT 3
1.4 CADOUX SOUTH KAOLIN PROJECT 3
1.5 PLANNED EXPENDITURE 3
1.6 LOGISTICS 4
2 INTRODUCTION 4
2.1 TERMS OF REFERENCE 4
2.2 TENEMENT SCHEDULE 6
2.3 RELIANCE, VERIFICATION & VALIDATION 6
2.4 QUALIFICATIONS, EXPERIENCE & INDEPENDENCE 6
2.5 AUTHENTICITY 7
3 MT MARSHALL KAOLIN PROJECT 8
3.1 TENURE 8
3.2 LOCATION, ACCESS & INFRASTRUCTURE 8
3.3 REGIONAL GEOLOGY 9
3.4 LOCAL GEOLOGY 10
3.5 DUE DILIGENCE ON MT MARSHALL KAOLIN 11
3.5 INFERRED RESOURCE DEFINED IN RESPECT OR MT MARSHALL KAOLIN PROJECT 18
3.6 CADOUX SOUTH KAOLIN PROJECT 18
5. THE ENEABBA SANDS PROJECT 20
5.1 LOCATIONS, ACCESS AND TENURE 20
5.2 DRAINAGE, CLIMATE, FLORA AND FAUNA 21
5.3 REGIONAL GEOLOGY 22
5.4 LOCAL GEOLOGY 25
5.5 ENEABBA SANDS PROJECT GEOLOGY 25
5.6 EXPLORATION HISTORY 27
6 PLANNED EXPLORATION 29
References 31
Appendix 1: Renison Aircore Drilling Results 32
Appendix 2: SGS Chemical analyses of silica sands from Eneabba 50
Appendix 3 – JORC Table 1: Eneabba Project 51
Annexure: Mt Marshall Kaolin Project Mineral Resource Estimate 56

TABLES

Table 1: Tenement Schedule 6
Table 2: Mt Marshall Tenement Applications 8
Table 3: Mt Marshall Aircore Locations and Visual Results 16
Table 4: Details of the Cadoux tenement 18
Table 5: Exploration Plan and Budget for Mt Marshall Kaolin 19
Table 6:Details of four tenements of Eneabba Sands Project 20
Table 7: Eneabba Sands Project Budget 29

FIGURES

Figure 1: Project Locations and Regional Infrastructure 2
Figure 2: Mt Marshall & Cadoux Sth Tenement Regional Location Plan 8
Figure 3: Currently unused CBH grain storage facility adjacent to the Gabbin to Fremantle rail line 9
Figure 4: Regional TMI Magnetics 10

Figure 5 First Vertical Derivative processing of Magnetics 10
Figure 6: Mt Marshall Aircore Collar Locations..... 11
Figure 7: Typical weathering profile from the property 11
Figure 8: Chip trays of boreholes MAC10, MAC12, MAC20 and MAC22 12
Figure 9: Core of altered granite with abundant feldspar and subordinate quartz12
Figure 10: Intensely weathered granitoid core from base of hole/drill refusal 13
Figure 11:Close up of MAC020 from 8m to 15m..... 13
Figure 12: Mt Marshall Due Diligence Drill in three sections 14
Figure 13: North-South Cross-section Number 1 14
Figure 14: North-South cross-section from Section Number 2 15
Figure 15: East-West cross section Number 3 15
Figure 16: Location of Eneabba Sands Project 20
Figure 17: Tenement Locations and Access 22
Figure 18: Regional Physiography 23
Figure 19: Schematic cross-section of the Perth Basin..... 23
Figure 20: View of the Eneabba Plain..... 24
Figure 21: Local topography of the area..... 26
Figure 22: Local Surface Geology..... 26
Figure 23: Location of Hand Auger samples..... 28
Figure 24: Hand Auger Locations with SiO_2% Results 29

1 EXECUTIVE SUMMARY

Ultracharge Limited (to be renamed Suvo Strategic Minerals Limited) (**Company**) commissioned Dr Ian Wilson to prepare this Independent Geologist's Report (**IGR**) on the mineral assets of Watershed Enterprise Solutions Pty Ltd (**Watershed**) and Mt Marshall Kaolin Pty Ltd (**Mt Marshall**). In addition, Mt Marshall has commissioned Dr Ian Wilson to prepare the JORC Report contained in the Annexure to this IGR (**Mineral Resource Report**).

The Company is seeking to list on the Australian Securities Exchange (**ASX**). This IGR is to be included in a prospectus (**Prospectus**) to be lodged by the Company with the Australian Securities and Investments Commission (**ASIC**) and may be relied upon by shareholders and potential investors. Under the Prospectus, the Company is seeking to raise a minimum of $4,000,000 through the issue of 200,000,000 shares at an issue price of $0.02 per share, with the potential for oversubscriptions to raise up to an additional $1,000,000 through the issue of up to an additional 50,000,000 shares at an issue price of $0.02 per share (**Capital Raising**) in connection with the acquisitions of Watershed and Mt Marshall by the Company (**Acquisitions**).

The subject of the IGR are tenements belonging to the Mt Marshall Kaolin Project, the Cadoux South Kaolin Project and the Eneabba Sands Project (together, the **Projects**). A Property Location Map is presented in Figure 1 and a list of the tenements which comprise the mineral assets is presented in Table 1 of this IGR. The funds allocated to direct exploration expenditure are detailed in Sections 4 and 6 of this IGR.

An Inferred Mineral Resource of white kaolin has been estimated under the JORC Code in respect of the Mt Marshall Kaolin Project, as set out in the table below:

	White Kaolinised granite (Mt)	ISO Brightness (%)	Yield (%)	Kaolin <45 micron (Mt)
Total	35.1	80.3	38.2	13.4

The modelling of the Inferred Mineral Resource has been undertaken on the basis of lithology of the deposit rather than the brightness value. A brightness cut-off has not been applied to the Inferred Mineral Resource estimate, as the average brightness values of the product tested are generally high (averaging 80.3%). It is the opinion of the author that, based on the average brightness value of the deposit, reporting the Inferred Mineral Resource without a brightness cut-off is appropriate. Refer to section 11.7 for detail with respect to the grade and tonnage of the resource based on brightness cut-offs of 75% and 80%.

Details with respect to the Inferred Mineral Resource are set out in the Mineral Resource Report.

1.1 PROJECT LOCATIONS

The Mt Marshall Kaolin Project is located South of Gabbin in the Shire of Mt Marshall, 215 km North East of Perth, Western Australia. The Cadoux South Kaolin Project is 180 km North East of Perth and some 50km West of the Mt Marshall Kaolin Project. The Eneabba Sands Project is located 230km North of Perth and 15km South of the town of Eneabba.

1.2 ENEABBA SANDS PROJECT

The Eneabba Sands Project is located on the Swan Coastal Plain approximately

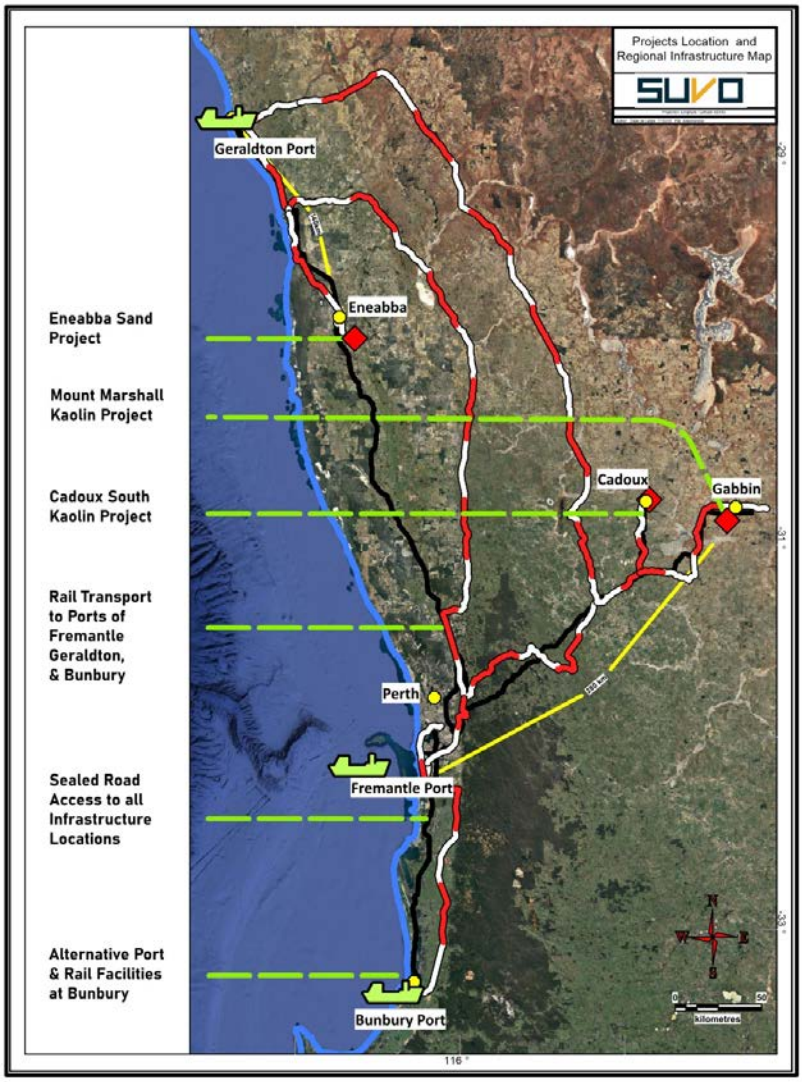
15km South of Eneabba in Western Australia. The Eneabba Sands Project comprises a granted exploration licence held by Watershed and three applications for exploration licences made by Watershed. Eneabba has been a major producer of heavy mineral sands since the 1970s.

Iluka Resources Limited (**Iluka**) holds tenements adjacent to the East and South of Eneabba Sands Project that were previously the subject of production by Iluka and are now on care and maintenance or under rehabilitation.

An extensive drill programme is planned to test the geological model for this property. Two aircore programs are planned which follow on from, and extend the historic work conducted by Renison (refer to Section 5.6) which was limited to the Western side of the current tenement. The Company plans to extend this coverage to adequately test the whole tenement.

High purity silica sand has recently been collected across the central granted tenement. The 31 samples collected returned an average assay of 98.48%SiO_2. Sampling was achieved using a hand auger (refer to Section 5.6 for further details with respect to these results). The Eneabba Sands Project has three contiguous tenements covering 59 blocks with an area of approximately 17,710 Ha.

Figure 1: Project Locations and Regional Infrastructure



The Company intends to test the continuity and grade of the silica sands across the tenements. The Company considers that the tenement package has the potential to define and deliver several products including high purity silica sand, good quality clean white sand and good quality yellow construction sand.

1.3 MT MARSHALL KAOLIN PROJECT

The Mt Marshall Kaolin Project is located 215 km North East of Perth in Western Australia. The Mt Marshall Kaolin Project comprises a granted exploration licence held by Mt Marshall and two applications for exploration licences made by Watershed.

The Mt Marshall Kaolin Project will undergo several programs of Aircore and Reverse Circulation drilling with an aim of bringing the Mt Marshall Kaolin Project to a Measured Resource status. The Mt Marshall Kaolin Project has had sufficient aircore drilling to determine the validity and potential of the Mt Marshall Kaolin Project (refer to Section 3.5 for further detail with respect to the aircore drilling results).

Inferred Mineral Resources of white kaolin have been estimated under the JORC Code at the Mt Marshall Project, details of which are included in the Mineral Resource Estimate annexed to this IGR.

The Mt Marshall Kaolin Project is substantially within private property that is, for the most part, fully cleared of vegetation. The property is intermittently cropped. An agreement is in place with the property owner for the purposes of exploration drilling at the Mt Marshall Kaolin Project.

1.4 CADOUX SOUTH KAOLIN PROJECT

The Cadoux South Project is a recent application for an exploration licence and accordingly no direct budget is allocated toward exploration of the Cadoux South Kaolin Project in the Prospectus. When granted, initial exploration is anticipated to be funded from the Company's working capital.

The Cadoux South Kaolin Project is adjacent to and South of the Cadoux High Purity Alumina (**HPA**) project belonging to FYI Resources Limited (**FYI**). FYI have a reported a result of 99.99% Al_2O_3 through their pilot plant (refer to FYI announcement released on 11 December 2019).

As the property is only 50km from the Mt Marshall Kaolin Project, there is anticipated to be minimal logistical cost in initial exploration. The Cadoux South Prospect is greenfields and will undergo an initial program of aircore drilling to determine the parameters of more detailed drilling.

1.5 PLANNED EXPENDITURE

The Company provided its planned exploration expenditure for the two years following completion of the Acquisitions and the Capital Raising.

Direct exploration expenditure is $3,240,000 if the minimum of $4,000,000 is raised and $4,100,000 in the event the maximum subscription of $5,000,000 is raised. The exploration programs proposed by the Company are consistent with the status and potential of the Projects.

The proposed expenditure is sufficient to meet the costs of the planned exploration and meet statutory tenement expenditure requirements.

1.6 LOGISTICS

Kaolin, high purity silica and yellow sand are all industrial commodities. Efficiently moving the product from mine to market is as important as the product itself in terms of the viability of the business. The Projects each have ready access to both road and rail enabling a variety of options if the Projects reach the scoping study stage. The bulk shipping ports of Fremantle, Bunbury and Geraldton are all logistically convenient (Figure 1).

2 INTRODUCTION

2.1 TERMS OF REFERENCE

Ian Wilson Consultancy Limited was commissioned by the Company to provide an Independent Geologists Report (**IGR**) on exploration assets belonging to Watershed and Mt Marshall in Western Australia. Ian Wilson Consultancy Limited understands that this IGR is to be included in the Prospectus to be lodged by the Company with the (**ASIC**) in connection with the Capital Raising.

The Company has entered into the Acquisition Agreements to acquire Watershed and Mt Marshall, the holders of the Projects, details of which are included in the Prospectus. The current ownership and legal standing of the Projects is subject to a separate Solicitor's Tenement Report which is set out in the Prospectus and these matters have not been independently verified by the author. The present status of tenements listed in this IGR is based on information provided by the Company, Watershed and Mt Marshall and the IGR has been prepared on the assumption that the tenements will prove lawfully accessible for evaluation and development.

The funds raised under the Capital Raising will be used to explore and develop the Mt Marshall Kaolin Project and Eneabba Sands Project in Western Australia and for working capital purposes. In the event that the application making up the Cadoux South Project is granted, funds will be allocated from working capital toward initial exploration activities.

This IGR has been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition) and the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports (VALMIN Code 2015 Edition). This IGR has also been prepared in accordance with Australian Securities and Investments Commission (ASIC) Regulatory Guides 111 (Contents of Expert Reports) and 112 (Independence of Experts).

Ian Wilson Consultancy Ltd has prepared this IGR strictly in the role of an independent expert. Professional fees payable for the preparation of this IGR constitute its only commercial interest in the Company. Payment of fees is in no way contingent upon the conclusions of this IGR. Dr Ian Wilson, principal of Ian Wilson Consultancy Ltd, has been engaged as an independent advisor to the board of Mt Marshall and its related bodies corporate (which will include the Company following completion of the Acquisitions). Dr Ian Wilson's role as independent board advisor will take effect on completion of the Acquisitions. Dr Ian Wilson will charge Mt Marshall and its related bodies corporate at customary commercial rates for advisory services requested by the Company on terms commensurate with such services provided to other companies. None of the Company, Watershed, Mt Marshall or Dr Ian Wilson considers that this arrangement constitutes a conflict that would preclude Ian Wilson Consultancy Ltd from being considered independent in accordance with ASIC Regulatory Guide 112 or would be considered an unacceptable conflict of interest under the

JORC Code or VALMIN Code.

Ian Wilson Consultancy Ltd is of the opinion that the Company has satisfactory and clearly defined exploration and expenditure programs which are reasonable having regard to the stated objectives of the Company. The Company's exploration programs are included in this IGR and may be altered in view of future results which could revise the emphasis of current priorities.

Under the definition provided by the VALMIN Code, the Projects are classified as 'early stage exploration projects' whereby mineralisation may or may not have been identified and Inferred Mineral Resources identified, but where Indicated Resources, Measured Resources and Ore Reserves have not been identified. The properties are considered to be sufficiently prospective, subject to varying levels of risk, to warrant further exploration and development of their economic potential. Risks applicable to the Projects are set out in the Prospectus.

This IGR is not a Valuation Report (as defined in the VALMIN Code) and does not express an opinion with respect to the value of the mineral assets or make any comment on the fairness and reasonableness of any of the transactions contemplated.

Annexed to this IGR is the Mineral Resource Report, prepared by Ian Wilson Consultancy Ltd, under which an Inferred Mineral Resource has been estimated in respect of the Mt Marshall Kaolin Project. This IGR incorporates information regarding the Inferred Mineral Resource from the Mineral Resource Report.

In preparing this IGR, Ian Wilson Consultancy Ltd was reliant on relevant data collated and provided by the Company as well as information contained in the Mineral Resource Report, publicly available information regarding geology and previous exploration over the Projects. The principal sources of information regarding the assets were exploration results provided by the Company, Watershed and Mt Marshall, together with statutory reports prepared by previous tenement holders and their consultants and submitted to the Department of Minerals, Industry Regulation and Safety (**DMIRS**) of Western Australia. Ian Wilson Consultancy Ltd does not doubt the authenticity or substance of previous investigating reports.

Representatives of Ian Wilson Consultancy Ltd have not visited the assets of Watershed and Mt Marshall during the compilation of this IGR, but has interviewed Mr Dean De Largie who undertook a site visit on behalf of the Company during the due diligence process undertaken by the Company in respect of the Acquisitions and Dr Andrew Scogings who visited the Mt Marshall Kaolin Project core shed in Perth, where drill chip samples were inspected. The author has also reviewed photos of the areas of the assets. As only an Inferred Mineral Resource has been identified in respect of the assets to date and that site visits have been undertaken by Mr Dean De Largie and Dr Andrew Scogings, with outcomes having been communicated to the author, the author is comfortable that a site visit is not required in order to complete this IGR. The author considers that sufficient information has been made available to allow an informed appraisal to be made.

The Company has agreed to indemnify Ian Wilson Consultancy Ltd for any liability arising as a result of or in connection with the information provided by or on behalf of the Company being incomplete, incorrect or misleading in any material respect. The Company has confirmed in writing to the author that, to its knowledge, the information provided by it (when provided) was complete and not incorrect or misleading in any material respect. Ian Wilson Consultancy Ltd has no reason to believe that any material facts have been withheld and the

Company has confirmed in writing to the author that it believes it has provided all material information available to it.

2.2 TENEMENT SCHEDULE

The Tenement Schedule is shown in Table 1.

Table 1: Tenement Schedule

TENEMENT	TYPE	STATUS	START DATE (APPLICATION DATE)	TITLE HOLDERS	AREA	Project
E 70/5001	EL	LIVE	27/06/17	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	18 Blocks	Eneabba
E 70/5039	EL	LIVE	02/10/17	MT MARSHALL KAOLIN PTY LTD	12 Blocks	Mt Marshall
E 70/5322	EL	PENDING	(25/11/19)	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	22 Blocks	Eneabba
E 70/5323	EL	PENDING	(25/11/19)	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	7 Blocks	Eneabba
E 70/5324	EL	PENDING	(25/11/19)	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	12 Blocks	Eneabba
E 70/5332	EL	PENDING	(23/12/19)	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	70 Blocks	Mt Marshall
E 70/5333	EL	PENDING	(23/12/2019)	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	58 Blocks	Mt Marshall
E 70/5334	EL	PENDING	(23/12/19)	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	49 Blocks	Cadoux Sth

2.3 RELIANCE, VERIFICATION & VALIDATION

This IGR is based on information provided by the Company, Mt Marshall, Watershed, DMIRS and through the authors knowledge of the areas.

The author has conducted open file research and enquiries with respect to the information available relating to the mineral assets and has no reason to believe that any material information has been withheld.

2.4 QUALIFICATIONS, EXPERIENCE & INDEPENDENCE

The author does not have any material present or contingent interest in the outcome of this IGR, nor does the author have any pecuniary or other interest that could be reasonably regarded as being capable of affecting the author's independent judgement.

The author has no present connection with the Company save for the study of the Projects for the purpose of providing an informed opinion in this IGR, including preparation of the Mineral Resource Report. The author has no prior association with the assets and is completing the IGR on commercial consulting rates. The payment of fees is not contingent upon the outcome of the IGR. Payable rates are time based and independent of the outcome of the Capital Raising, the Acquisitions and the IGR. The author has no beneficial interest in the outcome of the Capital Raising, the Acquisitions or the IGR.

The author will be appointed as an independent advisor to the board of Mt Marshall and its related bodies corporate following completion of the Acquisitions, for which the author may receive consultancy fees on customary charge out rates for work requested by Mt Marshall and its related bodies

corporate. Such fees will be commensurate with independent consultancy services provided to other companies by the author.

The author has extensive experience operating across a multitude of commodities and jurisdictions. The author, Dr Ian Wilson, has professional qualifications and is a Member of Institute of Materials, Minerals & Mining (**IOM3**), Fellow of the Geological Society of London (FGS), Chartered Engineer (CEng) and Chartered Geologist (CGeol). The author specialised in a number of industrial minerals and has worked with kaolin and halloysite for 45 years. He gained BSc (Hons) degree in Geology from London University and MSc (Geochemistry) and PhD from the University of Leeds.

The information in the IGR which relate to exploration results and mineral resources is based on information compiled by Dr Ian Wilson. Dr Ian Wilson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code, by virtue of his being a Member of IOM3, a Recognised Professional Organisation. Dr Ian Wilson is a full time employee of Ian Wilson Consultancy Ltd. Dr Ian Wilson will be appointed as an independent advisor to the boards of Mt Marshall and its related bodies corporate for which following completion of the Acquisitions, for which he will receive consultancy fees for work undertaken at the request of Mt Marshall or its related bodies corporate on hourly rates commensurate with rates charged to other companies. Dr Ian Wilson consents to the inclusion of the information in the IGR in the form and context in which it appears.

Annexed to this IGR is the Mineral Resource Report, prepared by Ian Wilson Consultancy Ltd, under which an Inferred Mineral Resource has been estimated in respect of the Mt Marshall Kaolin Project. This IGR incorporates information regarding the Inferred Mineral Resource from the Mineral Resource Report.

The geological modelling included in the Mineral Resource Report was prepared, and fairly reflects information compiled, by Mr Serik Urbisinov and Dr Andrew Scogings, each of whom have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Urbisinov is a full-time employee of CSA Global Pty Ltd and is a Member of the Australian Institute of Geoscientists. Dr Andrew Scogings is an employee of Klipstone Pty Ltd, a Member of both of the Australasian Institute of Mining and Metallurgy ("AusIMM") and the Australian Institute of Geoscientists ("MAIG") and is a Registered Professional Geoscientist (RP Geo. Industrial Minerals). Mr Serik Urbisinov and Dr Andrew Scogings have consented to the inclusion of information in the Mineral Resource Report that is attributable to each of them, and references to the Mineral Resource Report in this IGR, in the form and context in which they appear.

The geological modelling on which the Inferred Mineral Resource is based was independently verified by Dr Ian Wilson during preparation of the Mineral Resource Report. However, as Ian Wilson Consultancy Ltd prepared both the Mineral Resource Report and this IGR, including the Inferred Mineral Resource estimate contained in the Mineral Resource Report, this IGR does not constitute an independent review of the Inferred Mineral Resource or Mineral Resource Report.

2.5 AUTHENTICITY

The author confirms the authenticity, accuracy and completeness of the

technical data provided for this assessment.

3 MT MARSHALL KAOLIN PROJECT

3.1 TENURE

The Mt Marshall Kaolin Project is comprised of one granted exploration licence and two applications for exploration licences (Table 2).

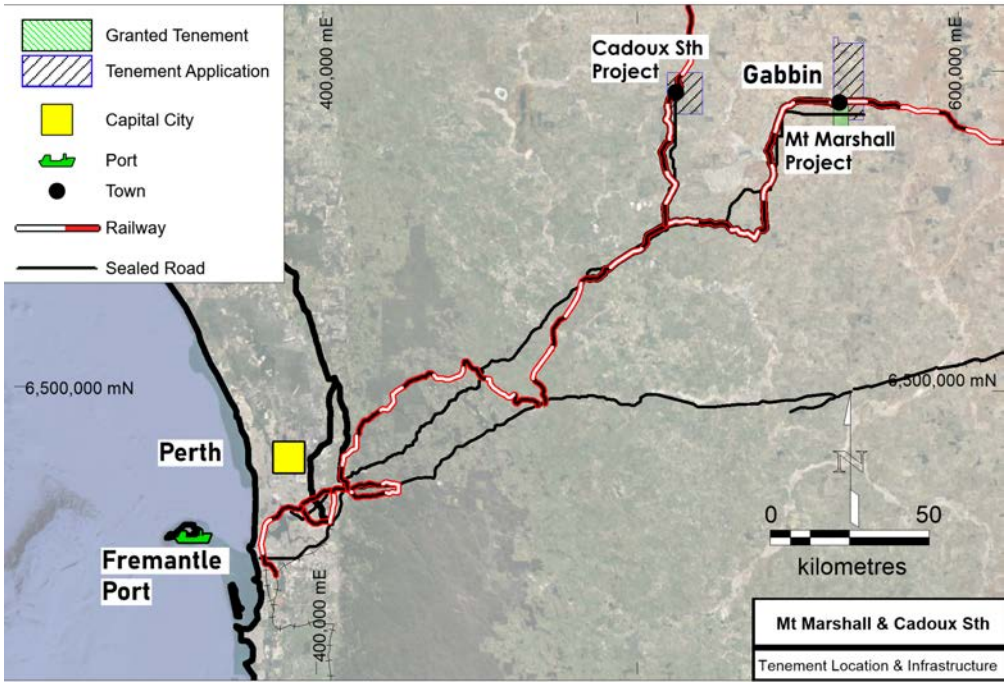
Table 2: Mt Marshall Tenement Applications

TENEMENT	TYPE	STATUS	START DATE	TITLEHOLDERS HOLDERS	AREA	Project
E 70/5039	EL	LIVE	02/10/17	MT MARSHALL KAOLIN PTY LTD	12 Blocks	Mt Marshall
E 70/5332	EL	PENDING	(23/12/19)	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	70 Blocks	Mt Marshall
E 70/5333	EL	PENDING	(23/12/2019)	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	58 Blocks	Mt Marshall

3.2 LOCATION, ACCESS & INFRASTRUCTURE

The Mt Marshall Kaolin Project is located 215 km North East of Perth in Western Australia. Access is via Great Northern Highway, Toodyay Road, and Dowerin Rd to Koorda, then 10km East from Koorda on the Koorda-Bencubbin Road to the Mt Marshall Kaolin Project. The road distance from Perth to the Mt Marshall Kaolin Project is 285 km (Figure 2).

Figure 2: Mt Marshall & Cadoux Sth Tenement Regional Location Plan



At the Northern end of the tenement package is the small town of Gabbin although Koorda is the closest town for supplies, fuel and accommodation. The town of Gabbin has railway access and also sports a large currently unused grain storage facility and grain hopper over the railway line (Figure 3).

Figure 3: Currently unused CBH grain storage facility adjacent to the Gabbin to Fremantle rail line

3.3 REGIONAL GEOLOGY

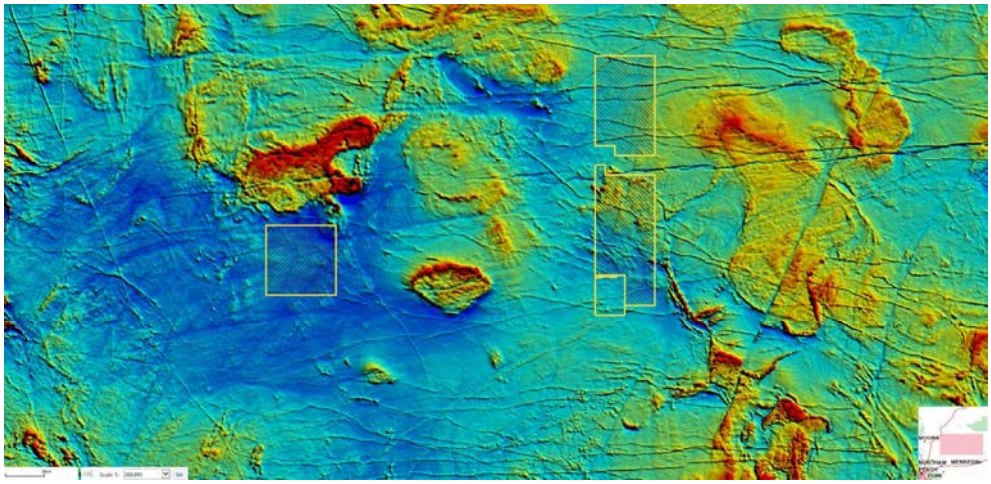
The region is underlain by Archaean Granitoids with subordinate granite-gneiss toward the South East. Bedrock is generally not exposed. The 1:250,000 scale geology of the area gives little indication of any significant structural control. Geologically the area is within South West Terrane close to the border of the Murchison Domain Greenstone Belts. The tenements are within the Bencubbin 1:250,000 scale map sheet area.

The Archaean Yilgarn Graton, which is generally granitic, borders the South West Terrain which is generally composed of volcanic rocks and metamorphosed intrusives.

To the East of the Mt Marshall Kaolin Project, a remnant amphibolite-iron formation greenstone belt outcrops for approximately 20 km.

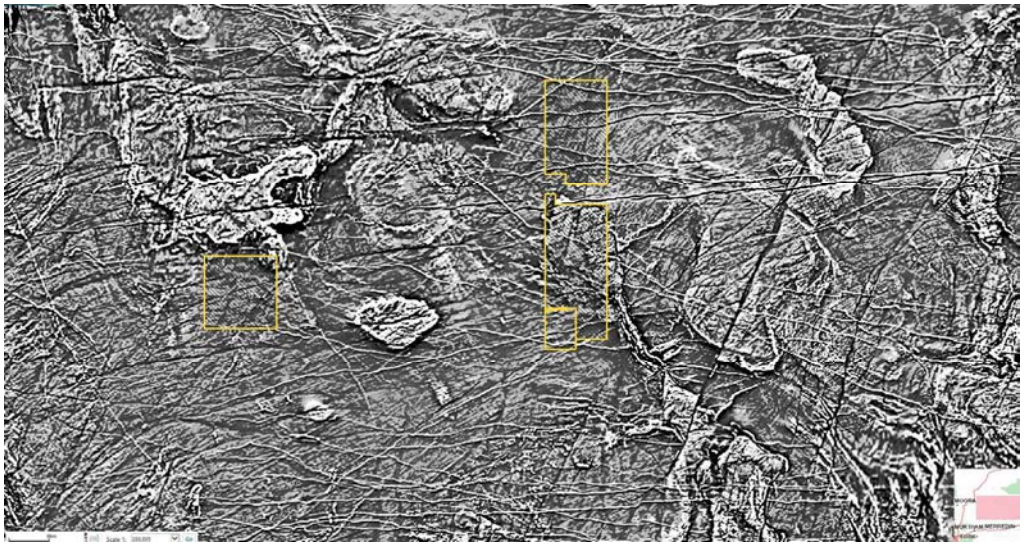
Regional, granitoid fragments can be recognised in dam walls or other trenches. There are two main soil types in the region. Sandy pale weakly limonitic soil overlying felsic intrusive rocks and subordinate Pale Brown to reddish brown soils. The subordinate reddish brown soils in the Koorda to Gabbin region indicate subordinate mafic volcanic basement rocks supported by the TMI magnetics Figure **4**). The magnetics image in Figure 4 shows that there is likely a group of relatively thin greenstones transecting the middle of the tenement group. Deep seated faults and other structures are apparent.

Figure 4: Regional TMI Magnetics



The below image in Figure 5 is the first vertical derivative of the above image (Figure 4). Further processing of that data greatly enhances the visibility of structural elements (Figure 5)

Figure 5 First Vertical Derivative processing of Magnetics



There are kaolin deposits at various locations in the Yilgarn. Most have formed from the strong weathering and leaching of the underlying intrusive rock. It is probable from the alteration of the granite that the feldspars were partly altered by hydrothermal activity and subsequently by weathering from the surface give the very white appearance of the Mt Marshall Kaolin.

3.4 LOCAL GEOLOGY

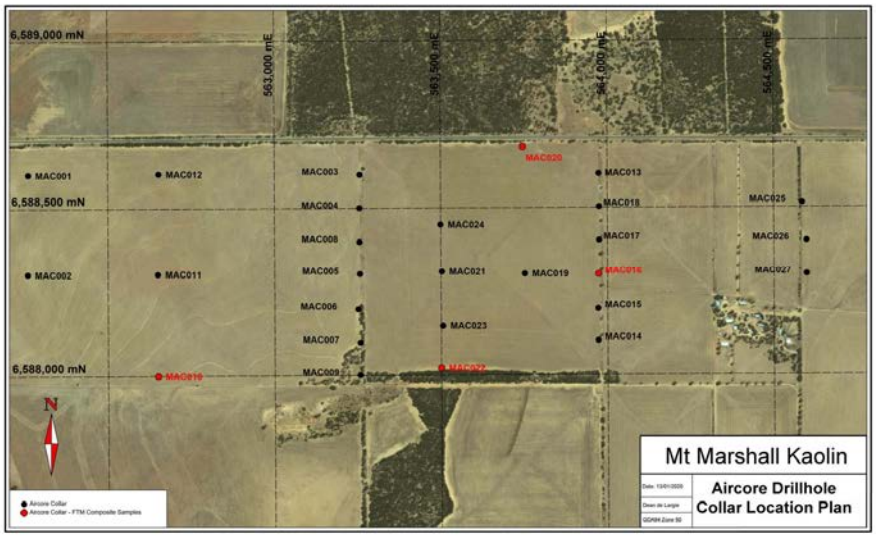
All the tenements at Gabbin were visited by Dean de Largie in December 2019 and January 2020, who was interviewed by the author during preparation of this IGR. The tenements are covered by pale sandy soils. The land is generally used for crop production. The weathering profile observed in the Southern part of the tenure is similar other parts of the Yilgarn where orange-brown to red-brown ferruginous soils have developed over white saprolitic or mottled clays which grade at depth into semi fresh then fresh bedrock. The first vertical derivative magnetic image of the Region (Figure 5) indicates that intense activity has historically occurred and explains why the region has such tremor activity.

3.5 DUE DILIGENCE ON MT MARSHALL KAOLIN

As part of the due diligence process, the Company conducted a small aircore drill program of 27 aircore drillholes for 644m (Figure 6). A JORC Table 1 in respect of the aircore drilling program is set out in the Mineral Resource Report. Visual results available from the aircore drill program are set out in Table 3 below.

The area is underlain by an intensely weathered felsic intrusive rock which appears to be syenitic.

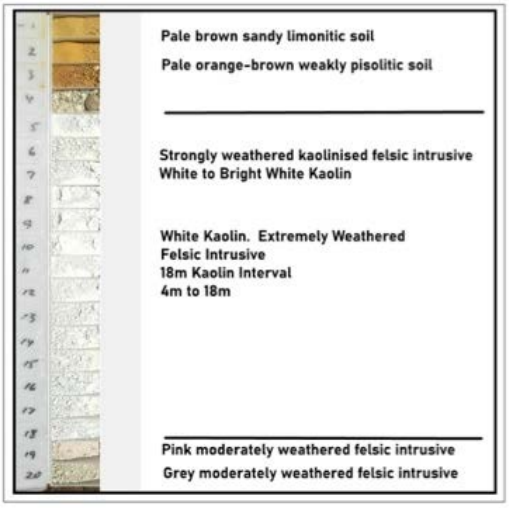
Figure 6: Mt Marshall Aircore Collar Locations



The extreme weathering has leached any mafic components of the original intrusive completely. What remains appears to be quite pure kaolinitic clays with sands which are mainly quartz,

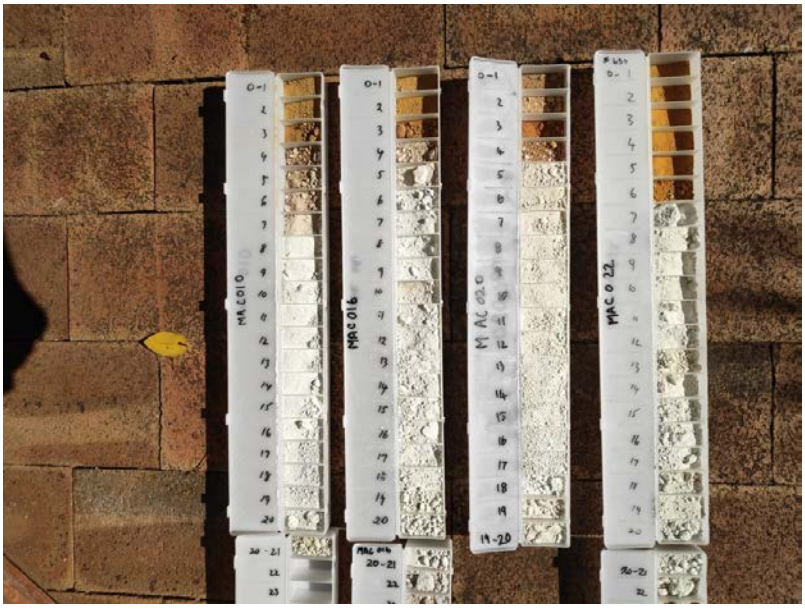
The surface is characterised by a sandy crust overlying ferruginous, weakly pisolitic, orange-brown soils generally from near surface to approximately 4m depth. The change from limonitic soil to bright white kaolinitic clay is generally abrupt. A typical cross-section from the area is shown in Figure 7.

Figure 7: Typical weathering profile from the property



Chip-trays of borehole MAC 10, 16, 20 and 22 are shown in Figure 8. Limonitic soils of 3m to 6m with an underlying 10m to 15m thick zone of kaolin is encountered in various parts of the deposit. The locations of these 4 boreholes are marked in red in Figure 8.

Figure 8: Chip trays of boreholes MAC10, MAC12, MAC20 and MAC22



Bright white kaolin averaged 13m in thickness over the 27 drill holes and reached a thickness of 28m in Hole mac 014. Kaolin is followed by weathered, partially oxidised and then moderately weathered granitoids at depth. Drilling at the property has revealed a weathering profile common in Western Australia with the granitoid rocks, deeply weathered forming a leached, kaolinised zone underlying a lateritic soil.

Fragments of core from base of hole / drill refusal provided the opportunity to more closely examine the parent rock. In the photos it can be observed the absence of dark mafic minerals leaves a rock mostly composed of feldspar (with some alteration) and the greyish quartz.

Figure 9: Core of altered granite with abundant feldspar and subordinate quartz

Figure 10: Intensely weathered granitoid core from base of hole/drill refusal

Figure 11:Close up of MAC020 from 8m to 15m

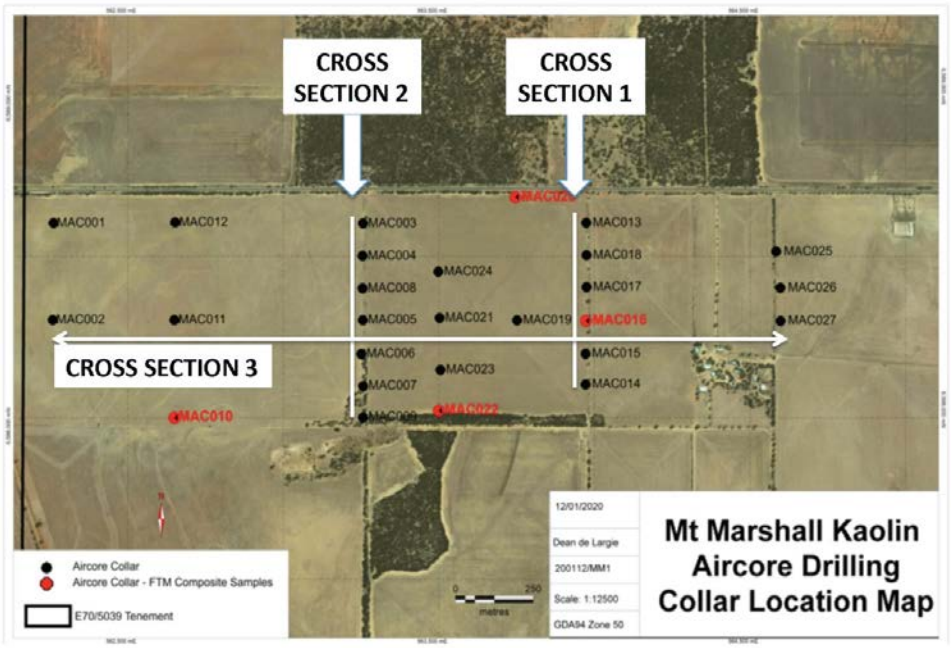
A suite of samples, which have been examined by the author, have been independently analysed by First Test Minerals in the United Kingdom, with results incorporated into the Mineral Resource Report annexed to this IGR. Samples were also taken to Malaysia and Vietnam to establish relationships with potential end users.

The cross sections below show the continuity of kaolin in excess of a 2km strike length and in excess of 700m in width. Also notable is the minor variation in thickness overall.

Chip trays of all drill samples were collected to enable further study away from the drill rig. The photo above is representative of the kaolin at the Mt Marshall Kaolin Project. Typically, below the surficial limonite an interval of 5 to 6 metre of bright white kaolin is present. There is commonly 1 or 2m horizon of cream to pinkish cream kaolinite which grades again into white kaolin.

A map in Figure 12 shows the borehole locations and lines of three cross-sections.

Figure 12: Mt Marshall Due Diligence Drill in three sections

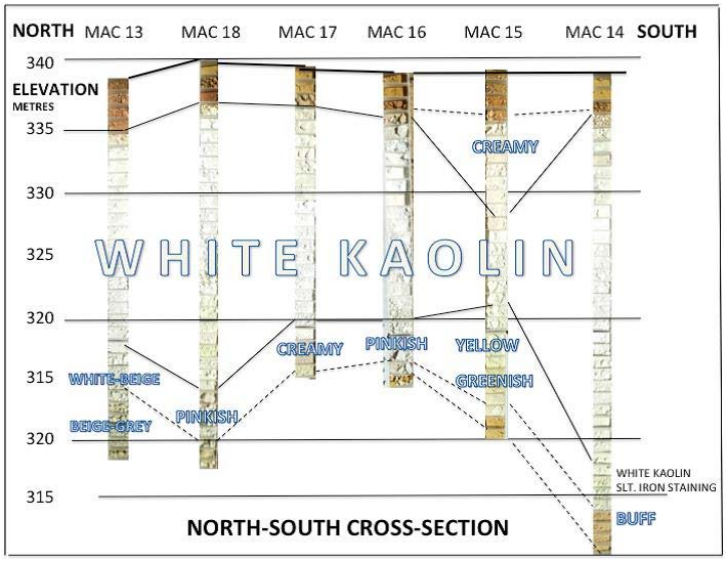


The aircore drill program was conducted on nominal 600m line spacing and a 100m drillhole spacing. Some unusually thick kaolin horizons were encountered, and several infill holes were drilled to determine that continuity. Sampling was done through a cyclone splitter attached to the drill rig. The samples were bagged tied and secured in polyweave sacks with cable ties.

Toward the South, the cross-sections below indicate the thickness, depth, continuity and moderate variance of the kaolin. The kaolin is continuous over the currently drilled 120 hectares, averages 13m thickness. The cross-sections below indicate that there may be some thickening of the kaolin.

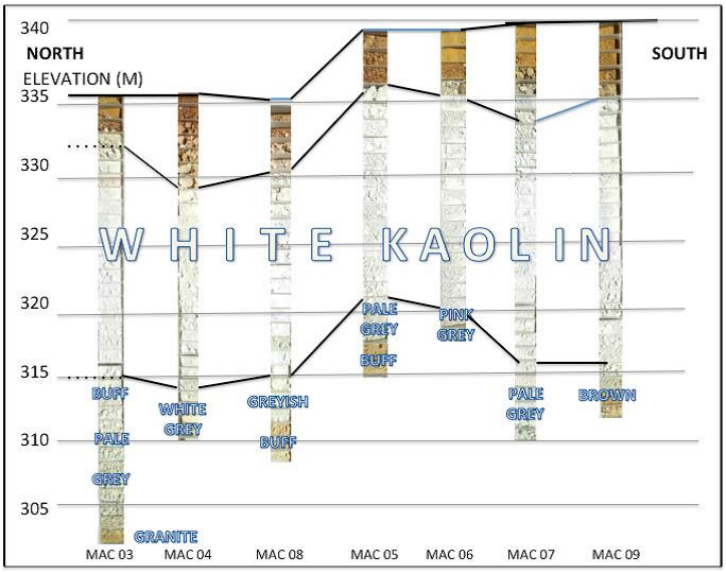
Cross-section 1, covering six boreholes, MAC13,18,17,16,15 and 14 shows that the thickness of white kaolin varies in thickness from 7.0 metres to 28.0 metres (Figure 13).

Figure 13: North-South Cross-section Number 1



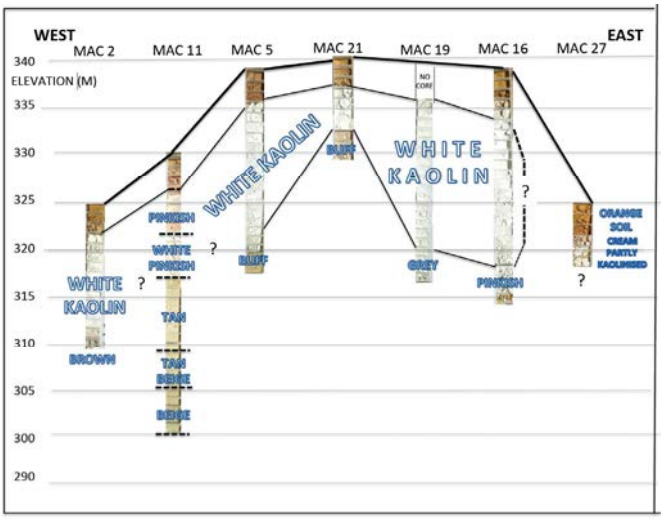
A further North-South cross-section in the central part of the area is shown in Figure 14, with a clay white thickness from 6.0 metres to 28.0 metres.

Figure 14: North-South cross-section from Section Number 2



An East-West cross-section Number 3 is shown in Figure 15.

Figure 15: East-West cross section Number 3



Cross sections Prepared by Ian Wilson

The Mt Marshall aircore locations and visual results are shown in Table 3 with depths of holes. Further analysis with respect to the visual results are set out in the Mineral Resource Report annexed to this IGR.

Table 3: Mt Marshall Aircore Locations and Visual Results

Mt Marshall Aircore Collar file							Visual Results		
HoleID	Easting gda94z50	Northing gda94z50	RL	Dip	Az	End of Hole Depth	From	To	White Kaolin Description
MAC001	562261	6588602	318	90	360	21	6	17	Very Bright white kaolin to 12m then white to pale grey kaolin
MAC002	562259	6588302	325	90	360	17	4	13	White kaolin and white fully kaolinised residual granite fragments
MAC003	563256	6588601	336	90	360	33	4	21	White to Bright White kaolin and trace granitic residuals
MAC004	563255	6588501	336	90	360	27	8	20	Very Bright white kaolin
MAC005	563256	6588302	339	90	360	21	3	14	Bright white to Very Bright kaolin and trace granitic residuals
MAC006	563251	6588197	339	90	360	20	4	18	Bright white kaolin and trace granitic residuals
MAC007	563257	6588098	340	90	360	30	7	20	Bright white to Very Bright kaolin and trace granitic residuals
MAC008	563255	6588400	335	90	360	24	4	20	White to Bright White kaolin
MAC009	563256	6588001	340	90	360	27	5	24	Bright to Very Bright white kaolin
MAC010	562650	6588000	336	90	360	21	7	17	Bright white kaolin and trace granitic residuals
MAC011	562650	6588302	330	90	360	30	8	17	White to Bright White kaolin and kaolinitic granitic residuals
MAC012	562652	6588604	327	90	360	27	10	17	Bright white kaolin white fully kaolinised intrusive
MAC013	563974	6588603	338	90	360	30	5	22	Bright white kaolin very bright 8 to 16m
MAC014	563972	6588103	338	90	360	39	4	32	Very Bright white kaolin to22m thence Bright White after fully kaolinised intrusive
MAC015	563972	6588198	339	90	360	29	12	19	Bright white kaolin and minor fully kaolinised intrusive fragments
MAC016	563973	6588300	338	90	360	24	6	20	Very Bright white kaolin from totally kaolinised granitic intrusive
MAC017	563975	6588404	339	90	360	24	3	20	White kaolin and calcrete

Mt Marshall Aircore Collar file							Visual Results		
HoleID	Easting gda94z50	Northing gda94z50	RL	Dip	Az	End of Hole Depth	From	To	White Kaolin Description
MAC018	563975	6588503	340	90	360	33	4	26	Very Bright to Bright white kaolin
MAC019	563752	6588301	340	90	360	24	4	21	Bright white kaolin and traces of fully kaolinised intrusive
MAC020	563746	6588683	342	90	360	20	4	20	Bright white kaolin
MAC021	563502	6588308	340	90	360	10	4	17	Bright white to Very Bright kaolin
MAC022	563500	6588021	336	90	360	27	6	19	Very Bright to Bright white kaolin
MAC023	563505	6588148	338	90	360	20	5	14	Bright white kaolin
MAC024	563499	6588452	338	90	360	21	7	20	Bright white kaolin
MAC025	564585	6588514	326	90	360	24	5	19	Very Bright to Bright white kaolin
MAC026	564598	6588401	327	90	360	17	7	17	Very Bright white kaolin
MAC027	564599	6588299	325	90	360	6			Overburden to 4m, Hard kaolinsed intrusive 4 to 6m

3.5 INFERRED RESOURCE DEFINED IN RESPECT OR MT MARSHALL KAOLIN PROJECT

An Inferred Mineral Resource of white kaolin has been estimated under the JORC Code in respect of the Mt Marshall Kaolin Project, as set out in the table below:

	White Kaolinised granite (Mt)	ISO Brightness (%)	Yield (%)	Kaolin <45 micron (Mt)
Total	35.1	80.3	38.2	13.4

The modelling of the Inferred Mineral Resource has been undertaken on the basis of lithology of the deposit rather than the brightness value. A brightness cut-off has not been applied to the Inferred Mineral Resource estimate, as the average brightness values of the product tested are generally high (averaging 80.3%). It is the opinion of the author that, based on the average brightness value of the deposit, reporting the Inferred Mineral Resource without a brightness cut-off is appropriate. Refer to section 11.7 for detail with respect to the grade and tonnage of the Inferred Mineral Resource based on brightness cut-offs of 75% and 80%.

Details with respect to the Inferred Mineral Resource are set out in the Mineral Resource Report.

3.6 CADOUX SOUTH KAOLIN PROJECT

The Cadoux South Kaolin Project is 180 km North East of Perth and some 50km West of the Mt Marshall Kaolin Project.

The Cadoux South Kaolin Project is immediately South of the Cadoux High Purity Alumina (**HPA**) project belonging to FYI Resources Limited (**FYI**). The product they are producing through their pilot plant is very high grade reporting 99.99% Al2O3. The grade reported by FYI should not be taken as indicative of the potential grade of deposits that may be identified at the Cadoux South Kaolin Project (refer to announcement released by FYI dated 11 December 2019).

The Cadoux South Kaolin Project is an early stage project with potential to become an important asset given its proximity to the high grade FYI project adjacent. If the tenement underlying the Cadoux South Kaolin Project is granted, the exploration is anticipated to be conducted at the same time as work on Mt Marshall occurs due to the proximity of the Projects and the common geological setting.

The details of the tenement application making up the Cadoux South Kaolin Project are set out in Table 4.

Table 4: Details of the Cadoux tenement

TENEMENT	TYPE	STATUS	START DATE (APPLICATION DATE)	TITLEHOLDERS HOLDERS	AREA	Project
E 70/5334	EL	PENDING	(23/12/2019)	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	49 Blocks	Cadoux Sth

4. PROPOSED EXPLORATION

The proposed exploration at Mt Marshall follows on from due diligence drilling. The Company plans to achieve three objectives: To extend the knowledge base on the property from a 2km strike length to approximately 6 km. 39 air core drill holes for 1560m are therefore planned to cover that part of the tenure South of Koorda Road. The next phase will expand the area drilled during due diligence. It is anticipated that approximately 97 aircore or RC drill holes, 40m deep on average, will be drilled during the first year following completion of the Acquisitions and Capital Raising. This will encompass 3,880m of drilling and bring the total to 5440m.

Several rounds of testing of the kaolin are required to determine efficient processing routes. Having the product suit the end user is required for any kaolin project. The Company has engaged experts in the field of kaolin marketing to assist in this process. The testing and building phase is planned for year 2.

The work program is budgeted at $1,768,000 if the minimum raise of $4,000,000 is achieved. If the addition funds are raised to bring the Capital Raising to $5,000,000 then a work program is budgeted to cost $1,964,875. Table 5 below Details of the expenditure are set out in Table 5.

Table 5: Exploration Plan and Budget for Mt Marshall Kaolin

BUDGET MT MARSHALL						
	$4,000,000 RAISE			$5,000,000 RAISE		
ITEM	YR 1	YR 2	TOTAL	YR 1	YR 2	TOTAL
Tenure Costs	50,000		50,000	50,000		50,000
Landowner Payments	40,000		40,000	40,000		40,000
Aboriginal Heritage	5,000		5,000	5,000		5,000
Drilling Aircore 5440m	160,000		160,000	160,000		160,000
Assays	243,000		243,000	243,000		243,000
Clay TestworK	400,000		400,000	400,000		400,000
Bulk Sampling	50,000		50,000	50,000		50,000
Bulk Sample Testing	100,000		100,000	100,000		100,000
Resource Geology Modelling	50,000		50,000	50,000		50,000
Scoping	60,000		60,000	60,000		60,000
Marketing and Offtake Agreements	60,000		60,000	60,000		60,000
PFS	80,000		80,000	80,000		80,000
SUBTOTAL EXPLORATION	1,298,000		1,298,000	1,298,000		1,298,000
Site Civil works		232,693			232,693	232,693
Pre-production strip		106,295			106,295	106,295
Building		131,012			327,887	327,887
SUBTOTAL DEVELOPMENT		470,000	470,000		666,875	666,875
TOTAL EXPL + DEV	**1,298, 000**	**470,000**	**1,768,000**	**1,298,000**	**666,875**	**1,964,875**

5. THE ENEABBA SANDS PROJECT

5.1 LOCATIONS, ACCESS AND TENURE

The Eneabba Sands Project comprises one granted exploration licence and three applications for exploration licences.

The Eneabba Sands Project is 300km North of Perth in Western Australia. (Figure 16). It is accessible directly from the Brand Highway 15km South of Eneabba. Several tracks traverse the tenements. The tracks are reasonably well maintained as they provide access to the Dampier to Bunbury Natural Gas pipeline and an electricity grid which traverses the Southern part of the tenement.

Figure 16: Location of Eneabba Sands Project

The tenement and tenement applications are in the name of Watershed. The Company has entered into an agreement to purchase Watershed from the shareholders of Watershed.

The tenement and tenement applications comprise 59 Blocks and cover an area of 17,700Ha. The granted tenement is in good standing and has an annual rental of $22,484 and a minimum expenditure of $20,000.

Details of the four tenements are set out in Table 6.

Table 6:Details of four tenements of Eneabba Sands Project

Tenement	Type	Status	Tenement Holder	Area
E 70/5001	EXPLORATION LICENCE	LIVE	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	18 BL
E 70/5322	EXPLORATION LICENCE	PENDING	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	22 BL
E 70/5324	EXPLORATION	PENDING	WATERSHED ENTERPRISE SOLUTIONS	12 BL

Tenement	Type	Status	Tenement Holder	Area
	LICENCE		PTY LTD	
E 70/5323	EXPLORATION LICENCE	PENDING	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	7 BL

5.2 DRAINAGE, CLIMATE, FLORA AND FAUNA

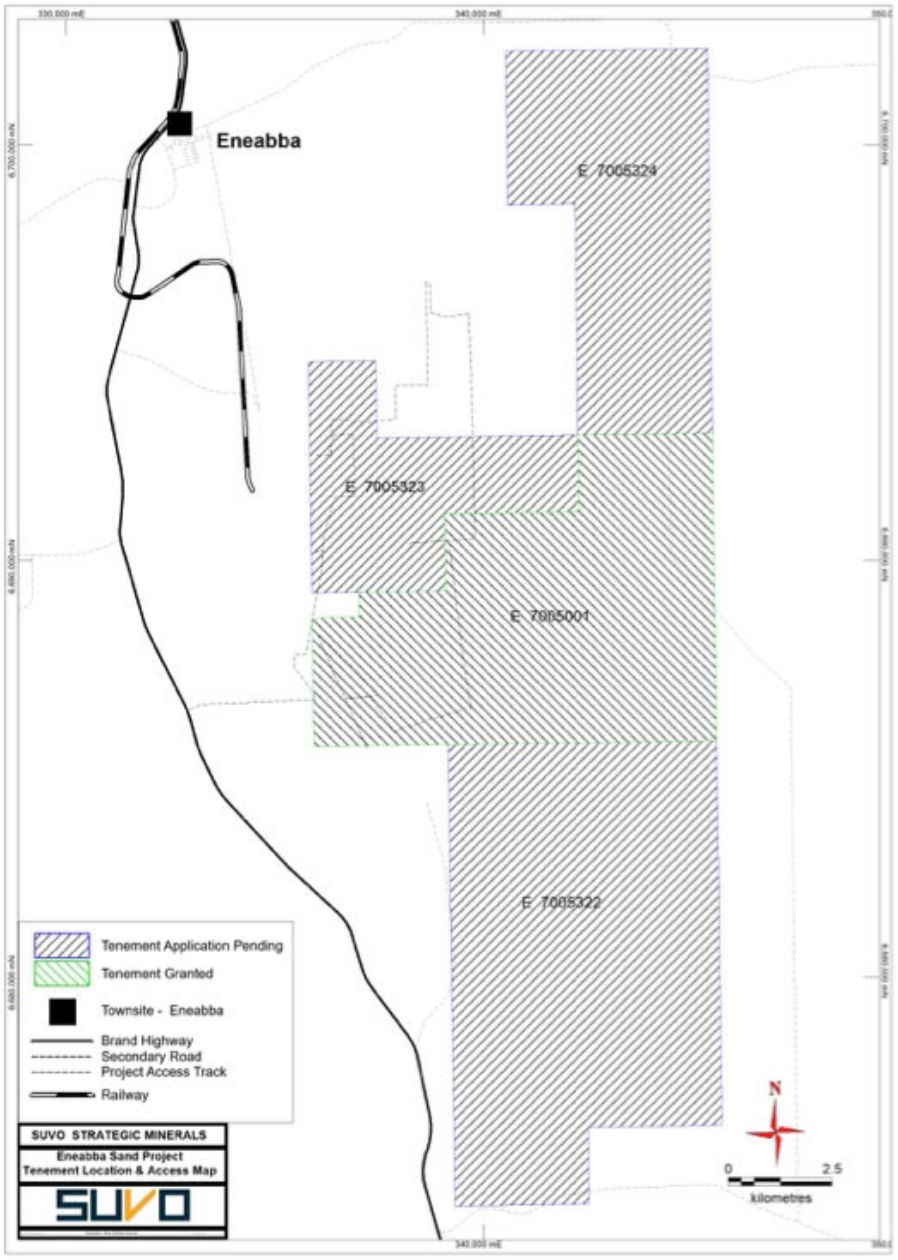
There is general drainage slope toward the West although no permanent drainage creeks are present. Many water bores have been drilled over the years by Iluka and also by the Water Board. The water table sits at about 40m. In sandy environments such as Eneabba, salty crust deposits form when the water table is close to surface. Salty accumulations have not been identified which supports the findings of the Water Board.

There is an average annual rainfall of 500mm. Mean monthly minimum temperatures vary from 20 degrees in February and 9 degrees in August. Mean maximum temperatures vary from 36 degrees in February to 20 degrees in July.

The Eneabba region is well known for the very wet winters and very hot dry and at times very windy summers.

West of the tenement area corresponding to Iluka activity several species have been confirmed to be risk or rare. Despite this, mining activity has been relatively constant for in excess of 4 decades. In the Eneabba Sands Project tenement area there is only one observation of a low priority flora. In the South West corner of the central tenement, the South Eneabba Nature Reserve coincides with the tenement. This area is strongly lateritic and is a regional topographic high over a large area. It is not prospective for sand accumulations. The tenement locations and access are shown in Figure 17.

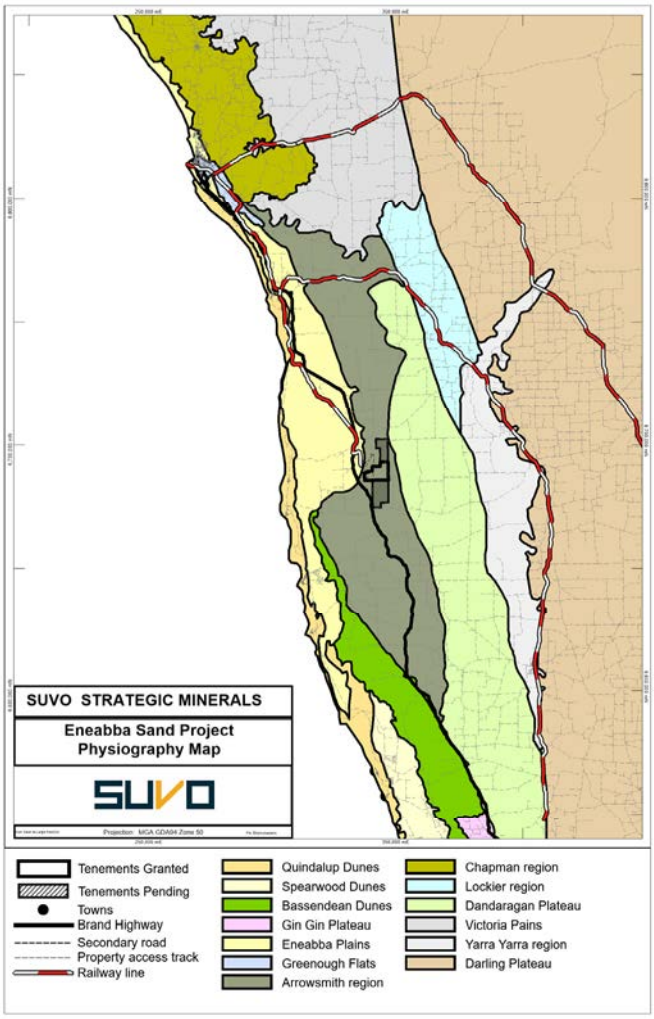
Figure 17: Tenement Locations and Access



5.3 REGIONAL GEOLOGY

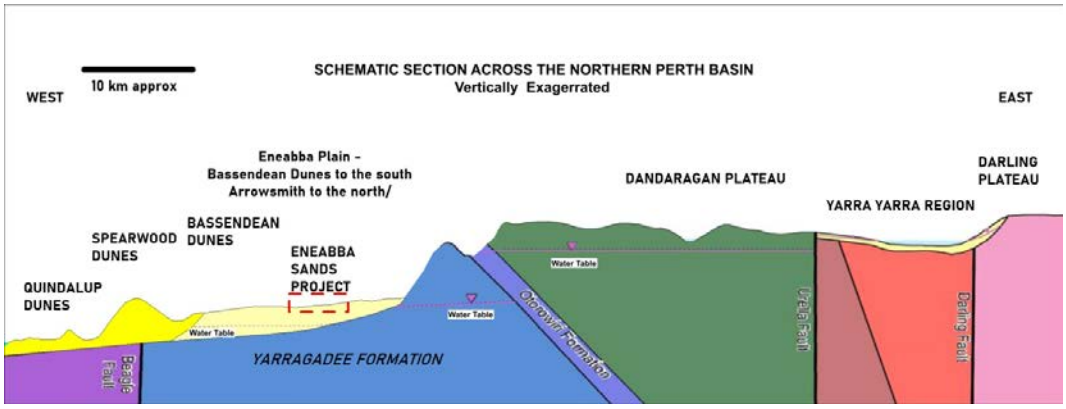
The Eneabba Sands Project lies in the Northern Perth Basin. The Swan coastal plain covers the low-lying area on the Western side of the basin, it has four dune longitudinal dune systems extending from Dunsborough to Geraldton. The regional physiography is shown in Figure 18.

Figure 18: Regional Physiography



A schematic cross-section of the Northern Perth basin is shown in Figure 19 and indicates location of the Eneabba Sands Project.

Figure 19: Schematic cross-section of the Perth Basin



Each of the dune systems has formed from particular climatic conditions at the time.

The dune systems important in the Perth Basin are the Quindalup Dune System, Spearwood Dune System, Bassendean Dunes, and the Eneabba Plain.

The Quindalup Dune System is about 14km wide and occurs adjacent to the coast in the Eneabba Sands Project area. Inland of and adjacent to the Quindlup Dunes is the Spearwood Dune System. This system forms limestone caves along the Perth Basin. The Tamala Limestone forms the cliffs that are visible at Kings Park and Peppermint Grove.

The Bassendean Dunes represent a belt of coastal dunes and associated shoreline deposits with local concentrations of heavy-mineral sands (HMS) that are probably early to middle Pleistocene in age. The Bassendean Dunes and the Eneabba Plain where the Eneabba Sands Project is situated, have been modified by Holocene alluvial, lacustrine and Aeolian processes, thus allowing the formation of significant well sorted sands by various processes. These same processes also cause some intercalations of deposits of different types of sand and heavy minerals.

The Eneabba Plain consists of a series of shoreline, lagoon and dune deposits, of early Pleistocene to possibly late Tertiary age, which locally have high concentrations of heavy minerals.

The Arrowsmith Region is moderately undulating West of the Dandaragan Plateau. This region has Jurassic sedimentary rocks forming flat-topped hills capped with laterite.

A photograph of the Eneabba Plain in shown in Figure 20 and is very flat to gently undulating and very sandy.

Figure 20: View of the Eneabba Plain

The Dandaragan Plateau is a laterite and sand capped plateau that overlies Cretaceous sediments between 200m and 300m above sea level approximately. The edge of the Dandaragan Plateau is coincident with subcrop of the shales that belong to the Otorowiri Member of the Parmelia Formation. The Dandaragan Trough is the major geological unit formed from sediments derived from the Darling Platea as the Perth Basin sinks down the Darling Fault. Maximum width of the trough is 45 km and it contains up to 12km of Permian and Mesozoic

sediments. The Trough is fault-bounded by the Urella Fault to the East and the Eneabba Fault to the West.

South of the Arrowsmith River this boundary lies at the base of the Dandaragan Scarp, which is up to 30 m high. In places low dips make the feature less prominent but it is commonly marked by a line of springs discharging over the sub cropping shales of the Otorowiri Member. The Victoria Plateau is a gently undulating sand- and laterite-capped plateau occurring about 50km North of the Eneabba Sands Project. The Lockier Region is a low region containing clayey soils over Permian sediments and occurs East of the Urella Fault. Yarra Yarra Region is a swampy area in the Dandaragan Plateau and contains the Yarra Yarra Lakes.

5.4 LOCAL GEOLOGY

Outcrop is scant in the region in general. Several studies of the hydrology of the Perth Basin by the Water Board and Petroleum Companies has led to a better understanding of the local geological setting of the region.

The geology underlying the Eneabba Sands Project consists of sandy slightly lateritric accumulations of windblown sand and alluvial sand. The alluvials have been observed through hand augering. Lateritic claypan or silcrete can be difficult to penetrate but below this relatively thin feature, deep white and yellow sands are present. These sandy lateritic accumulations are interrupted by laterite capped hills with sub-horizontal strata. A Cenozoic age has been given to these units.

West of the Eneabba Sands Project as the topography drops rapidly, the surface geology changes to accumulations of Quaternary alluvial sands in older drainages within a broader accumulation of alluvial quartz sands with North-South oriented strandlines of heavy mineral sands indicating previous shorelines.

East of the Eneabba Sands Project are undifferentiated Quaternary quartz sands. There is a noticeable lessening of lateritic material Eastward. The area is currently used for broad acre cropping that supports the observation of reduced laterite and laterite topped hills.

5.5 ENEABBA SANDS PROJECT GEOLOGY

The Eneabba heavy mineral aeolian dune sand deposits were probably formed on beaches cutting into Jurassic basement sediments. Mesozoic sediments are the immediate provenance of the heavy minerals that originated from the Archaean gneisses of the Yilgarn Craton to the East. It appears that the sands were transported from the hinterland by a series of streams, although the best concentrations of economic interest are located close to two major palaeo-drainage channels.

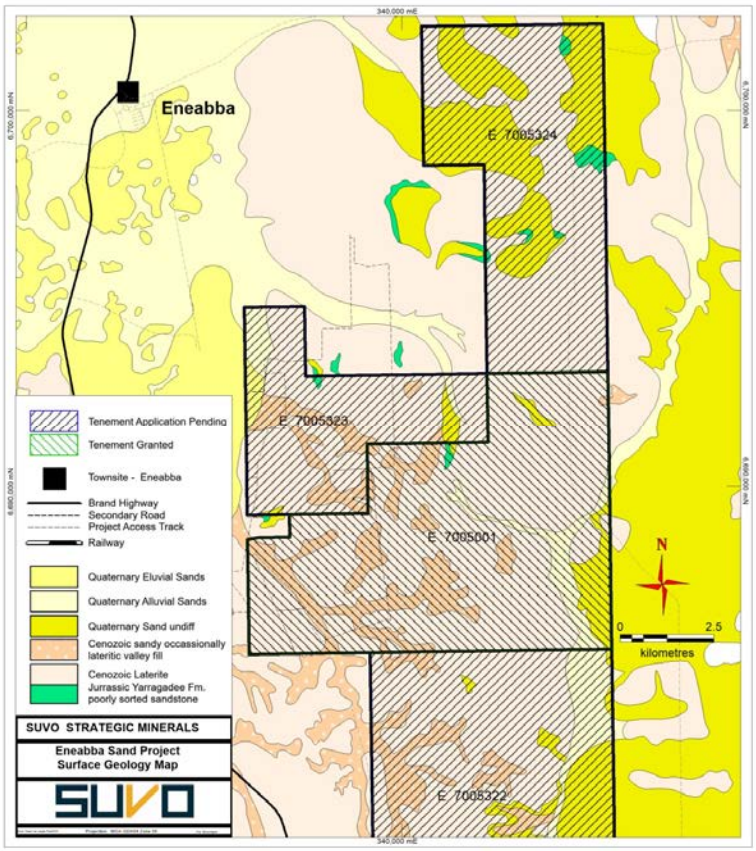
The image below has been contoured at 10m vertical intervals. Notable is the height above sea level of the region where the heavy mineral sands have been targeted. These are 90m to 120m above sea level. The Eneabba Sands Project tenement area is elevated by more than 80m with respect to area immediately West. The topographical gradient of the approximately 1 km immediately East of the historic Iluka HMS operation is a steep 10%. Notable also is the general character of the topographical expression. Westward the topography is relatively flat to gently undulating. Eastward over the region of the Eneabba Sands Project, the topography is not only much higher, but also steeply undulating. The several rocky laterite capped hilltops are also notable as topographic highs.

These factors support the model that the accumulation of silica sand over the Eneabba Sands Project was due to different circumstances entirely and it is most improbable that HMS would be found at these higher +200m elevations in the area. As the following section indicates, the exploration model for high purity silica sands and for yellow construction sands is valid. The local topography is shown in Figure 21.

Figure 21: Local topography of the area

The local surface geology is shown in Figure 22.

Figure 22: Local Surface Geology



Whilst the Iluka style heavy mineral sand deposits were marine shoreline deposits, the sand accumulations expected over the tenement area are either aeolian or riverine. Evidence for riverine / alluvial accumulations has been observed in hand-auger samples by Dean de Largie and probably correlates to Paleogene/Neogene drainage channels.

5.6 EXPLORATION HISTORY

Eneabba has been a major producer of heavy mineral sands since the 1970s. Iluka Resources hold the tenements are on care and maintenance or under rehabilitation. The Eneabba Sands Project interests are situated adjacent to the East and South of the areas of previous production by Iluka. Sheffield Resources have several tenements in the vicinity and plan to exploit these HM reserves with mobile plant.

Renison Exploration Pty Ltd (**Renison**) drilled 29 aircore holes on the area of the current granted tenement in 1990. The work encountered what appears to be cream, grey and yellow sand on the Western side of the current tenement from surface up to 50m. Average drillhole depth was 27m. The results from the Renison aircore drilling program are set out in Appendix 1 and a JORC Table 1 prepared in respect of the Renison aircore drilling program is set out in Appendix 2.

As QA/QC information is not present in the Renison data, the work is not compliant to the 2012 Edition of the JORC Code. It is the Company's intention to repeat sufficient of these drill holes with adequate QA/QC protocol in place. If these randomly selected historic holes show repeatability of results then this may be sufficient to bring the 1990 database into compliance, at which time the Company will release exploration results that are compliant with the 2012 Edition of the JORC Code.

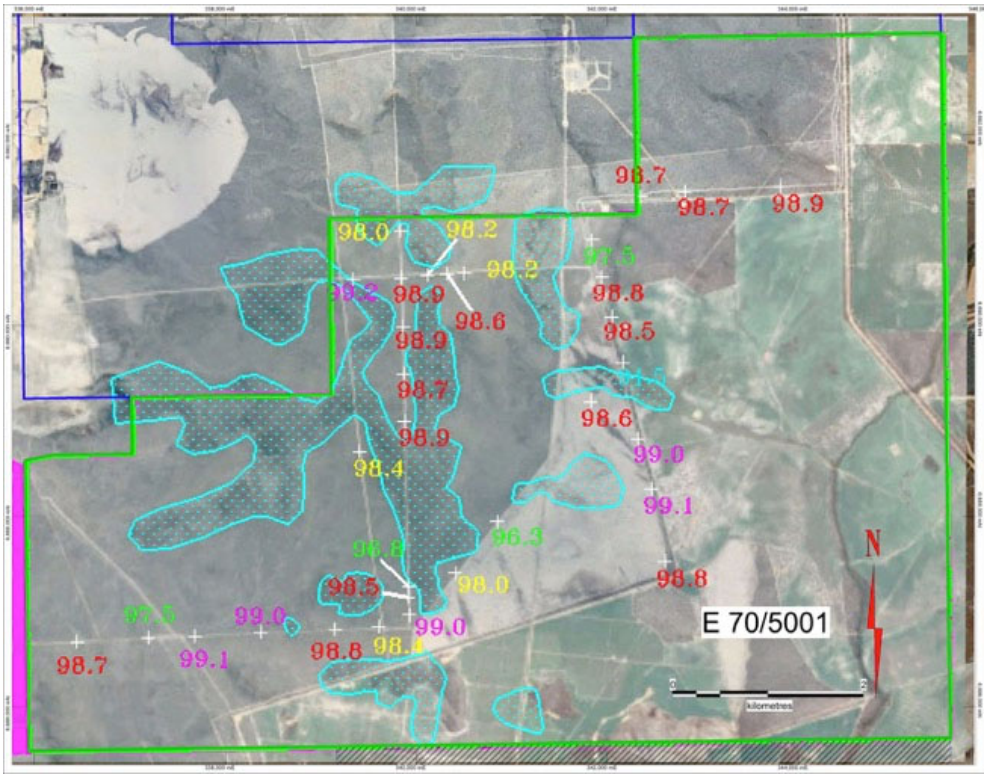
During May 2019, a program of fieldwork was conducted on tenement E70/5001. The fieldwork consisted of: Mapping the location and extent of various sand lithologies, specifically silica sand and yellow construction sand. Take representative samples of the various sand units; Mapping the location and extent of lateritic gravels and become familiar with the general topography of the area.

Figure 23: Location of Hand Auger samples

Hand auger results showing % SiO_2 levels in Figure 24.

A sampling program was conducted to collect representative samples across the tenement within the different sand types. Sampling holes approximately 500mm deep were dug beneath the surface contamination to obtain a clean sample. Each sample was logged to record the dominant sand type and its co-ordinates were recorded by handheld GPS. A total of 33 samples were collected across the different sand types within the tenement. These samples were sent to SGS Laboratories for XRF analysis. The presence of lateritic gravels was recorded during the fieldwork. The areal extent of the gravels was digitised with the aid of georeferenced digital imagery. The gravels are believed to be 1m to 3m thick and possibly form discreet lenses within the sand formation. Hand auger samples are shown in Figure 23. The results from the hand auger sampling program are set out in Figure 24, Appendix 2 and a JORC Table 1 prepared in respect of the hand auger sampling program is set out in Appendix 3.

Figure 24: Hand Auger Locations with SiO_2 % Results



6 PLANNED EXPLORATION

Two drill programs are planned at the Eneabba Sands Project totalling 5520m which follow on and extend the historic drilling undertaken by Renison. Historic work was limited to the Western side of the current granted tenement and the Company intends to extend this coverage to adequately test the whole tenement.

Drilling will be performed using aircore and auger drill rigs suitable for accessing this type of terrain. Mapping, geophysics and marketing work is also planned to provide sufficient information through to preparation of a scoping study in respect of the Eneabba Sands Project, subject to receipt of positive exploration results.

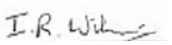
The proposed exploration budget for the Eneabba Sands Project is set Table 7.

Table 7: Eneabba Sands Project Budget

BUDGET ENEABBA SANDS PROJECT						
	$4,000,000 RAISE			$5,000,000 RAISE		
ITEM	**Yr1**	**Yr2**	**TOTAL**	**Yr1**	**Yr2**	**TOTAL**
Tenure Costs	25,000	25,000	50000	25,000	25,000	50,000
Access - Heritage and Ministerial Agreements	20,000		20,000	20,000		100,000
Access - Native Vegetation Assessment	10,000		10,000	10,000		50,000
Drilling 5520m aircore and auger	246,700		246,700	246,700		246,700
Indigenous Land Use Agreement	20,000		20,000	20,000		20,000

Geophysics	40,000		40,000	40,000		40,000
Mapping- detailed laterite	50,000		50,000	50,000		50,000
Assays	5,300		5,300	5,300		5,300
Drafting, reporting, geology	100,000		100,000	100,000		100,000
Testwork, plant design		100,000	100,000		100,000	100,000
Bulk Sampling		50,000	50,000		50,000	50,000
Sample freight logistics		50,000	50,000		50,000	50,000
Resources Modelling		100,000	100,000		100,000	100,000
Scoping Study		50,000	50,000		50,000	50,000
Marketing and Offtake agreements and negotiations		50,000	50,000		50,000	50,000
Vehicles and accommodation		80,000	80,000		80,000	80,000
Preliminary Feasibility		150,000	150,000		150,000	150,000
Subtotal Exploration	$517,000	$655,000	$1,172,000	$517,000	$655,000	$1,172,000
Vegetation topsoil removed store. (partial completion if MIN raised)		$300,000	$300,000		$963,125	$963,125
Subtotal Partial Development		$300,000	$300,000			$963,125
TOTAL EXPLORATION AND DEVELOPMENT ENEABBA			$1,472,000			$2,135,125

This IGR has an effective date of the 19 June 2020, this being the most recent date on which the Company made material in its possession available to the author and the author is unaware of any material change since this date. Ian Wilson Consultancy Ltd consents to the distribution of this IGR in the form and context in which it appears.



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Appendix 1: Renison Aircore Drilling Results

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
C23H1	335706	6688524	90	15	0	2	LATER	OR		0.10	8.00		
					2	4	SAF	OR	VP	0.10	8.00		
					4	6	SAVF	OR	VP	0.40	8.00		
					6	8	SAVF	OR	P	0.40	5.00		
					8	10	SAVF	BN	VG	0.20	5.00		
					10	12	SAVF	YW	VG	0.20	8.00		
					12	14	SAVF	OR	G	0.20	10.00		
					14	15	SAF	PK	P	0.10	15.00		
C23H2	335820	6688544	90	18	0	2	SAVF	YW	M	0.10	3.00	0.20	13.70
					2	4	SAVF	YW	M	0.10	3.00	0.20	25.20
					4	6	SAVF	OR	P	0.10	20.00	0.30	38.30
					6	8	SAF	OR	P	0.60	15.00	0.70	37.80
					8	10	SAVF	PK	P	0.30	8.00	0.60	30.00
					10	12	SAF	BN	M	0.20	5.00	0.70	18.00
					12	14	SAVF	BN	VP	0.20	10.00	0.20	32.50
					14	16	CL	PK		0.30	80.00		58.30
					16	18	SAVF	YW	VG	0.30	25.00	0.10	71.80
C23H3	335939	6688563	90	33	0	2	SAVF	YW	G	0.10	10.00		
					2	4	SAVF	YW	G	0.10	10.00		
					4	6	SAVF	YW	G	0.10	5.00		
					6	8	SAVF	YW	G	0.10	85.00		
					8	10	SAVF	YW	VG	0.10	5.00		
					10	12	SAVF	YW	M	0.20	5.00		
					12	14	SAVF	GY	P	0.20	8.00		

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					14	16	SAF	OR	P	0.10	8.00		
					16	18	SAF	BN	P	0.10	12.00		
					18	20	SAF	PK	M	0.10	12.00		
					20	22	SAVF	BN	VG	0.10	25.00		
					22	24	SAVF	BN	VG	0.10	25.00		
					24	26	SAVF	GY	VG	0.10	25.00		
					26	28	SAF	YW	P	0.30	20.00		
					28	30	SAVF	YW	M	0.20	10.00		
					30	32	SAM	YW	M	0.40	10.00		
					32	33	SAM	YW	P	0.40	8.00		
C23H4	336069	6688586	90	24	0	2	SAVF	OR	P	0.10	20.00		
					2	4	SAVF	YW	M	0.10	10.00		
					4	6	SAVF	YW	G	0.20	3.00		
					6	8	SAVF	OR	M	0.10	5.00		
					8	10	SAVF	OR	P	0.10	10.00		
					10	12	SAF	GY	P	0.10	12.00		
					12	14	SAF	GY	M	0.10	12.00		
					14	16	SAVF	GY	P	0.30	10.00		
					16	18	SAVF	GY	P	0.30	8.00		
					18	20	SAVF	GY	P	0.20	5.00		
					20	22	SAVF	GY	VG	0.20	20.00		
					22	24	SAVF	GY	VG	0.30	12.00		
C23H5	336181	6688605	90	30	0	2	SAVF	YW	G	0.10	5.00		
					2	4	SAVF	BN	VG	0.10	5.00		
					4	6	SAVF	YW	VG	0.10	10.00		

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					6	8	SAVF	OR	VP	0.10	10.00		
					8	10	SAVF	YW	VP	0.30	8.00		
					10	12	SAVF	YW	G	0.20	8.00		
					12	14	SAF	OR	G	0.20	10.00		
					14	16	SAF	GY	M	0.20	8.00		
					16	18	SAF	GY	P	0.10	5.00		
					18	20	SAF	GY	P	0.10	5.00		
					20	22	SAF	GY	VP	0.10	5.00		
					22	24	SAF	GY	M	0.10	5.00		
					24	26	SAF	GY	M	0.10	5.00		
					26	28	SAF	GY	G	0.10	5.00		
					28	30	SAVF	GY	M	0.10	5.00		
A23H1	336051	6688170	90	36	0	2	SAVF	YW	M	0.00	8.00	0.30	10.20
					2	4	LATER	OR		0.10	10.00	0.20	27.10
					4	6	SAVF	YW	P	0.10	10.00	0.20	34.10
					6	8	SAVF	GY	VP	0.10	10.00	0.30	28.00
					8	10	SAVF	GY	G	0.10	10.00	0.30	29.80
					10	12	SAF	YW	P	0.10	10.00	0.40	16.20
					12	14	SAF	GY	VP	0.10	8.00	0.20	12.00
					14	16	SAF	GY	P	0.10	6.00	0.20	11.20
					16	18	SAF	GY	P	0.10	5.00	0.10	11.80
					18	20	SAF	GY	>	0.80	5.00	0.30	12.80
					20	22	SAF	GY	>	0.80	5.00	0.10	12.10
					22	24	SAVF	GY	P	0.20	8.00	0.20	14.00
					24	26	SAVF	GY	P	0.10	5.00	0.20	13.40

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					26	28	SAF	GY	P	0.10	5.00	0.30	12.10
					28	30	SAF	YW	P	0.10	5.00	0.10	11.50
					30	32	SAF	GY	P	0.10	3.00	0.30	11.30
					32	34	SAVF	GY	VG	0.40	12.00	0.40	19.00
					34	36	SAVF	GY	G	0.40	8.00	0.40	13.90
A23H2	336215	6688015	90	24	0	2	LATER	OR		0.10	5.00	0.20	10.70
					2	4	SAVF	OR	M	0.10	3.00	0.10	20.00
					4	6	SAVF	YW	P	0.10	10.00	0.20	32.90
					6	8	SAVF	YW	M	0.10	10.00	0.20	20.50
					8	10	SAVF	GY	P	0.20	8.00	0.30	14.50
					10	12	SAVF	GY	VP	0.30	8.00	0.50	12.60
					12	14	SAVF	GY	VP	0.40	5.00	0.40	13.90
					14	16	SAF	YW	M	0.80	5.00	0.70	13.20
					16	18	SAF	YW	M	0.20	5.00	0.30	14.10
					18	20	SAVF	YW	P	0.30	5.00	0.30	15.10
					20	22	SAVF	YW	P	0.40	8.00	0.30	18.60
					22	24	SAVF	YW	VG	0.40	15.00	0.30	31.60
A23H3	336401	6687843	90	24	0	2	SAF	YW	G	0.10	10.00		
					2	4	SAVF	YW	M	0.10	12.00		
					4	6	SAVF	YW	M	0.10	10.00		
					6	8	SAVF	YW	P	0.10	10.00		
					8	10	SAVF	BN	M	0.10	20.00	0.20	41.10
					10	12	SAVF	GY	G	0.20	12.00	0.20	18.10
					12	14	SAVF	GY	M	0.20	10.00	0.30	12.80
					14	16	SAVF	YW	P	0.40	5.00	0.30	16.40

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					16	18	SAVF	YW	P	0.50	5.00	1.00	17.70
					18	20	SAVF	YW	P	0.50	5.00	0.30	17.60
					20	22	SAVF	YW	MP	0.30	5.00	0.30	22.40
					22	24	SAVF	YW	P	0.10	5.00	0.10	15.20
A23H4	336571	6687689	90	15	0	2	SAVF	OR	M	0.10	8.00		
					2	4	SAVF	BN	VP	0.20	10.00		
					4	6	SAVF	BN	VP	0.10	8.00		
					6	8	SAVF	GY	M	0.10	50.00		
					8	10	SAVF	PK	P	0.10	20.00		
					10	12	SAF	OR	M	0.30	20.00		
					12	14	SAVF	YW	P	0.30	50.00		
					14	15	SAF	YW	P	0.10	12.00		
A23H5	336757	6687525	90	17	0	2	SAVF	YW	VG	0.00	3.00		
					2	4	SAVF	YW	G	0.10	3.00		
					4	6	SAVF	YW	P	0.10	5.00		
					6	8	SAVF	BN	G	0.10	20.00		
					8	10	SAVF	OR	G	0.10	15.00		
					10	12	SAVF	OR	P	0.10	15.00		
					12	14	SAVF	OR	P	0.20	20.00		
					14	15	CL	PK	VG	0.10	70.00		
					15	17	CL	PK	VG	0.10	70.00		
A23H6	336929	6687353	90	9	0	2	LATER	BN		0.10	3.00		
					2	4	CL	OK		0.20	80.00		
					4	6	CL	PK		0.20	80.00		
					6	8	SAVF	PK	G	0.50	40.00		

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					8	9	CL	PK		0.30	80.00		
A23H7	337098	6687188	90	20	0	2	LATER	OR		0.10	5.00		
					2	4	SAVF	OR	M	0.10	15.00		
					4	6	SAVF	BN	VG	0.10	10.00		
					6	8	SAF	GY	P	0.10	8.00		
					8	10	SAF	GY	M	0.10	8.00		
					10	12	SAF	GY	P	0.20	10.00		
					12	14	SAVF	YW	M	0.40	25.00		
					14	16	SAF	PK	G	0.10	5.00		
					16	18	SAF	YW	G	0.10	8.00		
					18	20	SAF	YW	G	0.10	85.00		
A23H8	337218	6687001	90	18	0	2	SAF	BN	G	0.00	3.00		
					2	4	SAVF	OR	G	0.10	83.00		
					4	6	SAF	OR	M	0.10	8.00		
					6	8	SAVF	OR	P	0.10	10.00		
					8	10	SAVF	GY	P	0.10	5.00		
					10	12	SAVF	GY	VP	0.10	5.00		
					12	14	SAVF	GY	P	0.10	15.00		
					14	16	SAVF	GY	P	0.30	8.00		
					16	18	SAVF	YW	M	0.10	10.00		
A23H9	337366	6686786	90	24	0	2	SAVF	YW	G	0.10	3.00		
					2	4	SAVF	YW	G	0.10	83.00		
					4	6	SAVF	YW	P	0.10	8.00		
					6	8	SAVF	BN	G	0.10	10.00		
					8	10	SAF	GY	M	0.10	10.00		

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					10	12	SAVF	GY	G	0.30	12.00	0.50	29.40
					12	14	SAVF	GY	G	0.20	10.00	0.30	17.00
					14	16	SAF	GY	M	0.10	5.00	0.10	19.00
					16	18	SAF	GY	M	0.10	5.00	0.10	16.50
					18	20	LATER	GY	P	0.10	5.00	0.40	18.50
					20	22	SAVF	YW	M	0.60	15.00	0.60	33.90
					22	24	SAVF	YW	VG	0.50	20.00	0.20	48.80
A23H10	337498	6686572	90	24	0	2	SAVF	YW	G	0.10	15.00		
					2	4	SAVF	YW	P	0.10	15.00		
					4	6	SAVF	BN	P	0.10	20.00		
					6	8	SAVF	BN	M	0.10	30.00		
					8	10	SAVF	GY	G	0.10	30.00		
					10	12	SAVF	GY	G	0.10	30.00		
					12	14	SAVF	GY	G	0.10	15.00		
					14	16	SAVF	GY	G	0.10	10.00		
					16	18	SAVF	GY	G	0.10	10.00		
					18	20	SAVF	GY	P	0.10	10.00		
					20	22	SAVF	GY	P	0.10	10.00		
					22	24	SAVF	GY	P	0.10	10.00		
A23H11	337628	6686360	90	54	0	2	SAF	BN	M	0.10	3.00		
					2	4	SAF	OR	P	0.10	5.00		
					4	6	SAF	PK	P	0.10	10.00		
					6	8	SAF	YW	P	0.10	10.00		
					8	10	SAF	GY	M	0.10	10.00		
					10	12	SAF	GY	P	0.10	5.00		

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					12	14	SAF	YW	P	0.10	5.00		
					14	16	SAF	GY	G	0.10	5.00		
					16	18	SAF	OR	P	0.10	5.00		
					18	20	SAF	GY	G	0.10	5.00		
					20	22	SAF	GY	G	0.10	3.00		
					22	24	SAF	GY	G	0.10	5.00		
					24	26	SAF	GY	M	0.10	5.00		
					26	28	SAVF	GY	G	0.10	10.00		
					28	30	SAVF	GY	G	0.20	10.00		
					30	32	SAF	GY	M	0.10	5.00		
					32	34	SAF	GY	M	0.10	8.00		
					34	36	SAVF	GY	G	0.10	3.00		
					36	38	SAF	GY	M	0.10	5.00		
					38	40	SAF	GY	M	0.10	5.00		
					40	42	SAF	GY	P	0.10	8.00		
					42	44	SAVF	GY	VG	0.20	10.00		
					44	46	SAVF	GY	G	0.10	8.00		
					46	48	SAVF	GY	M	0.10	8.00		
					48	50	SAF	GY	P	0.10	5.00		
					50	52	SAF	GY	M	0.10	3.00		
					52	54	SAVF	GY	G	0.10	5.00		
C24H1	337556	6686752	90	27	0	2	SASAVFF	YW	VG	0.10	3.00	0.20	6.30
					2	4	SAVF	YW	VG	0.10	3.00	0.30	14.40
					4	6	SAVF	YW	G	0.10	3.00	0.40	16.40
					6	8	SAF	YW	P	0.20	10.00	0.40	18.60

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					8	10	SAVF	GY	P	0.30	10.00	0.50	25.60
					10	12	SAF	GY	P	0.20	10.00	0.30	22.30
					12	14	SAVF	GY	P	0.20	5.00	0.20	21.30
					14	16	SAVF	GY	M	010	5.00	0.20	19.30
					16	18	SAVF	YW	P	0.40	5.00	0.40	30.40
					18	20	SAVF	YW	VG	0.40	30.00	0.10	48.20
					20	22	SAVF	YW	VG	0.520	15.00	0.30	39.70
					22	24	SAVF	YW	VG	0.40	15.00	0.20	33.70
					24	26	SAVF	GY	M	0.30	5.00	0.40	27.90
					26	27	SAVF	GY	VG	0.10	50.00	0.20	27.80
C24H2	337678	6686763	90	39	0	2	SAVF	YW	VG	0.10	8.00	0.20	6.10
					2	4	SAVF	YW	VG	0.10	8.00	0.20	9.10
					4	6	SAVF	YW	G	0.10	5.00	0.30	10.70
					6	8	SAVF	YW	VG	0.10	5.00	0.20	10.90
					8	10	SAVF	YW	G	0.10	3.00	0.30	11.20
					10	12	SAVF	WH	M	0.10	3.00	0.30	10.60
					12	14	SAVF	PL	P	0.30	15.00	0.30	24.10
					14	16	SAVF	PL	P	0.10	10.00	0.20	31.90
					16	18	SAVF	PL	M	0.20	12.00	0.30	25.40
					18	20	SAVF	PL	G	0.20	10.00	0.40	24.90
					20	22	SAVF	BL	P	1.00	10.00	0.80	25.60
					22	24	SAF	YW	P	0.20	10.00	0.60	20.80
					24	26	SAVF	BN	VP	1.00	12.00	0.70	18.70
					26	28	SAVF	GY	P	0.20	8.00	0.20	18.10
					28	30	SAVF	GY	P	0.20	5.00	0.20	15.30

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					30	32	SAVF	GY	M	0.10	5.00	0.20	16.70
					32	34	SAVF	GY	G	0.80	5.00	0.40	23.50
					34	36	SAVF	GY	G	0.30	5.00	0.60	22.20
					36	38	SAVF	GY	M	0.20	5.00	0.40	22.00
					38	39	SAVF	GY	M	0.10	5.00	0.20	18.00
C24H3	337808	6686780	90	54	0	2	SAVF	YW	VG	0.10	5.00		
					2	4	SAVF	YW	VG	0.10	3.00		
					4	6	SAVF	YW	VG	0.10	3.00		
					6	8	SAVF	YW	G	0.10	3.00		
					8	10	SAVF	BN	G	0.10	15.00		
					10	12	SAF	PK	VP	0.10	12.00		
					12	14	SAF	PK	P	0.10	15.00		
					14	16	SAVF	PK	P	0.10	8.00		
					16	18	SAVF	YW	P	0.30	10.00		
					18	20	SAF	GY	M	0.20	8.00		
					20	22	SAVF	GY	M	0.10	8.00	0.50	17.70
					22	24	SAVF	GY	P	0.30	8.00	0.60	21.50
					24	26	SAF	GY	M	0.20	8.00	0.30	19.00
					26	28	SAVF	YW	P	0.20	8.00	0.30	18.10
					28	30	SAVF	BN	VP	1.00	12.00	0.70	20.30
					30	32	SAVF	GY	P	0.20	10.00	0.40	17.10
					32	34	SAVF	GY	P	0.20	15.00	0.30	18.70
					34	36	SAVF	GY	P	0.10	10.00	0.30	17.00
					36	38	SAF	YW	M	1.20	10.00	1.40	20.20
					38	40	SAVF	YW	M	1.00	15.00	0.80	20.30

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					40	42	SAM	YW	G	0.10	8.00	0.20	15.80
					42	44	SAVF	YW	VG	0.10	5.00	0.30	18.60
					44	46	SAVF	YW	G	0.30	8.00	0.40	18.00
					46	48	SAF	YW	VP	0.10	5.00	0.20	7.80
					48	50	SAM	YW	P	0.10	3.00	0.30	3.80
					50	52	SAM	YW	VP	0.30	3.00	0.30	6.40
					52	54	SAM	YW	P	0.30	3.00	0.30	14.10
C24H4	337929	6686792	90	15	0	2	SAVF	CM	VG	0.10	0.00	0.20	3.60
					2	4	LATER	BN	VG	0.10	10.00	0.30	12.70
					4	6	SAVF	BN	VG	0.10	20.00	0.20	41.10
					6	8	SAVF	OR	VG	0.10	35.00	0.30	47.00
					8	10	SAVF	BN	VG	0.30	25.00	0.30	33.70
					10	12	SAVF	BN	M	0.20	25.00	0.60	23.60
					12	14	SAVF	BN	M	0.20	15.00	0.30	18.80
					14	15	SAVF	BN	VP	0.10	10.00	0.10	16.70
C24H5	338032	6686807	90	12	0	2	SAVF	YW	VG	0.10	0.00		
					2	4	SAVF	OR	VG	0.20	10.00		
					4	6	SAVF	OR	VG	0.20	20.00		
					6	8	SAVF	OR	VG	0.20	15.00		
					8	10	SAVF	PK	G	0.10	8.00		
					10	12	SAF	PK	M	0.20	8.00		
C24H6	338158	6686823	90	15	0	2	SAVF	YW	VG	0.10	3.00		
					2	4	SAVF	YW	G	0.10	5.00		
					4	6	SAVF	OR	M	0.10	20.00		
					6	8	SAVF	OR	M	0.10	20.00		

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					8	10	SAVF	OR	VP	0.10	15.00		
					10	12	SAF	OR	P	0.10	10.00		
					12	14	SAF	GY	P	0.10	10.00		
					14	15	SAF	GY	VP	0.10	10.00		
C24H7	338292	6686842	90	33	0	2	SAVF	YW	VG	0.10	5.00		
					2	4	SAVF	YW	G	0.10	5.00		
					4	6	SAVF	YW	G	0.10	5.00		
					6	8	SAVF	YW	VP	0.10	3.00		
					8	10	SAVF	GY	VP	0.10	3.00		
					10	12	SAVF	GY	P	0.10	5.00		
					12	14	SAF	GY	G	0.10	5.00		
					14	16	SAF	GY	M	0.10	5.00		
					16	18	SAF	GY	P	0.10	5.00		
					18	20	SAF	GY	VP	0.10	5.00		
					20	22	SAVF	GY	VP	0.10	5.00		
					22	24	SAVF	GY	VP	0.10	20.00		
					24	26	SAF	GY	P	0.30	10.00		
					26	28	SAVF	GY	P	0.30	10.00		
					28	30	SAF	BL	VP	0.10	30.00		
					30	32	SAVF	YW	VP	0.40	20.00		
					32	33	SAVF	BN	VG	0.40	50.00		
C24H8	338414	6686858	90	36	0	2	LATER	BN		0.00	3.00		
					2	4	SAVF	BN	G	0.10	5.00		
					4	6	SAVF	OR	P	0.20	5.00		
					6	8	SAVF	OR	P	0.50	20.00		

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					8	10	SAVF	GY	VP	0.30	20.00		
					10	12	SAF	GY	VP	0.20	8.00		
					12	14	SAF	GY	VP	0.10	12.00		
					14	16	SAF	GY	M	0.10	25.00		
					16	18	SAF	GY	P	0.10	8.00		
					18	20	SAVF	GY	G	0.30	12.00		
					20	22	SAF	GY	VP	0.10	5.00		
					22	24	SAVF	GY	P	0.10	5.00		
					24	26	SAF	GY	VP	0.10	5.00		
					26	28	SAF	GY	VP	0.10	5.00		
					28	30	SAF	GY	M	0.30	5.00		
					30	32	SAF	GY	G	0.10	5.00		
					32	34	SAF	GY	P	0.10	5.00		
					34	36	SAF	GY	VP	0.10	5.00		
C24H9	338520	6686871	90	18	0	2	SAVF	YW	G	0.10	3.00	0.30	9.90
					2	4	SAVF	YW	M	0.20	10.00	0.30	24.30
					4	6	SAVF	YW	G	0.10	8.00	0.20	31.00
					6	8	SAVF	OR	VP	0.20	15.00	0.30	49.00
					8	10	SAVF	BN	VG	0.70	8.00	0.50	31.00
					10	12	SAVF	BN	VG	1.00	8.00	0.70	27.00
					12	14	SAVF	GY	VG	1.00	8.00	0.50	27.40
					14	16	SAVF	GY	VG	1.00	5.00	0.50	23.90
					16	18	SAVF	GY	VG	0.30	5.00	0.30	22.30
C24H10	338641	6686890	90	15	0	2	SAVF	YW	VG	0.10	5.00		
					2	4	SAVF	YW	G	0.10	5.00		

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					4	6	SAVF	YW	G	0.10	5.00		
					6	8	SAVF	CM	VG	0.10	30.00		
					8	10	SAVF	YW	VG	0.10	30.00		
					8	10	SAVF	GY	G	0.10	10.00		
					10	12	SAVF	GY	M	0.10	5.00		
					12	14	SAVF	GY	P	0.10	5.00		
					14	15	SAF	GY	VP	0.10	5.00		
C24H11	338753	6686906	90	18	0	2	LATER	YW		0.10	5.00		
					2	4	SAF	OR	G	0.30	8.00		
					4	6	SAVF	OR	M	0.20	10.00		
					6	8	SAVF	OR	P	0.20	8.00		
					8	10	SAVF	OR	P	0.10	10.00		
					10	12	SAVF	OR	VG	0.10	5.00		
					12	14	SAVF	OR	VG	0.40	5.00		
					14	16	SAVF	GY	P	0.70	5.00		
					16	18	SAVF	GY	P	0.40	15.00		
C25H1	338086	6685918	90	42	0	2	SAF	YW		0.10	5.00	0.10	8.00
					2	4	SAF	YW		0.10	8.00	0.10	13.20
					4	6	SAM	YW		0.10	8.00	0.20	19.30
					6	8	SAM	YW		0.10	10.00	0.20	20.00
					8	10	SAM	OR		0.10	5.00	0.20	21.80
					10	12	SAF	OR		0.20	20.00	0.20	28.50
					12	14	SAF	OR		0.20	30.00	0.20	31.30
					14	16	SAM	PK		0.50	25.00	0.20	26.60
					16	18	SAM	PK		0.30	15.00	0.20	23.50

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					18	20	SAM	PK		0.10	15.00	0.10	22.40
					20	22	SAM	YW		0.30	10.00	0.10	15.90
					22	24	SAM	GY		0.30	10.00	0.10	15.00
					24	26	SAM	GY		0.30	10.00	0.10	16.20
					26	28	SAM	GY		0.10	8.00	0.10	18.90
					28	30	SAM	GY		0.30	10.00	0.10	18.30
					30	32	SAM	GY		0.10	8.00	0.10	17.80
					32	34	SAM	GY		1.00	8.00	0.30	17.90
					34	36	SAM	GY		0.10	5.00	0.10	17.80
					36	38	SAM	GY		0.10	12.00	0.10	19.50
					38	40	SAM	GY		0.30	12.00	0.30	19.90
					40	42	SAM	GY		0.20	12.00	0.20	19.20
C25H2	338199	6685955	90	42	0	2	SAF	YW	VG	0.10	5.00	0.20	8.30
					2	4	SAF	YW	VG	0.10	12.00	0.20	20.60
					4	6	SAF	YW	VG	0.10	12.00	0.20	18.10
					6	8	SAF	YW	VG	0.10	12.00	0.30	17.20
					8	10	SAF	OR	M	0.20	10.00	0.20	19.50
					10	12	SAF	BN	P	0.20	15.00	0.20	33.10
					12	14	SAF	BN	P	0.30	20.00	0.20	30.70
					14	16	SAF	BL	VP	0.50	20.00	0.30	31.50
					16	18	SAF	PK	VG	0.10	40.00		47.50
					18	20	SAVF	PK	VG	0.20	60.00		52.70
					20	22	SAVF	YW	VG	0.30	50.00	0.10	41.60
					22	24	SAVF	YW	VG	0.30	50.00		55.70
					24	26	SAVF	YW	VG	0.10	60.00	0.10	51.80

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					26	28	SAVF	GY	VG	0.50	70.00	0.10	51.80
					28	30	SAVF	GY	VG	0.50	70.00	0.10	60.30
					30	32	SAVF	GY	VG	0.50	70.00		
					30	32	SAVF	GY	VG	0.30	70.00	0.20	31.40
					32	34	SAVF	GY	VG	0.50	70.00		
					32	34	SAVF	GY	VG	0.20	10.00	0.10	20.90
					34	36	SAVF	GY	VG	0.50	70.00		
					34	36	SAF	GY	VG	1.00	5.00	0.30	18.70
					36	38	SAF	GY	VG	2.00	5.00	0.20	21.20
					38	40	SAVF	GY	VG	1.20	3.00	0.20	22.00
					40	42	SAVF	GY	VG	0.80	3.00	0.20	21.00
C25H3	338310	6685988	90	40	0	2	SAF	OR	VP	0.20	25.00		
					2	4	SAF	YW	P	0.10	15.00		
					4	6	SAF	YW	P	0.20	12.00		
					6	8	SAF	YW	P	0.10	15.00		
					8	10	SAF	BN	M	0.20	15.00		
					10	12	SAF	BN	M	1.20	15.00		
					12	14	SAF	BN	M	0.70	10.00		
					14	16	SAF	BN	M	0.70	8.00		
					16	18	SAF	BN	M	0.50	8.00		
					18	20	SAF	GY	M	0.50	5.00		
					20	22	SAF	GY	G	0.20	5.00		
					22	24	SAVF	GY	VG	0.80	5.00		
					24	26	SAF	GY	G	0.80	5.00		
					26	28	SAF	GY	G	0.10	5.00		

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					28	30	SAF	GY	P	0.10	5.00		
					30	32	SAF	GY	P	0.20	25.00		
					32	34	SAF	GY	P	0.10	25.00		
					34	36	SAF	GY	M	0.30	15.00		
					36	38	SAF	GY	P	0.20	10.00		
					38	40	SAF	GY	P	0.10	10.00		
C25H4	338415	6686023	90	42	0	2	LATER	OR	P	0.10	15.00	0.10	16.30
					2	4	SL	OR	P	0.00	10.00	0.20	42.50
					4	6	SL	OR	P	0.00	20.00	0.10	28.70
					6	8	SL	OR	M	0.10	15.00	0.20	28.60
					8	10	SL	OR	M	0.10	15.00	0.20	31.90
					10	12	SL	OR	M	0.40	20.00	0.40	23.20
					12	14	SL	YW	M	0.20	10.00	0.10	22.00
					14	16	SL	YW	M	0.10	10.00	0.10	16.70
					16	18	SL	GY	M	0.10	12.00	0.10	17.30
					18	20	SAM	GY	M	0.10	12.00	0.20	16.80
					20	22	SAM	GY	P	0.20	10.00	0.40	16.70
					22	24	SAF	GY	M	1.40	12.00	0.50	18.90
					24	26	SAF	GY	M	1.20	12.00	8.30	15.10
					26	28	SAF	GY	M	0..80	12.00	0.20	16.70
					28	30	SAF	YW	G	2.00	8.00	0.30	18.40
					30	32	SAF	YW	G	1.40	8.00	0.40	17.60
					32	34	SAF	YW	M	1.20	10.00	0.40	15.80
					34	36	SAF	YW	M	0.50	8.00	0.30	15.20
					36	38	SAF	GY	G	0.20	5.00	0.20	15.50

HoleID	GDA94 Z50mE	GDA94 Z50mN	DIP	Hole Depth	From Depth (m)	To Depth (m)	Lithology	Colour	Sorting	Visual %H.M.	Results %Slimes	Lab %H.M.	Results %Slimes
					38	40	SAF	GY	VG	0.20	5.00	0.20	15.50
					40	42	SAF	GY	G	0.20	5.00	0.20	16.90
C25H5	338869	6686165	90	36	0	2	SAF	YW	M	0.10	2.00	0.20	8.30
					2	4	SAF	YW	M	0.10	5.00	0.20	22.80
					4	6	SAF	YW	VP	0.10	8.00	0.10	30.30
					6	8	SAF	GY	M	0.10	40.00	0.10	39.90
					8	10	SAF	GY	M	0.10	60.00	0.20	54.30
					10	12	CL	GY		0.10	80.00	0.10	63.00
					12	14	CL	GY		0.10	80.00	0.10	61.90
					14	16	CL	GY		0.10	90.00		64.60
					16	18	SAF	GY	VP	0.20	40.00	0.30	37.00
					18	20	SAF	BN	VP	0.20	25.00	0.30	26.50
					20	22	SAF	PK	VP	0.40	20.00	0.30	36.10
					22	24	SAF	GY	P	0.30	10.00	0.20	22.50
					24	26	SAF	GY	M	0.20	30.00	0.30	21.00
					26	28	SAF	GY	M	0.50	12.00	0.20	20.00
					28	30	SAVF	GY	G	1.00	10.00	0.30	25.30
					30	32	SAVF	GY	G	0.60	40.00	0.20	30.40
					32	34	SAVF	GY	G	0.60	15.00	0.40	19.80
					34	36	SAVF	GY	M	0.30	10.00	0.30	24.30

Appendix 2: SGS Chemical analyses of silica sands from Eneabba

SGS Mineral Services		Method		XRF78S	XRF78S
Full data:WM193393_R1.pdf		Units		%	%
Material Assays 24/06/19		Lower Detection Limit		0.01	0.001
SGS Ref WM193393		Upper detection Limit		100	100
Client Ref 2-311		Element		Si02	LOI %
Sample ID	**Easting m gda94z50**	**Northing m gda94 z50**	**Elevation**	**% SiO_2**	**% LOI**
2	336430	6686696	169	98.4	0.29
3	337180	6686732	160	96.8	0.724
4	337665	6686755	150	98.9	0.232
5	338365	6686790	160	98.6	0.42
7	339140	6686627	180	98.4	0.43
8	339600	6686850	190	97.9	0.5
9	339912	6686977	199	98.6	0.368
10	333308	6687159	209	98	0.514
11	339905	6687280	218	95.9	0.922
17	339860	6689000	265	98.6	0.326
18	339847	6689500	270	98.3	0.444
19	339834	6690000	265	98.6	0.317
20	339821	6690500	265	98.5	0.433
21	339808	6691000	275	97.4	0.596
22	339387	6688685	250	97.9	0.5
24	340090	6690535	260	97.7	0.535
25	340297	6690546	251	98.3	0.301
27	340478	6690556	240	97.7	0.503
31	342025	6690100	208	98.3	0.214
32	342150	6689615	222	89.5	1.95
43	340830	6687952	227	95.5	0.788
46	341805	6689210	215	98.3	0.261
302	339314	6690494	262	99	0.163
304	340396	6687411	226	97.6	0.438
305	341916	6690510	212	98.6	0.189
306	341813	6690903	212	97.2	0.276
307	341712	6691328	199	98.6	0.179
308	342323	6691354	203	98.5	0.174
309	342787	6691403	220	98.5	0.21
310	343789	6691460	247	98.7	0.183
311	342593	6687532	238	98.6	0.163
312	342447	6688294	227	98.9	0.166
313	342303	6688818	220	98.8	0.187

Appendix 3 – JORC Table 1: Eneabba Project

JORC Code, 2012 Edition – Table 1 Eneabba Sands Project

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• The work being reported here pertains to 1990 exploration by RGC Exploration Pty Ltd and is reported on WAMEX as Report a38058 and • Hand Auger sampling 2019 by Messrs Banks and Croft • Visual % of HMS noted in geological logs in the report
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Aircore drill method • Mantis 75 drill rig • Unknown bit size unknown bit type
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Unknown recovery information • Unknown methods to maximize recovery • Unknown relationship of grade versus recovery
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Sand has been geologically logged • Logging limited to sand colour and visual estimation of heavy minerals percentage • Logging is qualitative • Logging of complete holes on 2 metre intervals

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No information regarding sampling methods • Samples panned for visual estimation of heavy minerals • No information on QA/QC procedures • 2 metre sampling interval for this deposit style is representative
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Assays recorded are simply % of heavy mineral and % heavy mineral in slimes. • No method recorded
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No verification of sampling • No twinned holes reported • No data entry procedures recorded • No electronic data • No known assay adjustment
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Data points are drill collars • Recorded as a local grid- Non UTM • Map provided in Report showing hole location • Map georeferenced into Mapinfo, Collars picked up on screen and UTM coordinates updated to new collar file • New data recorded in gda94 zone 50 system • No topographic control • No MRE

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Data spacing is sufficient to establish geological continuity of sands • No MRE • No information on composites • No MRE
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Geological structure is horizontal to sub horizontal • Deposit type is unconsolidated dunal sands • Holes were vertical • Hole orthogonal to structure • No bias due to orientation
Sample security	• *The measures taken to ensure sample security.*	• Unknown
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Unknown

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Tenement was E 70/765 • Tenement holder was Renison Ltd • Renison Ltd was a subsidiary of RGC Limited • Negotiations planned with local landowners to expand exploration
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• All work appears to have been done in house by RGC Ltc
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Mixed environment of Aelion and Fluvial and marine sand deposition

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *Easting and Northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• The material information from this RGC work relates to the sand depth recorded in the logs. In all logs the complete drill log consisted of sand. This is all that is materially important and can be used as a guide to future exploration.
		• Results of hand auger sampling set out in Appendix 2 and results of drill program that overlap tenement are set out in Appendix 3.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No Data aggregation. No Metal values
Relationship between	• *These relationships are particularly important in the reporting of Exploration Results.*	• Down hole lengths are true lengths because drillholes are orthogonal to the sand target which is horizontal to sub horizontal

Criteria	JORC Code explanation	Commentary
mineralisation widths and intercept lengths	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• No significant results reported
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All drillholes within the tenement reported above
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The author is not aware of material exploration for silica in respect of the tenement area and that is not already set out in the IGR.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Future work will firstly seek to confirm the RGC sand intervals , the reporting of which were not JORC compliant

Annexure: Mt Marshall Kaolin Project Mineral Resource Estimate

Mineral Resource Estimate

Mt Marshall Kaolin Pty Ltd Project
Gabbin, Western Australia

E70/5039

19 JUNE 2020

JORC Report for
Tenement Number E70/5039

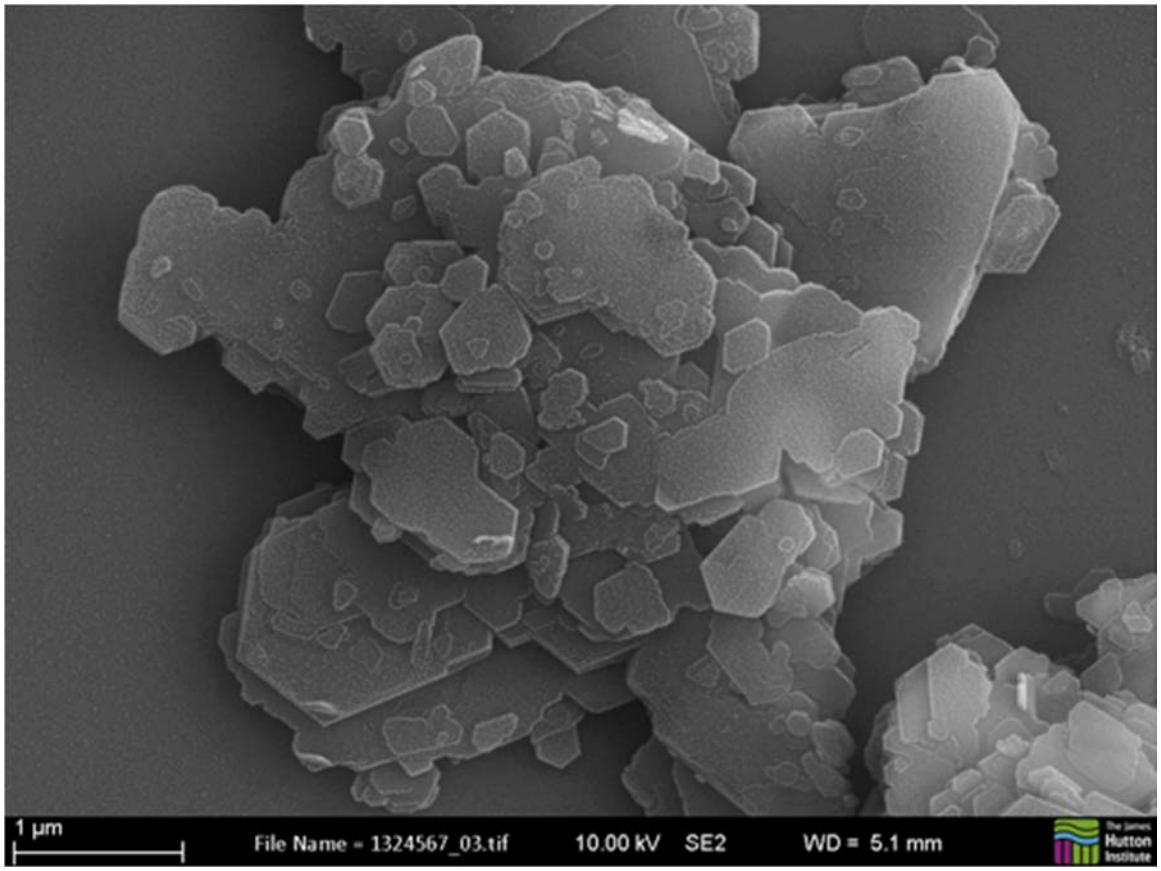


Figure 1: SEM of platy kaolinite at 1 micron scale

CONTENTS

CONTENTS **2**
TABLES *3*
FIGURES *3*

EXECUTIVE SUMMARY **5**
1. INTRODUCTION *7*
1.1 Terms of reference 7
1.2 Compliance with JORC Code 7
1.3 Sources of information 7
1.4 Authors of the Report – Qualifications, Experience and Competence 7
1.5 Prior Association and Independence 8
1.6 Competent Person Statement 8
2. PROJECT BACKGROUND *10*
2.1 Project Location and Access 10
2.2 Climate and Physiography 10
2.3 Current Infrastructure, Power and Transport 11
2.4 Project Tenements and Permits 11
2.5 Project and Exploration History 12
3. GEOLOGICAL SETTING AND MINERALISATION *13*
3.1 Regional Geology 13
3.2 Geology of the deposit 16
4. EXPLORATION AND DRILLING *17*
4.1 Drilling programme 17
4.2 Drilling details 18
5. LABORATORY TEST WORK - NAGROM, AUSTRALIA *19*
5.1. Preparation of 3 fractions at Nagrom 19
5.2 Chemical analysis by XRF at Nagrom 21
5.3 Brightness and Colour measurement by Microanalysis 23
5.4 Plots of ISO Brightness vs % Fe_2O_3 and TiO_2 24
6. SAMPLE PREPARATION IN UK *26*
6.1 Introduction 26
6.2 Sample preparation 26
6.2.1 Sample preparation MAC 010 – three fractions 30
6.2.2 Sample preparation MAC 016 – three fractions 31
6.2.3 Sample Preparation MAC 020 – three fractions 32
6.2.4 Sample Preparation MAC 022 – three fractions 33
7. CHEMISTRY, MINERALOGY AND SEMs (UK) *34*
7.1 Chemistry and Mineralogy of <45 micron fractions 34
7.2 SEMs of <45 micron fraction 36
7.2.1 MAC 010 SEMs 37
7.2.2 MAC 016 SEMs 37
7.2.3 MAC 020 SEMs 37
7.2.4 MAC 022 SEMs 38
7.3 Chemistry, Mineralogy and SEMs of Centrifuge O/F and U/F 38
7.3.1 Centrifuge Underfow (U/F) SEMs 40
7.3.2 Centrifuge Overfow (O/F) SEMs 40
7.4 Chemistry, Mineralogy and SEMs of 45-180 microns (Combined sample) 40
8 RESULTS OF COMBINED SAMPLE OF >180 MICRON SAND FRACTION *42*
9 EVALUATION OF CERAMIC PROPERTIES *42*
9.1 Ceramic Test results summary 42
9.2 Fired properties and chemistry 43

9.3 Fired Discs 45
10 PARTICLE SIZE, BRIGHTNESS, COLOUR, FLOWABILITY, ABRASION 46
10.1 Particle size distribution on <45 micron fraction 47
10.2 ISO Brightness and Bleached Brightness 47
10.3 ISO Brightness, Bleached Brightness and L* a* b* 48
10.4 Flowability 48
11 CSA GEOLOGICAL MODELLING AND RESOURCES 49
Appendix 1: JORC Table 1, Mt Marshall Kaolin 72
Appendix 2: LITHOLOGY CONTROL FILE AND TEST RESULTS 87

TABLES

Table 1: Mt Marshall Tenement Applications 11
Table 2: LCF - Lithology Control File 17
Table 3: Coordinates, Elevation, Depth drilled and thickness of kaolinised granite 18
Table 4: Nagrom: Fractions of 180, 45-180 and <45um (%) 20
Table 5: XRF of 50 samples of <45 micron fractions (%) 21
Table 6: ISO Brightness, Yellownes and L* a*b* vaules on 50 samples 23
Table 7: Three duplicate samples tested from 3 different drillholes 25
Table 8: Processing of 4 samples to >180, 45-180 and <45 microns 29
Table 9: Clay yield for wet refining: Chemistry and Mineralogy 34
Table 10: Chemistry and Mineralogy of Centrifuge O/F and U/F 38
Table 11: Chemistry and Mineralogy of 45-180 micron (Combined sample) 40
Table 12: XRF and XRD test results of the >180 micron faction (Sand) 42
Table 13: Ceramic testing results of the <45 micron fractions 42
Table 14: Details of Fired Properties and %Fe_2O_3 and TiO_2 43
Table 15: Other test results 46
Table 16: Summary table for a database used for estimation 49
Table 17: Volume statistics for the wireframe models of the deposit 56
Table 18: Statistical parameters of brightness and yield analytical results 59
Table 19: Block model dimensions and parameters 60
Table 20: Interpolation Parameters 61
Table 21: Grade tonnage table for WKG 67
Table 22: Grade tonnage table for CKG 67

FIGURES

Figure 1: SEM of platy kaolinite at 1 micron scale 1
Figure 2: Location of Mt Marshall kaolin deposit in Western Australia 10
Figure 3: Map of the Mt Marshall 3 tenements, E70/5039, E70/5332 and ES70/5033 12
Figure 4: Regional Magnetics 14
Figure 5: Further processing of Magnetics enhance visibility of structure 15
Figure 6: Geological map of the Mt Marshall kaolin area 16
Figure 7: Location map of boreholes of Mt Marshall Kaolin 17
Figure 8: Metso Denver D12 CelL Dual Blade Agitator 19
Figure 9: Summary of Sample Preparation for three fractions 27
Figure 10: Photographs of MAC 010, MAC 016, MAC 020 and MAC 022 28
Figure 11: Photo of <45m, 45-180 and >180 micron fractions and <45 um powder 29
Figure 12: % of four fractions on processing 34
Figure 13: %SiO_2 vs Al_2O_3 of <45 micron 35
Figure 14: % TiO_2, and Fe_2O_3 for the four fractions (<45 microns) 35
Figure 15: %K_2O for <45 microns 35
Figure 16: % Kaolinite in <45 micron fractions 36
Figure 17: SEMs of 45-180 micron fraction 41
Figure 18: Wt.% of Fe_2O_3 and TiO_2 on <45 micron fraction 43

Figure 19: Fired Brightness and L* Brightness **44**
Figure 20: Discs showing Fired Brightness % 1180C (%) **45**
Figure 21: Discs showing Fired Brightness @ 1180C and % Fe_sO_3 and TiO_2 **45**
Figure 22: ISO Brightness and Bleached Brightness **48**
Figure 23: ISO Brightness and Bleached Brightness, L* values **48**
Figure 24: % Flowability on four samples **49**
Figure 25: Histogram of Yield (< 45 µm fraction) distribution within CKG unit **51**
Figure 26: Histogram of Brightness distribution within CKG unit **52**
Figure 27: Histogram of Yield (< 45 µm fraction) distribution within WKG unit **52**
Figure 28: Histogram of Brightness distribution within WKG unit **53**
Figure 29: Exploration profiles from line 1 (west) to line 7 (east). The magenta line represents the project lease boundary. Map grid 2,500 m x 2,500 m **54**
Figure 30: Example of geological interpretation, looking northeast **55**
Figure 31: Mt Marshall Project topographic surface, as built from drillhole collars. Map grid 500 m x 500 m **55**
Figure 32: WKG wireframe, looking northeast **56**
Figure 33: CKG wireframe, looking northeast **57**
Figure 34: Histogram of sample lengths **58**
Figure 35: Visual validation of block model grades vs drillhole grades (Yield) **62**
Figure 36: Visual validation of block model grades vs drillhole grades (Brightness) **62**
Figure 37. Swath plot by 5 m bench – Brightness. Cyan = block results. Burgundy = input data **63**
Figure 38. Swath plot by northing – Brightness. Cyan = block results. Burgundy = input data. **63**
Figure 39. Swath plot by easting – Brightness. Cyan = block results. Burgundy = input data. **64**
Figure 40. Swath plot by 5 m bench – Yield. Cyan = block results. Burgundy = input data. **64**
Figure 41. Swath plot by northing – Yield. Cyan = block results. Burgundy = input data. **65**
Figure 42. Swath plot by easting – Yield. Cyan = block results. Burgundy = input data. **65**
Figure 43: Distribution of brightness values in WKG. Map grid 500 m x 500 m **68**
Figure 44: Productivity Distribution in WKG (Thickness x Brightness). Map grid 500 m x 500 m **68**
Figure 45: Distribution of yield values in WKG. Map grid 500 m x 500 m **69**
Figure 46: Productivity Distribution in WKG (Thickness x Yield). Map grid 500 m x 500 m **69**

EXECUTIVE SUMMARY

Mt Marshall Kaolin Pty Ltd (MMK) commissioned Ian Wilson Consultancy Ltd to prepare a Mineral Resource estimate for kaolin near Gabbin in Western Australia.

MMK has a live Exploration licence, E70/5039 and two pending licences, E70/5332 and E70/5333. At present only exploration has been carried out on E70/5039 by a drilling and testing programme which will be reported in accordance with the JORC Code.

CSA Global Pty Ltd (CSA Global), a member of the ERM Group of Companies, was engaged by MMK in 2020 to create a block model and estimate a Mineral Resource for the Mt Marshall Kaolin Project, located in the Yilgarn Craton, approximately 210 km northeast of Perth. This report contains information on the main phases and stages of the work that were completed.

MMK provided a drill hole database in Microsoft Excel format. The database included drill hole collar coordinates, lithological codes and analytical data. All drill holes were assumed to be vertical.

Interpretation of the main geological formations of possible economic interest was completed, namely white kaolinised granite (WKG) and cream kaolinized granite (CKG), using logged colour and brightness parameters. 3D solids were created for the WKG and CKG lithological units.

The Inverse Distance Weighting (IDW) method was chosen to interpolate ISO brightness (457 nm), yield <45 µm, Al_2O_3, SiO_2, Fe_2O_3, TiO_2 and loss on ignition (LOI) values.

A dry bulk density value of 1.8 t/m^3 was applied for the WKG and CKG lithological domains. This bulk density value was considered reasonable by comparison with analogous kaolin deposits.

A number of variables were measured for estimation of resources ISO Brightness and kaolin yield (<45 microns in size) were chosen.

The results of the estimate have been reported in accordance with the JORC Code[1] and are presented in the table below.

Inferred Mineral Resource (<45 microns), Mt Marshall Kaolin Project, June 2020

	White Kaolinised granite (Mt)	ISO Brightness (%)	Yield (%)	Kaolin<45 micron (Mt)
Total	**35.1**	**80.3**	**38.2**	13.4

The modelling of the Inferred Mineral Resource has been undertaken on the basis of lithology of the deposit rather than the brightness value. A brightness cut-off has not been applied to the inferred mineral resource estimate, as the average brightness values of the product tested

[1] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

are generally high (averaging 80.3%). It is the opinion of the author that, based on the average brightness value of the deposit, reporting the Inferred Mineral Resource without a brightness cut-off is appropriate. Refer to section 11.7 for detail with respect to the grade and tonnage of the resource based on brightness cut-offs of 75% and 80%.

1. INTRODUCTION

1.1 Terms of reference

Mt Marshall Kaolin Pty Ltd (MMK) commissioned Ian Wilson Consultancy Ltd to prepare a Mineral Resource estimate for kaolin near Gabbin in Western Australia.

MMK is party to an acquisition agreement with ASX-listed Ultracharge Limited (UTR) pursuant to which UTR will acquire 100% of the issued capital in MMK in connection with a capital raising for a minimum of $4,000,000 through the issue of 200,000,000 shares at an issue price of $0.02 per share, with the potential for oversubscriptions to raise up to an additional $1,000,000 through the issue of up to an additional $1,000,000 through the issue of up to an additional 50,000,000 shares, as part of UTR's re-compliance with Chapters 1 and 2 of the ASX Listing Rules. UTR has prepared a prospectus in connection with the capital raising and this report is to be included in the prospectus issued by UTR.

MMK has a live Exploration licence, E70/5039 and two pending licences, E70/5332 and E70/5333. At present only exploration has been carried out on E70/5039 by a drilling and testing programme which will be reported in accordance with the JORC Code. All drillholes have been geologically logged with a Lithology Control File (LCF) established for the project. Detailed testing of the core and resources were modeled incorporating the assay data.

1.2 Compliance with JORC Code

The Mineral Resource for the Mt Marshall Kaolin Project is reported in accordance with the JORC Code (Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves). The JORC Code, 2012 Edition. Prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.

1.3 Sources of information

Ian Wilson has completed the study based largely on information provided by MMK. Serik Urbisinov, Principal Resource Geologist with CSA Global Mining Pty Ltd carried out Geological Modelling and Resources in conjunction with Andrew Scogings. Dean de Largie provided all of the drilling programme information. .

Ian Wilson is not qualified to comment on any legal, environmental, political or other issues relating to the status of the tenements. The current ownership and legal standing of the Mt Marshall Kaolin Project is subject to a separate Solicitor's Tenement Report which is set out in the Prospectus and these matters have not been independently verified by the author.

1.4 Authors of the Report – Qualifications, Experience and Competence

The principal author of this report is Ian Wilson, owner of Ian Wilson Consultancy Ltd based in the UK. Dr Ian Wilson has professional qualifications and is a Member of Institute of Materials, Minerals & Mining (MIMMM), Fellow of the Geological Society of London (FGS), Chartered Engineer (CEng), Chartered Geologist (CGeol) and Member of the Society for Mining, Metallurgy & Exploration Inc. (SME). He is a specialist in a number of industrial minerals and has worked with kaolin and halloysite for 46 years in the exploration and development of deposits worldwide. He gained BSc (Hons) degree in Geology from London University and MSc (Geochemistry) and PhD from the University of Leeds, UK.

Dr Andrew Scogings is an Associate of CSA Global Pty Ltd, based in Perth, Australia. Serik Urbisinov is a Principal Resource Geologist with CSA Global Pty Ltd, based in Perth, and prepared CSA Global Report N^{o} R253.2020 for MMK.

1.5 Prior Association and Independence

Neither Ian Wilson Consultancy Ltd, the author of this report, nor CSA Global, has or had previously, any interest in MMK or the minerals properties in which MMK has an interest. CSA Global is an independent geological and mining consultancy firm. Dr Ian Wilson, principal of Ian Wilson Consultancy Ltd, has been engaged as an independent advisor to the board of MMK and its related bodies corporate. Dr Ian Wilson's role as independent board advisor will take effect on completion of the acquisition of MMK by UTR. Dr Ian Wilson will charge MMK at customary commercial rates for advisory services requested, on terms commensurate with such services provided to other companies. Neither MMK nor Dr Ian Wilson considers that this arrangement constitutes a conflict that would preclude Ian Wilson Consultancy Ltd from being considered independent in accordance with ASIC Regulatory Guide 112 or would be considered an unacceptable conflict of interest under the JORC Code or VALMIN Code. This report is prepared in return for professional fees based upon agreed commercial rates and the payment is not contingent on the results of this report.

1.6 Competent Person Statement

The information in this report which relate to exploration results and mineral resources is based on information compiled by Dr Ian Wilson. Dr Ian Wilson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code, by virtue of his being a Member of IOM3, a Recognised Professional Organisation. Dr Ian Wilson is a full-time employee of Ian Wilson Consultancy Ltd. Dr Ian Wilson will be appointed as an independent advisor to the boards of Mt Marshall and its related bodies corporate for which following completion of the Acquisitions, for which he will receive consultancy fees for work undertaken at the request of Mt Marshall or its related bodies corporate on hourly rates commensurate with rates charged to other companies. Dr Ian Wilson consents to the inclusion of the information in this report in the form and context in which it appears.

The geological modelling set out in section 11 of this report and on which the Mineral Resource set out in this report is based, was prepared, and fairly reflects information compiled by Mr Serik Urbisinov and Dr Andrew Scogings, each of whom have sufficient

experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Urbisinov is a full-time employee of CSA Global Pty Ltd and is a Member of the Australian Institute of Geoscientists. Dr Andrew Scogings is an employee of Klipstone Pty Ltd, a Member of both of the Australasian Institute of Mining and Metallurgy ("AusIMM") and the Australian Institute of Geoscientists ("MAIG") and is a Registered Professional Geoscientist (RP Geo. Industrial Minerals). Mr Serik Urbisinov and Dr Andrew Scogings have consented to the inclusion of information in this report that is attributable to each of them in the form and context in which it appears.

1.7 Site Inspection

Dean de Largie (Geological Consultant to UTR) has visited the site numerous times. His involvement included:

- Supervision of drilling rig
- Detailed logging of the core
- Taking samples for testing
- Verification of the location of drill collars
- Arranging secure storage of samples

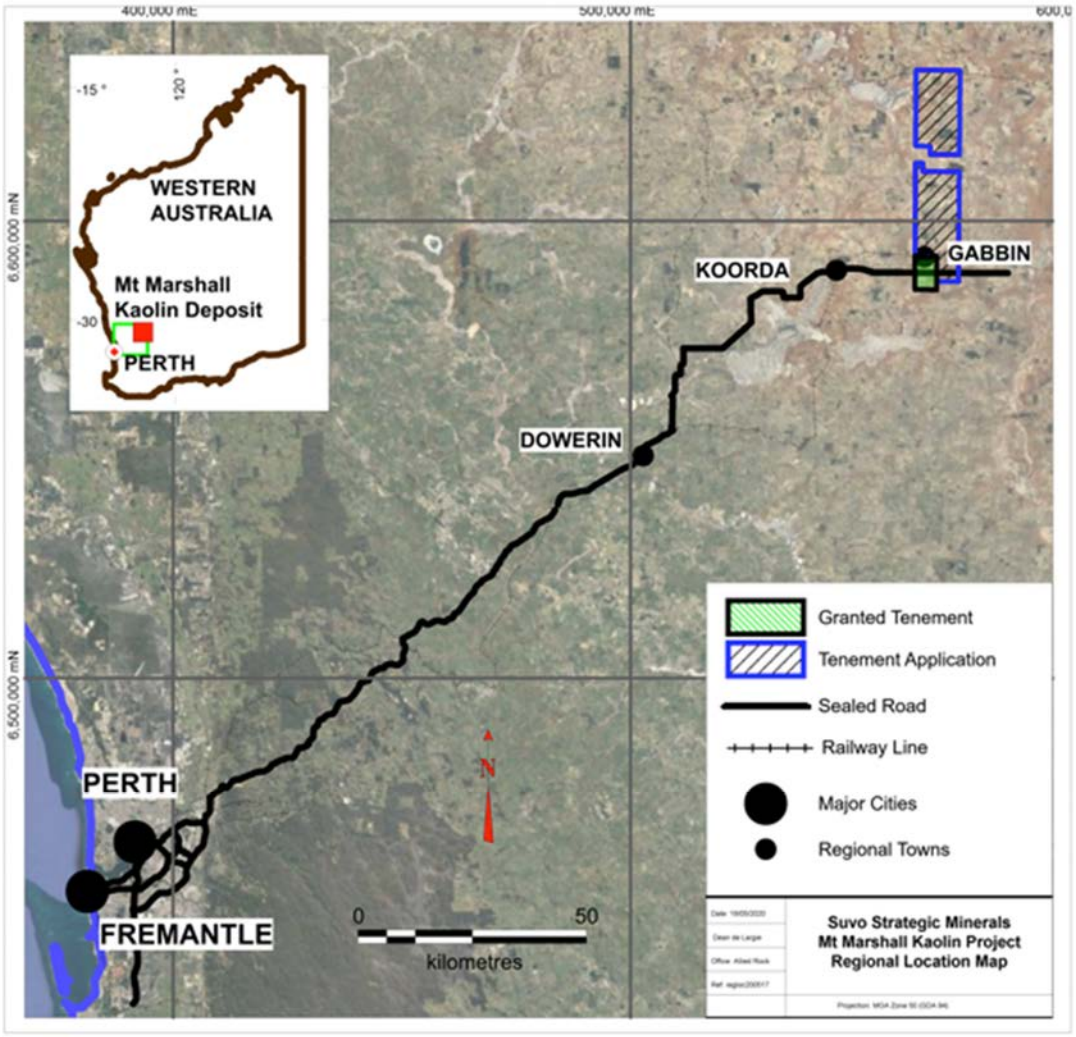
Andrew Scogings visited the Mt Marshall Kaolin Project core shed in Perth, where drill chip samples were inspected.

2. PROJECT BACKGROUND

2.1 Project Location and Access

The Mt Marshall Kaolin Project is located 215 km Northeast of Perth in Western Australia. Access is via Great Northern Highway, Toodyay Road, and Dowerin Rd to Koorda, then 10km east from Koorda on the Koorda-Bencubbin Road to the Mt Marshall Kaolin Project. The road distance from Perth to the Mt Marshall Kaolin Project is 285 km shown in Figure 2.

Figure 2: Location of Mt Marshall kaolin deposit in Western Australia



2.2 Climate and Physiography

Regional climatic conditions for Mt Marshall are those typical of the Western Australia wheatbelt region, with maximum and minimum temperatures ranging from approximately 30-15^{o}C, and 15-5^{o}C respectively. Annual rainfall in the Wheatbelt for the past 30 years (1989-2018) has been about 340 mm. January is the dries month,

averaging 13.2 mm, with July the wettest month averaging 85.8 mm. The project area is dominated by wheat and some livestock.

2.3 Current Infrastructure, Power and Transport

At the northern end of the Tenement package is the small town of Gabbin although Koorda is the closest town for supplies, fuel and accommodation. The town of Gabbin has railway access and also has a large currently unused grain storage facility and grain hopper over the railway line.

2.4 Project Tenements and Permits

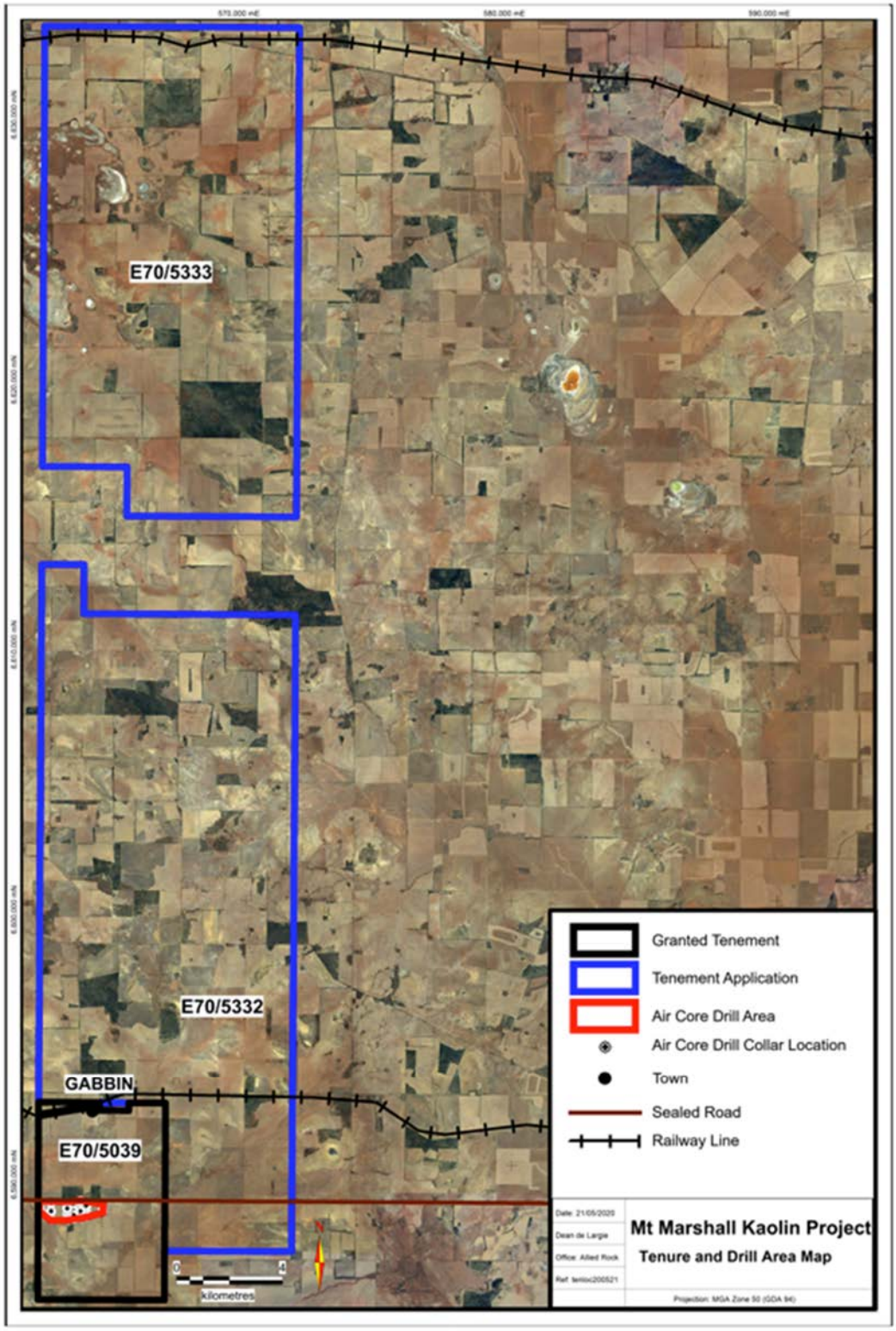
The Mt Marshall project is comprised of one Granted Tenement and two Tenement Applications (Table 1).

Table 1: Mt Marshall Tenement Applications

TENEMENT	TYPE	STATUS	START DATE	TITLEHOLDERS HOLDERS	AREA	Project
E 70/5039	EL	LIVE	02/10/17	MT MARSHALL KAOLIN PTY LTD	12 Blocks	Mt Marshall
E 70/5332	EL	PENDING	23/12/19	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	70 Blocks	Mt Marshall
E 70/5333	EL	PENDING	3/012/2019	WATERSHED ENTERPRISE SOLUTIONS PTY LTD	58 Blocks	Mt Marshall

A map of the three Mt Marshall tenements is exhibited in **Figure 3** and also shows the area drilled.

Figure 3: Map of the Mt Marshall 3 tenements, E70/5039, E70/5332 and ES70/5033



2.5 Project and Exploration History

No previous exploration in the Mt Marshall area, other than as set out in this report and the independent geologist's report to which this report is annexed.

3. GEOLOGICAL SETTING AND MINERALISATION

3.1 Regional Geology

The region is underlain by Archaean Granitoids with subordinate granite-gneiss toward the south east. Bedrock is generally not exposed. The 1:250,000 scale geology of the area gives little indication of any significant structural control. Geologically the area is within Southwest Terrain close to the border of the Murchison Domain Greenstone Belts. The tenements are within the Bencubbin 1:250,000 scale map sheet area. The Archaean Yilgarn Craton which is generally granitic, borders the Southwest Terrain which is generally composed of volcanic rocks and metamorphosed intrusives. To the east of the Mt Marshall Project a remnant amphibolite-iron formation greenstone belt outcrops for approximately 20 km-

Regionally granitoid fragments can be recognised in dam walls or other trenches. There are two main soil types in the region. Sandy pale weakly limonitic soil overlying felsic intrusive rocks. Pale brown to reddish brown soils are subordinate in the Koorda to Gabbin region indicating subordinate mafic volcanic basement rocks

A magnetics image in Figure 4 shows that there is likely a group of greenstones transecting the middle of the MT Marshall tenement group. Deep seated faults and other structures are apparent. The image in Figure 5 is the first vertical derivative of the above image. Further processing of that data greatly enhances the visibility of structural elements .

Figure 4: Regional Magnetics

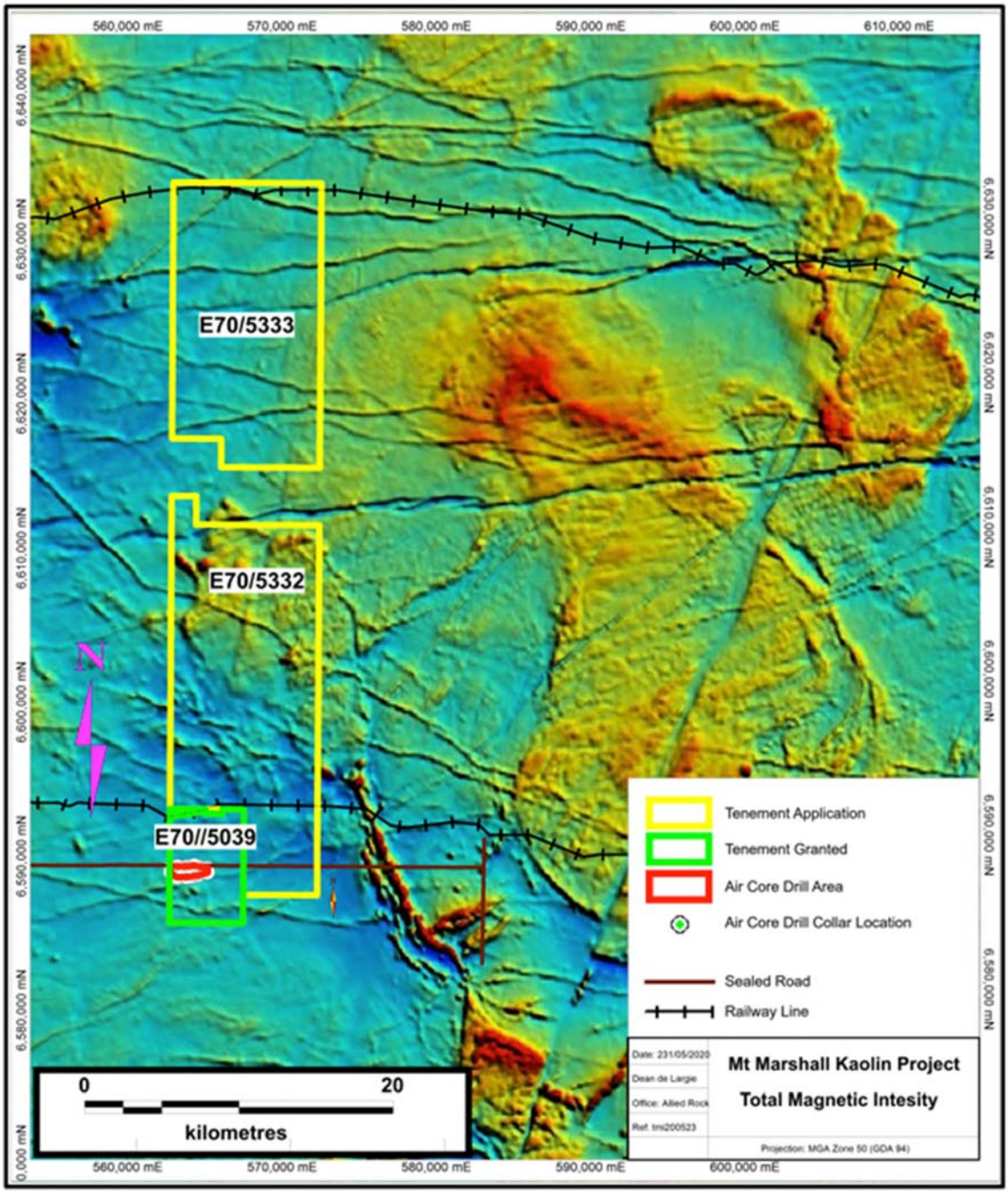
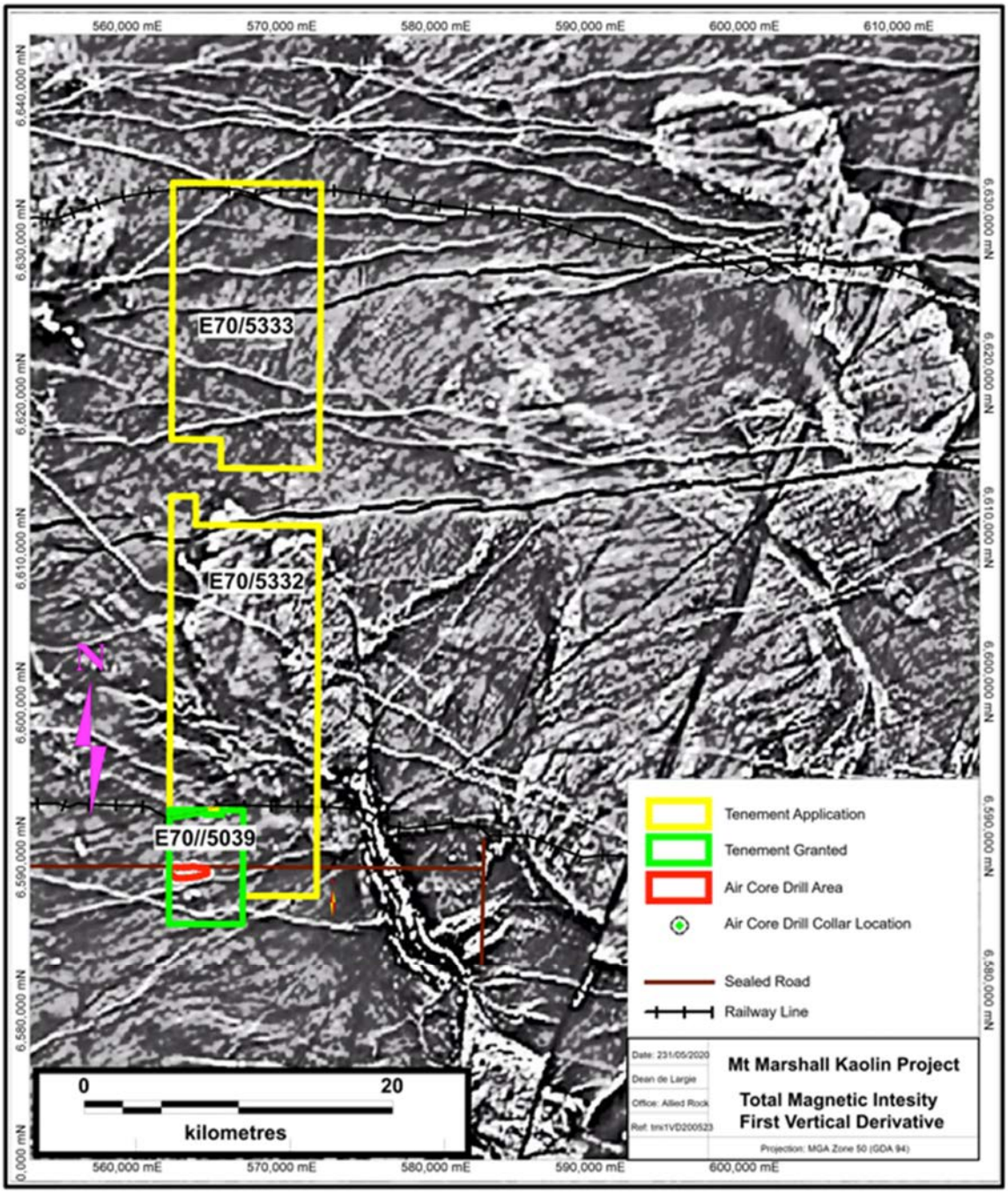


Figure 5: Further processing of Magnetics enhance visibility of structure



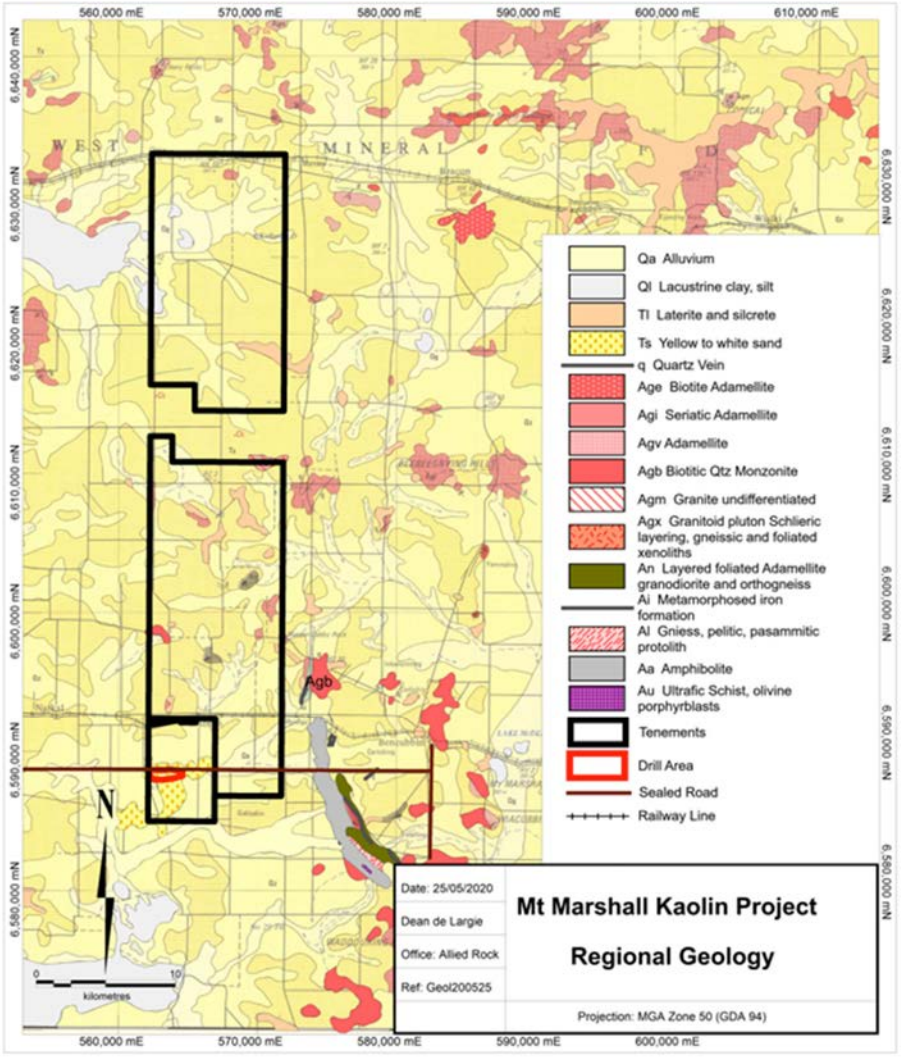
There are kaolin deposits at various locations in the Yilgarn. Most have formed from the strong weathering and leaching of the underlying intrusive rock. It is probable from the alteration of the granite that the feldspars were partly altered by hydrothermal activity and subsequently by weathering from the surface give the very white appearance of the Mt Marshall Kaolin.

3.2 Geology of the deposit

All the tenements at Gabbin were visited by Dean de Largie in December 2019 and January 2020. The tenements are covered by pale sandy soils. The land is generally used for crop production. The weathering profile observed in the southern part of the tenure is similar to other parts of the Yilgarn where orange-brown to red-brown ferruginous soils have developed over white saprolitic or mottled clays which grade at depth into semi fresh then fresh bedrock.

A geological map of the Tenement area is shown in Figure 7.

Figure 6: Geological map of the Mt Marshall kaolin area

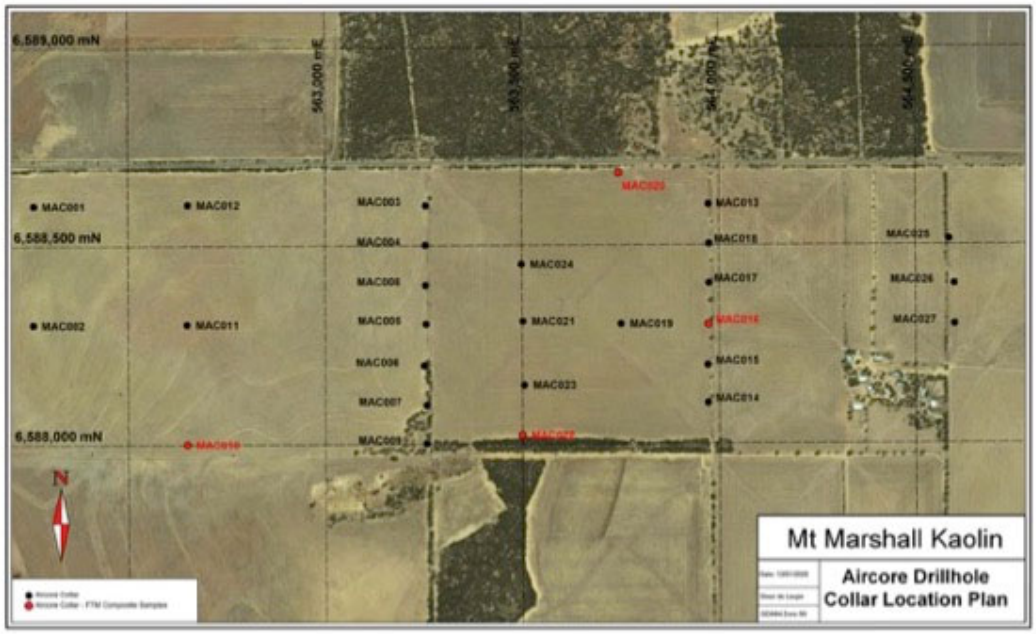


4. EXPLORATION AND DRILLING

4.1 Drilling programme

As part of the due diligence undertaken by UTR in connection with its acquisition of MML, UTR conducted a drill program of 27 Aircore drillholes totaling 644m in late 2019. Drilling was carried out by Wallis Drilling Pty Ltd using a Mantis 200 AC reg fitted with an 86-mm air core face sampling bit. The location of the boreholes is shown in Figure 7.

Figure 7: Location map of boreholes of Mt Marshall Kaolin



Dean de Largie (Consultant Geologist to UTR) accompanied all of the drilling and carried out sampling. All of the Aircore samples were collected on 1 m intervals. The sample of approximately 3kg each was collected directly from a splitter attached to the cyclone. Sample recovery was very good and no loss of sample such as hole blowouts. Samples were logged mainly on the basis of the colour and all samples were dry. All relevant intersections were logged and all 27 boreholes were photographed - for example photographs of Boreholes MAC010, MAC016, MAC020 and MAC022 are shown in Figure 11. These four boreholes shown in red in map above are composite samples collected for subsequent testing in the UK. For logging a Lithology Control File (LCF) was established (Table 2).

Table 2: LCF - Lithology Control File

LCf	Description
ovb	overburden
pc	pinkish clays
wkg	white kaolinised granite
ckg	cream kaolinised granite
pkg	partly kaolinised granite

gr	granite

4.2 Drilling details

Details of the coordinates, elevation and depths drilled with thickness of kaolinised granite is shown in Table 3.

Table 3: Coordinates, Elevation, Depth drilled and thickness of kaolinised granite

DH	Easting	Northing	RL	Depth	Kaolinised Granite		
ID	GDA94 z50	GDA94 z50	masl	(m)	From (m)	To (m)	Thickness (m)
MAC001	562261.25	6588602.18	318	21	6	17	11
MAC002	562258.84	6588302.29	325	17	3	13	10
MAC003	563256.16	6588601.11	336	33	4	21	17
MAC004	563255.00	6588501.03	336	27	7	25	18
MAC005	563256.02	6588301.98	339	21	3	17	14
MAC006	563250.71	6588197.27	339	20	4	18	14
MAC007	563257.10	6588097.71	340	30	5	28	23
MAC008	563254.87	6588399.74	335	24	4	20	16
MAC009	563256.34	6588000.85	340	27	5	24	19
MAC010	562649.64	6587999.88	336	21	7	20	13
MAC011	562649.60	6588302.33	330	30	8	13	5
MAC012	562652.42	6588604.33	327	27	10	21	11
MAC013	563974.12	6588602.60	338	30	5	22	17
MAC014	563971.89	6588102.66	338	39	4	32	28
MAC015	563971.79	6588197.53	339	29	5	27	22
MAC016	563973.07	6588299.93	338	24	4	22	18
MAC017	563975.13	6588403.76	339	24	3	21	18
MAC018	563975.06	6588503.18	340	33	4	31	27
MAC019	563751.59	6588301.25	340	24	4	22	18
MAC020	563746.41	6588682.65	342	20	4	20	16
MAC021	563502.41	6588308.39	340	10	4	7	3
MAC022	563500.04	6588021.46	336	27	**6**	**22**	16
MAC023	563505.38	6588147.66	338	20	5	20	15
MAC024	563498.67	6588451.82	338	21	7	20	13
MAC025	564584.90	6588514.25	326	24	5	21	16
MAC026	564597.99	6588401.35	327	17	5	17	12

5. LABORATORY TEST WORK - NAGROM, AUSTRALIA

Test work has been carried out in by Nagrom (Kelmscott, Perth, WA) and Microanalysis Australia (Perth, WA) in Australia. Test work in the UK by First Test Minerals (UK) in page 26.

Nagrom carried out preparation of three different fractions of >180, 45-180, <45 µm and chemical analysis by XRF

5.1. Preparation of 3 fractions at Nagrom

50 composite samples of 1kg each of kaolinised granite were tested at Nagrom facilities in Perth to produce fractions of >180 µm (micron), 45-180 µm and <45 µm by wet processing by crushing, blunging and screening. Procedure was as follows:

- Pre-crushing screening at 10 mm.
- Kaolinised matrix blunged in cold water at approximately 50% w/w solids (density 1450 Kg/m^3) at high shear for 30 minutes. Equipment used was Metso Denver D12 Cell with Dual Blade Agitator (Figure 8). No chemicals used.

Figure 8: Metso Denver D12 CelL Dual Blade Agitator

- Screen at 180 µm. Collect the >180 µm 'sand' fraction, dry at 110 degrees centigrade and weigh.
- Screen the <180 µm fraction at 45 µm. Ensure all the clay is washed through into a clean bucket.
- Collect the 45 to 180 µm fraction, dry and weigh.
- Allow the <45 µm clay to settle, carefully decant top clear water and filter using

vacuum buchners.

- Dry the wet cakes at 110 degrees centigrade max and weigh.
- Retain all 3 dry fraction in labelled polythene bags.
- Calculate % clay yield (wt < 45µm / (wt >180 µm + wt 45-180 µm + wt < 45 µm) x 100. Results are shown in Table 4.

Table 4: Nagrom: Fractions of 180, 45-180 and <45um (%)

Nagrom ID	HoleID	From	To	>180 mics	45-180 mics	<45 mics	Total
745	MAC 1	6	12	28.33	8.75	62.92	100
746	MAC1	12	17	46.38	7.77	45.85	100
747	MAC2	4	13	61.48	10.6	27.92	100
748	MAC3	4	12	54.75	11.3	33.95	100
749	MAC3	12	21	45.06	4.99	49.95	100
750	MAC3	21	32	52.42	8.89	38.69	100
751	MAC4	8	15	41.6	9.22	49.18	100
752	MAC4	15	22	52.43	7.19	40.38	100
753	MAC4	22	25	65.03	6.28	28.69	100
754	MAC5	3	14	55.94	5.99	38.08	100
755	MAC6	4	11	55.74	7.62	36.64	100
756	MAC6	11	18	49.02	11.6	39.37	100
757	MAC7	7	16	65.73	5.13	29.14	100
758	MAC7	16	24	54.72	8.77	36.51	100
759	MAC8	4	13	62.5	6.64	30.86	100
760	MAC8	13	20	56.67	8.63	34.7	100
761	MAC9	5	15	49.71	7.57	42.71	100
762	MAC9	15	24	48.02	9.74	42.23	100
763	MAC10	7	16	62.05	12.49	25.45	100
764	MAC10	16	20	51.34	9.81	38.85	100
765	MAC11	8	13	61.8	11.93	26.27	100
766	MAC12	10	17	58.8	8.69	32.51	100
767	MAC13	5	14	49.08	8.76	42.16	100
768	MAC13	14	22	46.32	9.36	44.31	100
769	MAC14	4	13	64.5	5.48	30.01	100
770	MAC14	13	22	41.32	3.12	55.56	100
771	MAC14	22	32	58.3	6.83	34.88	100
772	MAC15	5	12	42.94	7.16	49.9	100
773	MAC15	12	19	50.53	9.85	39.61	100
774	MAC15	22	27	55.45	18.63	25.92	100
775	MAC16	6	15	50.9	5.68	43.42	100
776	MAC16	15	20	55.49	7.89	36.62	100
777	MAC17	4	12	59.46	5.69	34.85	100
778	MAC17	12	21	46.32	9.69	43.99	100

Table 4 (continued)

Nagrom ID	HoleID	From	To	>180 mics	45-180 mics	<45 mics	Total
779	MAC18	4	11	47.07	6.72	46.21	100
780	MAC18	11	18	24.23	3.35	72.43	100
781	MAC18	18	26	35.35	9.17	55.49	100
782	MAC18	26	31	61.91	6.38	31.71	100
783	MAC19	4	13	59.01	8.35	32.64	100
784	MAC19	**13**	**21**	46.99	11.15	41.86	100
785	MAC20	14	19	48.44	4.59	46.97	100
786	MAC21	4	7	79.86	6.81	13.34	100
787	MAC22	13	19	54.94	10.5	34.57	100
788	MAC23	5	14	71.45	9.78	18.77	100
789	MAC24	7	14	52.91	7.33	39.76	100
790	MAC24	14	20	47.31	6.63	46.06	100
791	MAC25	5	12	57.58	6.45	35.98	100
792	MAC25	12	19	68.54	10.12	21.34	100
793	MAC26	7	12	51.64	10.83	37.52	100
794	MAC26	12	17	54.63	14.83	30.54	100

5.2 Chemical analysis by XRF at Nagrom

Full quantitative chemistry on 50 samples was carried out at Nagrom, Kelmscott, WA utilising a Panalytical Zetium XRF. Results presented in Table 5.

Table 5: XRF of 50 samples of <45 micron fractions (%)

Nagrom ID	HoleID	Depth from	Depth to	LCF	SiO_2	Al_2O_3	Fe_2O_3	TiO_2	CaO	MgO	Na_2O	K_2O	P_2O_5	% LOI @ 1000degC
745	MAC001	6	12	wkg	47.09	38.58	0.26	0.36	0.02	0.07	0.04	0.09	0.00	13.80
746	MAC001	12	17	wkg	48.21	36.71	0.43	0.34	0.02	0.09	0.06	1.50	0.01	12.58
747	MAC002	4	13	wkg	48.52	35.80	1.33	0.56	0.04	0.10	0.05	1.07	0.02	12.55
748	MAC003	4	12	wkg	47.73	37.88	0.44	0.42	0.02	0.05	0.04	0.42	0.01	13.35
749	MAC003	12	21	wkg	46.80	38.24	0.47	0.40	0.01	0.02	0.03	0.51	0.02	13.44
750	MAC003	21	32	ckg	48.75	34.50	2.26	0.52	0.13	0.27	0.44	1.46	0.06	11.71
751	MAC004	8	15	wkg	47.11	36.89	0.63	1.12	0.02	0.07	0.05	1.08	0.02	12.76
752	MAC004	15	22	wkg	48.20	36.16	0.80	0.75	0.02	0.09	0.10	1.56	0.04	12.28
753	MAC004	22	25	ckg	50.37	33.06	2.22	0.42	0.15	0.28	0.73	1.58	0.04	10.94
754	MAC005	3	14	wkg	47.65	37.75	0.58	0.42	0.01	0.03	0.04	0.26	0.01	13.40
755	MAC006	4	11	wkg	47.06	38.24	0.66	0.39	0.04	0.00	0.04	0.13	0.01	13.68
756	MAC006	11	18	wkg	47.81	37.17	0.81	0.39	0.05	0.03	0.04	0.86	0.02	13.00
757	MAC007	7	16	wkg	48.66	37.24	0.48	0.24	0.06	0.07	0.05	0.43	0.01	13.09
758	MAC007	16	24	wkg	48.42	35.54	0.58	0.29	0.04	0.08	0.08	2.18	0.01	11.82
759	MAC008	4	13	wkg	49.28	36.21	0.61	0.37	0.03	0.06	0.06	1.07	0.02	12.43
760	MAC008	13	21	ckg	49.28	34.13	2.07	0.40	0.10	0.21	0.32	2.24	0.05	11.21
761	MAC009	5	15	wkg	46.88	38.43	0.42	0.39	0.04	0.03	0.04	0.33	0.01	13.50

762	MAC009	15	24	wkg	47.61	37.17	0.88	0.38	0.06	0.08	0.05	0.93	0.02	12.86
763	MAC010	7	16	wkg	48.75	37.14	0.49	0.34	0.05	0.07	0.06	0.37	0.02	13.11
764	MAC010	16	20	wkg	48.71	36.03	0.84	0.36	0.06	0.08	0.10	1.51	0.04	12.29
765	MAC011	8	13	ckg	50.89	32.66	2.94	0.50	0.02	0.09	0.09	1.17	0.02	11.84
766	MAC012	10	17	wkg	49.55	35.79	0.59	0.63	0.02	0.04	0.05	1.30	0.02	12.26
767	MAC013	5	14	wkg	48.43	37.17	0.67	0.35	0.01	0.09	0.05	0.63	0.00	12.90
768	MAC013	14	22	wkg	48.36	35.98	0.94	0.43	0.02	0.11	0.06	1.63	0.03	12.24
769	MAC014	4	13	wkg	50.97	34.43	1.06	0.43	0.02	0.19	0.07	1.23	0.00	11.73
770	MAC014	13	22	wkg	46.78	37.80	0.70	0.33	0.01	0.16	0.05	1.27	0.02	12.70
771	MAC014	22	32	wkg	52.27	32.93	1.00	0.35	0.02	0.28	0.05	2.89	0.03	10.13
772	MAC015	5	12	wkg	48.31	36.55	1.10	0.45	0.02	0.08	0.06	0.57	0.01	12.96
773	MAC015	12	22	wkg	50.59	33.16	1.49	0.36	0.01	0.27	0.10	3.08	0.01	10.62
774	MAC015	22	27	ckg	54.85	26.78	3.69	0.72	0.10	0.56	2.45	4.52	0.08	6.34
775	MAC016	6	15	wkg	47.46	37.56	0.59	0.30	0.01	0.10	0.06	1.11	0.01	12.88
776	MAC016	15	20	wkg	48.92	35.11	1.02	0.36	0.02	0.17	0.07	2.86	0.03	11.23
777	MAC017	4	12	wkg	48.14	37.14	0.54	0.42	0.04	0.06	0.04	0.50	0.01	13.14
778	MAC017	12	21	wkg	47.99	37.12	0.62	0.41	0.04	0.06	0.06	1.33	0.01	12.65
779	MAC018	4	11	wkg	47.21	37.92	0.76	0.32	0.03	0.04	0.05	0.44	0.00	13.37

Table 5 continued…

Nagrom ID	HoleID	Depth from	Depth to	LCF	SiO_2	Al_2O_3	Fe_2O_3	TiO_2	CaO	MgO	Na_2O	K_2O	P_2O_5	% LOI @ 1000degC
780	MAC018	11	18	wkg	46.38	38.13	0.66	0.26	0.02	0.12	0.05	0.94	0.04	13.18
781	MAC018	18	26	wkg	47.60	36.07	1.07	0.41	0.03	0.22	0.06	2.90	0.03	11.41
782	MAC018	26	31	ckg	50.17	33.01	2.39	0.35	0.11	0.33	0.44	2.71	0.01	10.43
783	MAC019	4	13	wkg	47.69	37.48	0.75	0.49	0.04	0.05	0.05	0.38	0.01	13.25
784	MAC019	13	21	wkg	47.76	36.55	0.94	0.44	0.05	0.10	0.08	1.54	0.01	12.41
785	MAC020	14	19	wkg	48.26	36.43	1.02	0.29	0.01	0.19	0.06	1.68	0.01	12.15
786	MAC021	4	7	wkg	52.29	32.78	1.22	0.56	0.04	0.08	0.10	0.28	0.01	12.32
787	MAC022	13	19	wkg	49.05	35.48	0.71	0.91	0.05	0.07	0.07	1.81	0.01	11.85
788	MAC023	5	14	wkg	51.72	33.50	0.78	0.62	0.05	0.05	0.10	1.65	0.03	11.64
789	MAC024	7	14	wkg	47.38	38.03	0.40	0.41	0.02	0.03	0.05	0.43	0.01	13.37
790	MAC024	14	20	wkg	47.28	37.33	0.74	0.45	0.02	0.04	0.05	0.88	0.01	13.03
791	MAC025	5	12	wkg	48.45	37.26	0.60	0.28	0.04	0.12	0.04	0.41	0.00	13.17
792	MAC025	12	19	wkg	54.35	31.63	0.44	0.30	0.02	0.09	0.10	2.86	0.02	10.30
793	MAC026	5	12	wkg	50.76	34.99	0.39	0.48	0.01	0.13	0.09	0.80	0.01	12.41
794	MAC026	12	17	wkg	52.00	33.07	0.55	0.49	0.03	0.10	0.10	2.74	0.03	10.78

5.3 Brightness and Colour measurement by Microanalysis

ISO Brightness/Yellowness and CIE Colour coordinates L* a* b* were analysed on an Elrepho Datacolor by Microanalysis Australia in Perth, WA. Results are in Table 6.

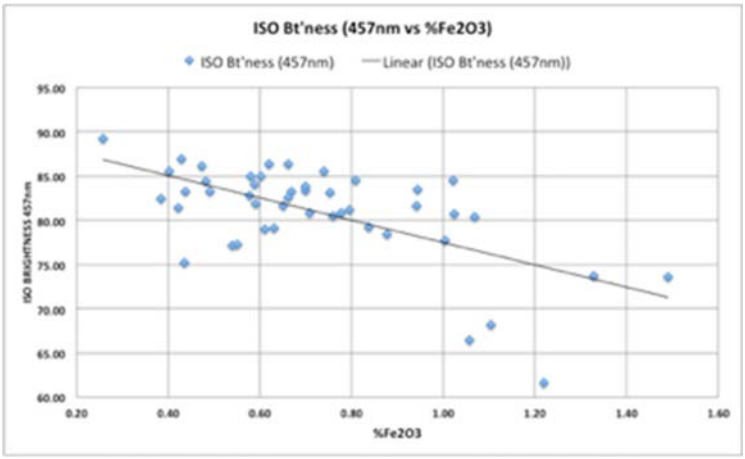
Table 6: ISO Brightness, Yellownes and L* a*b* vaules on 50 samples

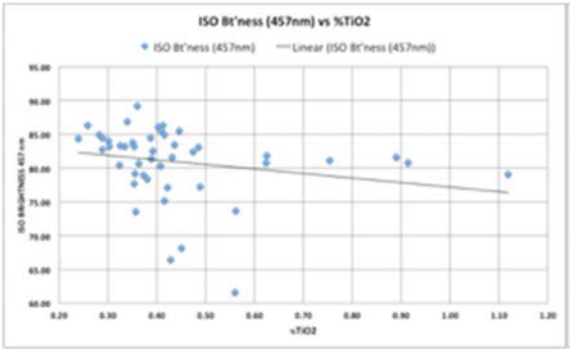
Microanalysis ID	Nagrom ID	HoleID	From	To	ISO Brightness	Yellowness	CIE Colour Coordinates			Colour
							L*	a*	b*	
20_0681_01	745	MAC 1	6	12	89.19	4.12	96.77	0	2.2	
20_0681_02	746	MAC1	12	17	87.00	5.21	96.16	-0.15	2.9	
20_0681_03	747	MAC2	4	13	73.67	12.83	92.23	0.6	6.6	
20_0681_04	748	MAC3	4	12	75.16	12.69	92.59	1.7	5.9	
20_0681_05	749	MAC3	12	21	86.11	5.69	95.94	-0.2	3.0	
20_0681_06	750	MAC3	21	32	65.65	15.98	89.09	0.4	8.0	
20_0681_07	751	MAC4	8	15	79.08	9.63	93.89	-0.05	5.0	
20_0681_08	752	MAC4	15	22	81.17	7.70	94.32	-0.1	4.2	
20_0681_09	753	MAC4	22	25	65.83	13.51	88.59	-0.55	7.1	
20_0681_10	754	MAC5	3	14	85.02	6.19	95.55	0.25	3.2	
20_0681_11	755	MAC6	4	11	82.62	7.69	94.85	0.5	3.8	
20_0681_12	756	MAC6	11	18	84.57	6.19	95.38	-0.1	3.3	
20_0681_13	757	MAC7	7	16	84.36	5.26	95.04	-0.2	2.7	
20_0681_14	758	MAC7	16	24	82.83	7.79	95.13	-0.25	4.3	
20_0681_15	759	MAC8	4	13	79.05	9.64	93.69	0.85	4.7	
20_0681_16	760	MAC8	13	20	73.35	11.74	91.48	-0.6	6.3	
20_0681_17	761	MAC9	5	15	81.47	7.63	94.28	0.9	3.6	
20_0681_18	762	MAC9	15	24	78.38	9.16	93.52	-0.3	5.0	
20_0681_19	763	**MAC10**	**7**	**16**	83.29	6.62	94.94	-0.3	3.6	
20_0681_20	764	MAC10	16	20	79.25	8.46	93.73	-0.45	4.6	
20_0681_21	765	MAC11	8	13	49.41	36.13	84.13	7.15	15.3	
20_0681_22	766	MAC12	10	17	81.90	8.21	94.72	0.4	4.2	
20_0681_23	767	MAC13	5	14	83.28	8.08	95.31	0.4	4.1	
20_0681_24	768	MAC13	14	22	81.68	8.33	94.77	-0.4	4.6	
20_0681_25	769	MAC14	4	13	66.52	20.46	90.18	3.75	9.1	
20_0681_26	770	MAC14	13	22	83.39	7.92	95.39	-0.3	4.4	
20_0681_27	771	MAC14	22	32	77.79	10.50	93.68	-0.8	5.9	
20_0681_28	772	MAC15	5	12	68.21	20.77	91.54	2.3	10.1	
20_0681_29	773	MAC15	12	19	73.65	14.66	92.84	-0.3	7.9	
20_0681_30	774	MAC15	22	27	56.74	29.70	88.51	-0.4	16.0	
20_0681_31	775	**MAC16**	**6**	**15**	84.10	6.78	95.40	-0.3	3.7	
20_0681_32	776	MAC16	15	20	80.72	9.06	94.57	-0.6	5.0	
20_0681_33	777	MAC17	4	12	77.13	11.59	93.43	0.95	5.7	
20_0681_34	778	MAC17	12	21	86.40	6.18	94.20	0.5	5.3	
20_0681_35	779	MAC18	4	11	80.49	9.42	94.43	0.55	4.7	

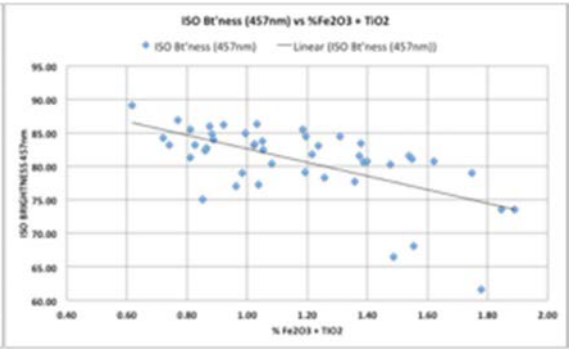
Table 6 continued …

Microanalysis ID	Nagrom ID	HoleID	From	To	ISO Brightness	Yellowness	CIE Colour Coordinates			Colour
							L*	a*	b*	
20_0681_36	780	MAC18	11	18	86.34	6.46	96.29	-0.5	3.6	
20_0681_37	781	MAC18	18	26	80.41	10.87	94.87	-1.05	6.3	
20_0681_38	782	MAC18	26	31	68.12	17.55	90.88	0.55	8.9	
20_0681_39	783	MAC19	4	13	83.12	7.42	95.05	0.6	3.5	
20_0681_40	784	**MAC19**	**13**	**21**	83.47	6.40	94.99	-0.35	3.7	
20_0681_41	785	MAC20	14	19	84.58	6.93	95.65	-0.1	3.6	
20_0681_42	786	MAC21	4	7	61.64	20.89	88.14	2.4	9.0	
20_0681_43	787	MAC22	13	19	80.81	7.53	94.12	-0.1	4.0	
20_0681_44	788	MAC23	5	14	76.30	8.97	92.41	0.1	4.7	
20_0681_45	789	MAC24	7	14	86.99	5.34	96.20	-0.1	2.9	
20_0681_46	790	MAC24	14	20	85.58	5.65	95.70	-0.3	3.1	
20_0681_47	791	MAC25	5	12	84.94	6.51	95.62	0.2	3.4	
20_0681_48	792	MAC25	12	19	83.21	5.74	94.66	0	3.0	
20_0681_49	793	MAC26	7	12	82.48	7.84	94.87	0.4	3.9	
20_0681_50	794	MAC26	12	17	77.30	11.30	93.30	1.35	5.4	

5.4 Plots of ISO Brightness vs % Fe_2O_3 and TiO_2







5.5 Three duplicate samples tested and compared

Three blind duplicate samples from MAC010, MAC016 and MAC019 were tested - Nagrom ID and Hole ID and results are in Table 7. In the Table the blue shaded first line is the result included in the report: the second line shaded in beige if the duplicate sample.

Table 7: Three duplicate samples tested from 3 different drillholes

Nagrom ID	HoleID	From (m)	To (m)	LCF	Yield <45um
763	MAC010	7	16	wkg	25.45
795	MAC010	7	16	wkg	24.45
775	MAC016	6	15	wkg	43.42
796	MAC016	6	15	wkg	44.52
784	MAC019	13	21	wkg	41.86
797	MAC019	13	21	wkg	41.46

Nagrom ID	HoleID	From (m)	To (m)	SiO_2	Al_2O_3	Fe_2O_3	TiO_2	CaO	MgO	Na_2O	K_2O	P_2O_5	% LOI @ 1000degC
763	MAC010	7	16	48.75	37.14	0.49	0.34	0.05	0.07	0.06	0.37	0.02	13.11
795	MAC010	7	16	48.60	36.94	0.48	0.33	0.04	0.04	0.05	0.38	0.02	13.15
775	MAC016	6	15	47.46	37.56	0.59	0.30	0.01	0.10	0.06	1.11	0.01	12.88
796	MAC016	6	15	47.58	37.50	0.58	0.29	0.03	0.08	0.05	1.07	0.01	12.88
784	MAC019	13	21	47.76	36.55	0.94	0.44	0.05	0.10	0.08	1.54	0.01	12.41
797	MAC019	13	21	48.24	36.83	0.94	0.43	0.04	0.10	0.05	1.52	0.02	12.46

Nagrom ID	HoleID	From (m)	To (m)	ISO Bt'ness (457nm)	ISO Yellowness (570nm)	L*	a*	b*
763	MAC010	7	16	83.29	6.62	94.94	-0.3	3.6
795	MAC010	7	16	83.02	5.66	94.59	-0.3	3.6
775	MAC016	6	15	84.10	6.78	95.40	-0.3	3.65
796	MAC016	6	15	85.49	5.97	95.76	-0.3	3.3
784	MAC019	13	21	83.47	6.40	94.99	-0.35	3.65
797	MAC019	13	21	82.79	6.96	94.87	-0.4	3.9

There is a very good relationship between the duplicate samples.

6. SAMPLE PREPARATION IN UK

6.1 Introduction

Four composite samples from the Mt Marshall Kaolin Project were forwarded to First Test Minerals Ltd in the UK for a detailed characterisation of the kaolin. The four samples were boreholes MAC 010, MAC 016, MAC O2O and MAC 022 and shown in Figure 7 earlier.

6.2 Sample preparation

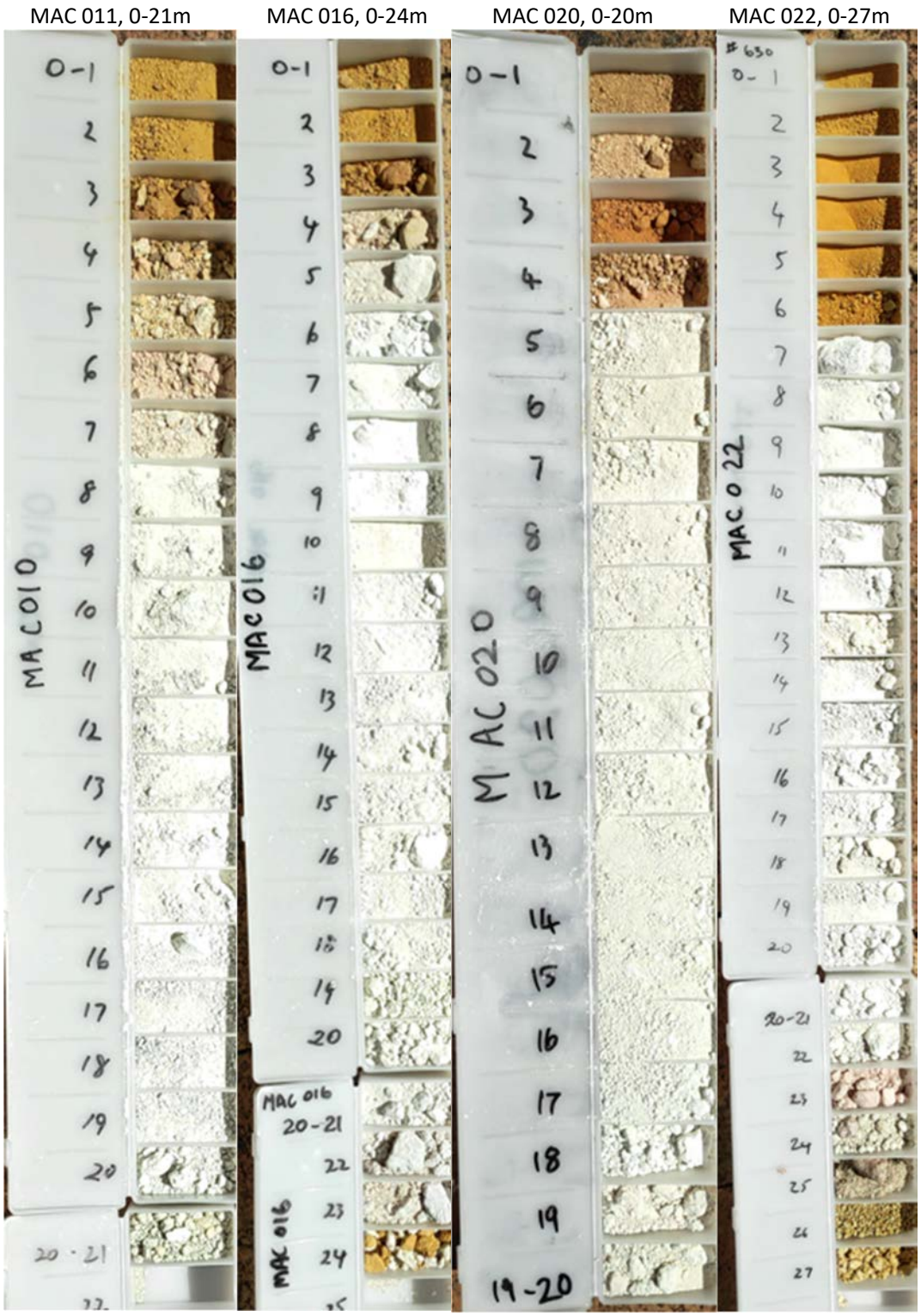
The dry matrix samples were tested 'as received'

- The matrix samples were wet refined by Wardell Armstrong. In each case approximately. 1.0 Kg matrix was mixed with 800 mls water (no chemical additions) and blunged for 20 minutes at 800 rpm with a Joy Denver mixer.
- Checks were made by hand to ensure no clay lumps were left after blunging.
- The slurry was initially screened at 180 um to remove the sand and the < 180 um fraction was screened at 45 um.
- The < 45 um slurry was checked with a 1.2 tessla magnet for magnetics before vacuum filtering, drying and weighing. Only fine trace metal was found on the magnet, presumed to be quartz abrasion on the mixer shaft.
- The samples were water washed when screening to make sure all the clay was washed through.
- A summary of the Sample preparation is in Figure 9.

Figure 9: Summary of Sample Preparation for three fractions

Photographs of MAC 010, MAC 016, MAC O2O and MAC 022 are shown in Figure 10.

Figure 10: Photographs of MAC 010, MAC 016, MAC 020 and MAC 022



The results of the processing of four samples are in Table 8 showing the Yield of % >180, 45-180 and <45 microns.

Table 8: Processing of 4 samples to >180, 45-180 and <45 microns

SAMPLE	MAC 010	MAC 016	MAC 020	MAC 022
Colour	White	White	White	White
% > 180 um	61.1	49.6	48	52.1
% 45 to 180 um	9.5	3.7	2.1	6.1
% < 45 um (Clay Yield)	29.4	46.7	49.9	41.9

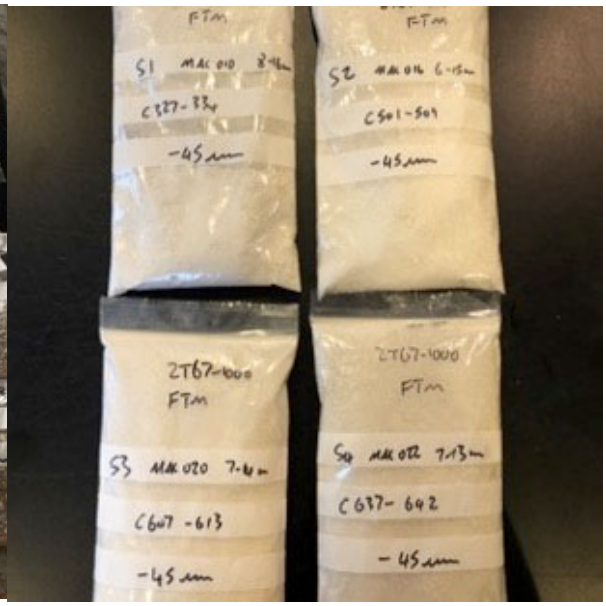
The Yield of <45 microns fraction for MAC16, MAC20 and MAC 22 are high with MAC 10 lower at 29.4% (which is still a good Yield for kaolinised granite).

The fractions generated of <45, >45-180 and >180 microns are shown in Figure 11 with the <45 micron fractions processed with a pestle and mortar to a fine powder.

Figure 11: Photo of <45m, 45-180 and >180 micron fractions and <45 um powder

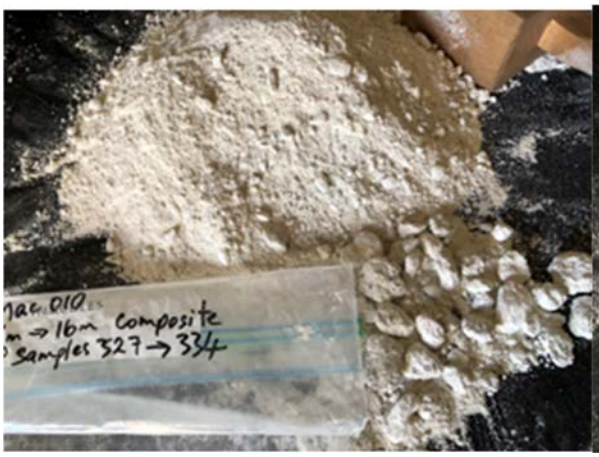
Fractions of <45, >45-180 and >180 micron to

<45 micron fractions after pestle & mortaring fine powder

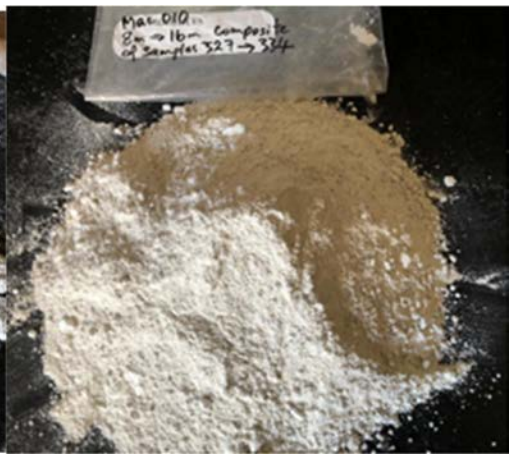


6.2.1 Sample preparation MAC 010 – three fractions

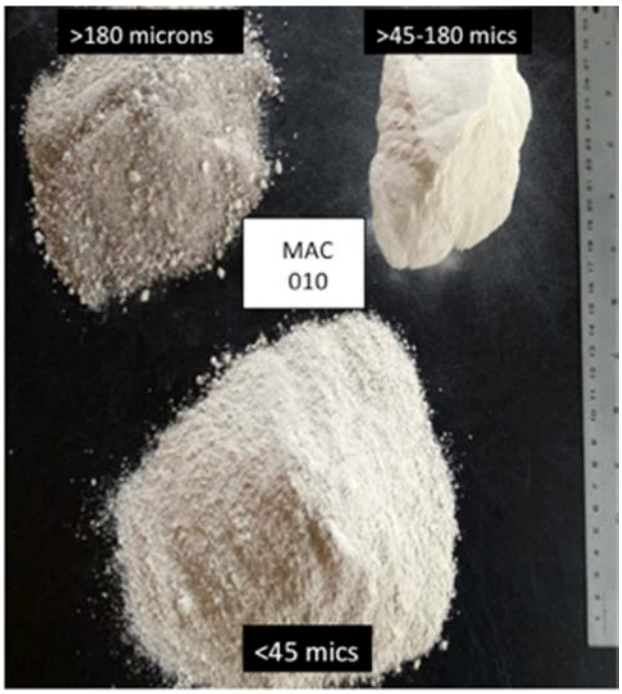
SAMPLE	MAC 010
Colour	White
% > 180 um	61.1
% 45 to 180 um	9.5
% < 45 um (Clay Yield)	**29.4**



Sample as received (unpacked)



Crushed by a wooden mallet

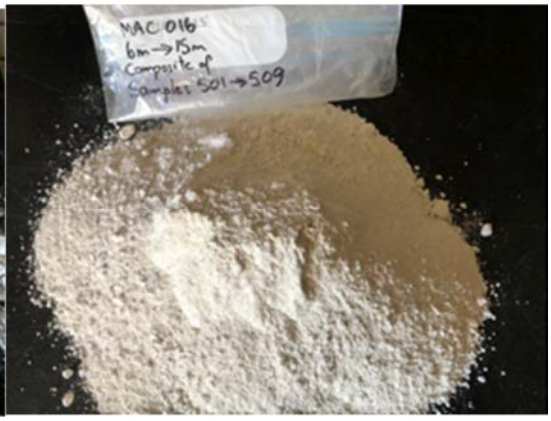


Three fractions produced by processing

6.2.2 Sample preparation MAC 016 – three fractions

SAMPLE	MAC 016
Colour	White
% > 180 um	49.6
% 45 to 180 um	3.7
% < 45 um (Clay Yield)	**46.7**

Sample as received (unpacked)

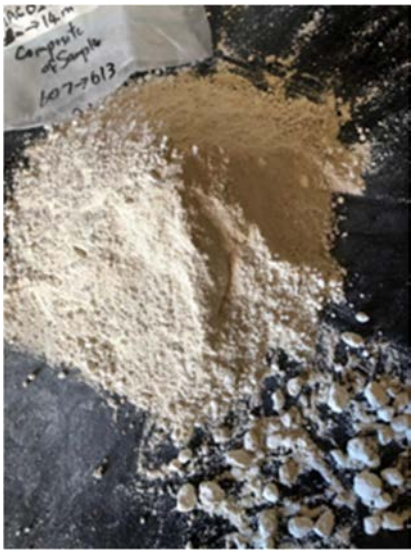


Crushed by a wooden mallet

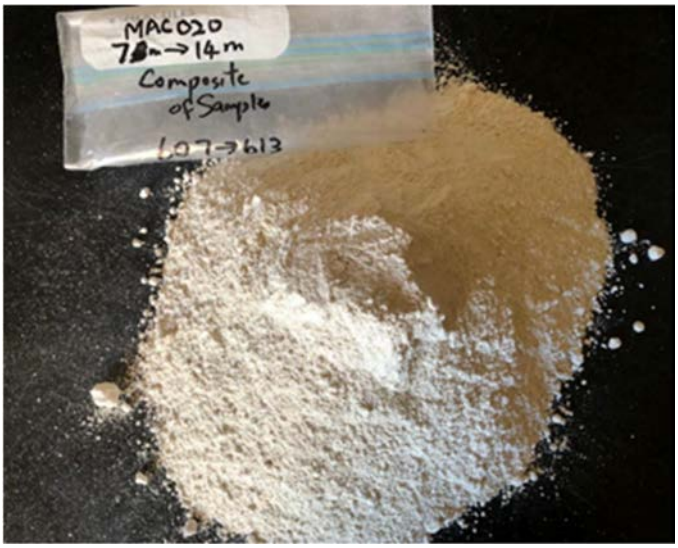
Three fractions produced by processing

6.2.3 Sample Preparation MAC 020 – three fractions

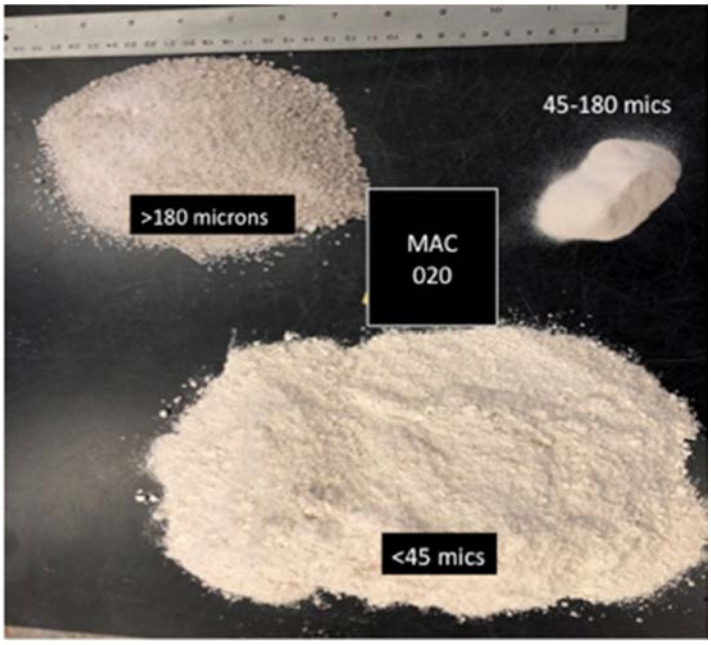
SAMPLE	MAC 020
Colour	White
% > 180 um	48
% 45 to 180 um	2.1
% < 45 um (Clay Yield)	**49.9**



Sample as received (unpacked)



Crushed by a wooden mallet

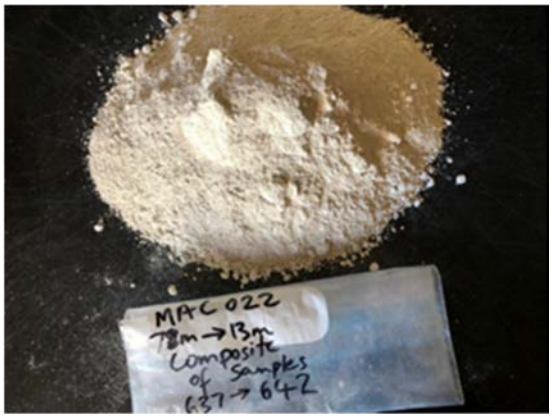


Three fractions produced by processing

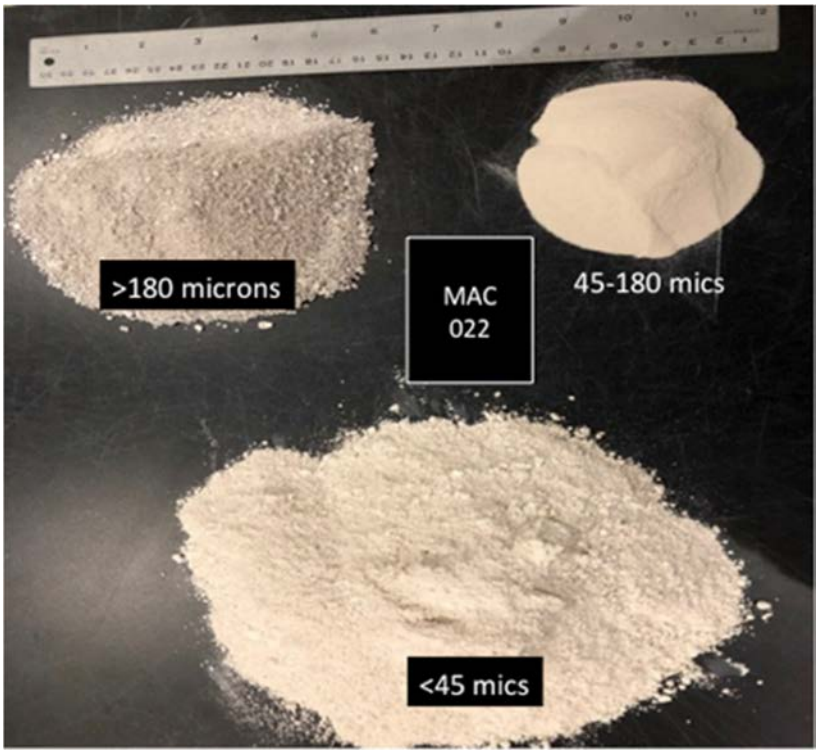
6.2.4 Sample Preparation MAC 022 – three fractions

SAMPLE	MAC 022
Colour	White
% > 180 um	52.1
% 45 to 180 um	6.1
% < 45 um (Clay Yield)	**41.9**

Sample as received (unpacked)

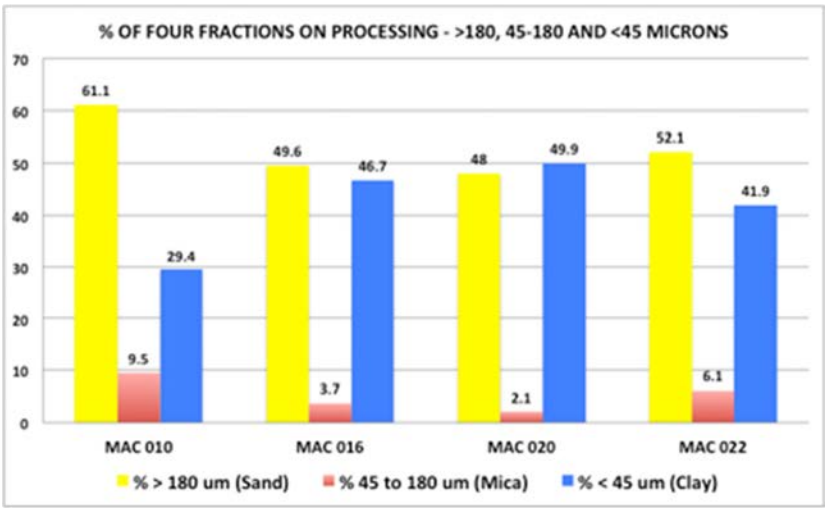


Crushed by a wooden mallet



Three fractions produced by processing

Figure 12: % of four fractions on processing



7. CHEMISTRY, MINERALOGY AND SEMs (UK)

7.1 Chemistry and Mineralogy of <45 micron fractions

Clay yield for wet processing and chemistry and mineralogy are shown in Table 9.

Table 9: Clay yield for wet refining: Chemistry and Mineralogy

Test	Parameter	M10	M16	M20	M22
Fraction	**<45µm**	**<45µm**	**<45µm**	**<45µm**	**<45µm**
% Yield		29.4	46.7	49.9	41.9
Chemistry (Wt%) by XRF	SiO_2	48.17	47.51	47.72	47.4
	Al_2O_3	36.44	36.92	36.65	37.01
	Fe_2O_3	0.50	0.60	0.70	0.65
	TiO_2	0.33	0.30	0.35	0.89
	CaO	0.05	0.05	>0.05	0.05
	MgO	0.12	0.15	0.16	0.12
	Na_2O	0.07	<0.05	<0.05	<0.05
	K_2O	0.37	1.05	1.11	0.54
	P_2O_5	<0.05	<0.05	<0.05	<0.05
	Mn_3O_4	<0.05	<0.05	<0.05	<0.05
	Cr_2O_3	<0.05	<0.05	<0.05	<0.05
	BaO	<0.05	<0.05	<0.05	<0.05
	ZrO_2	0.05	0.05	0.05	0.05
	ZnO	<0.05	<0.05	<0.05	<0.05
	V_2O_5	<0.05	<0.05	<0.05	<0.05
	SrO	<0.05	<0.05	<0.05	<0.05
	LOI	13.75	13.22	13.11	13.47
Mineralogy	Kaolinite	90.5	93.2	89.9	94.9

(Wt.%) by XRD	Halloysite	6.3	0	2.3	0.1
	Quartz	2.1	1.7	1.0	1.8
	K-Feldspar	0	0	0	0
	Muscovite	1.1	5.1	6.8	3.2
	Total	**100**	**100**	**100**	**100**

Some plots of the data:

Figure 13: %SiO_2 vs Al_2O_3 of <45 micron

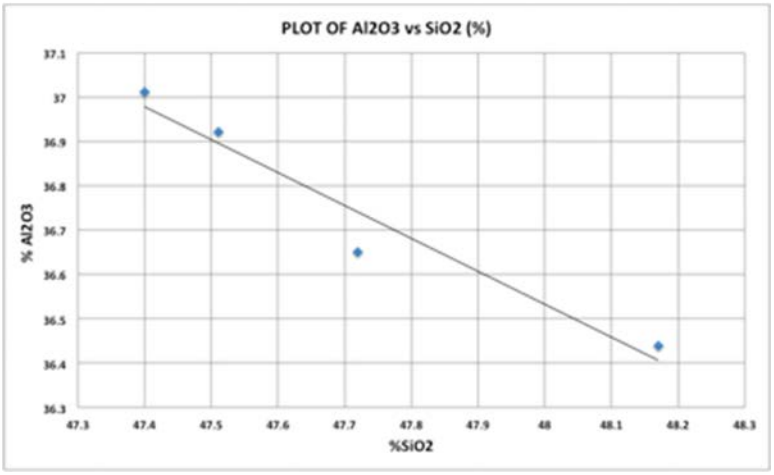


Figure 14: % TiO_2, and Fe_2O_3 for the four fractions (<45 microns)

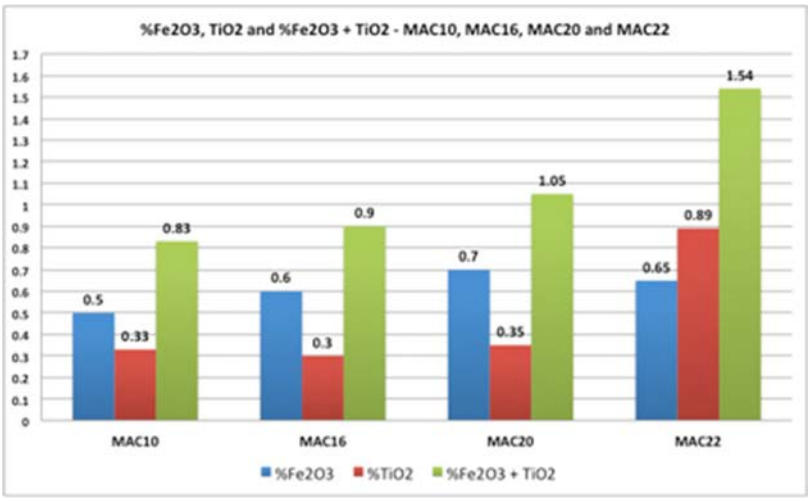


Figure 15: %K_2O for <45 microns

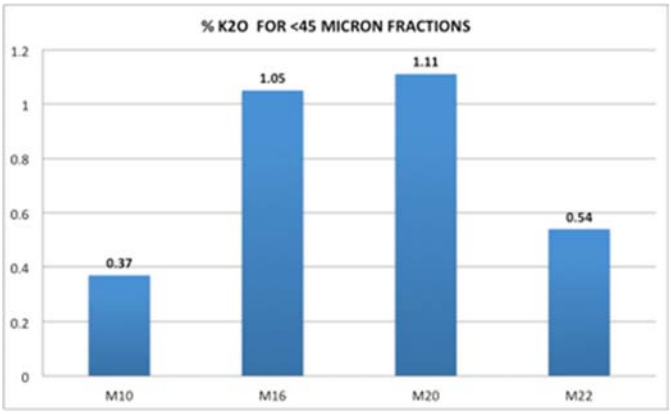
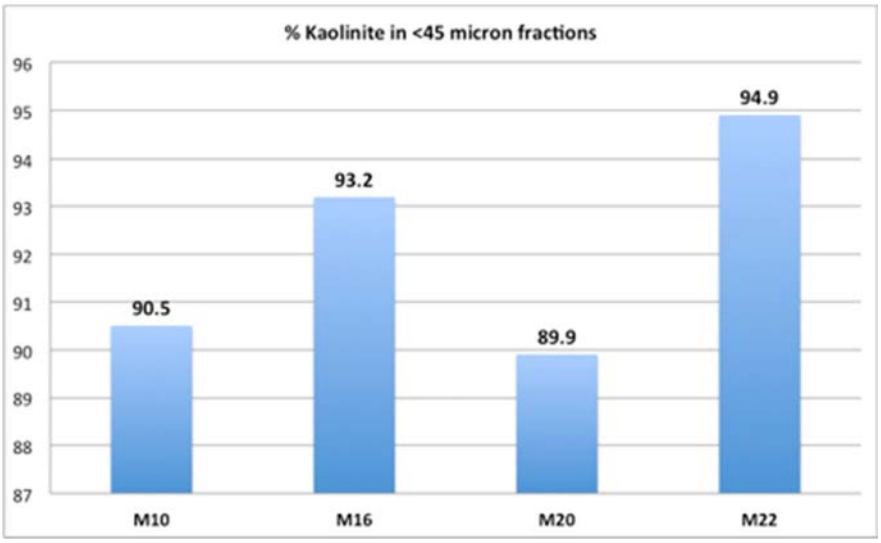


Figure 16: % Kaolinite in <45 micron fractions

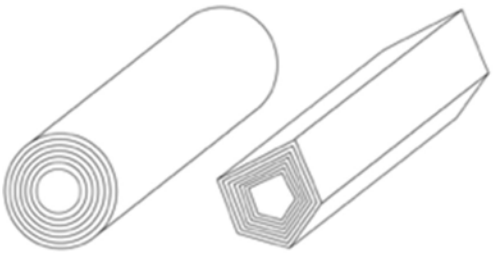


7.2 SEMs of <45 micron fraction

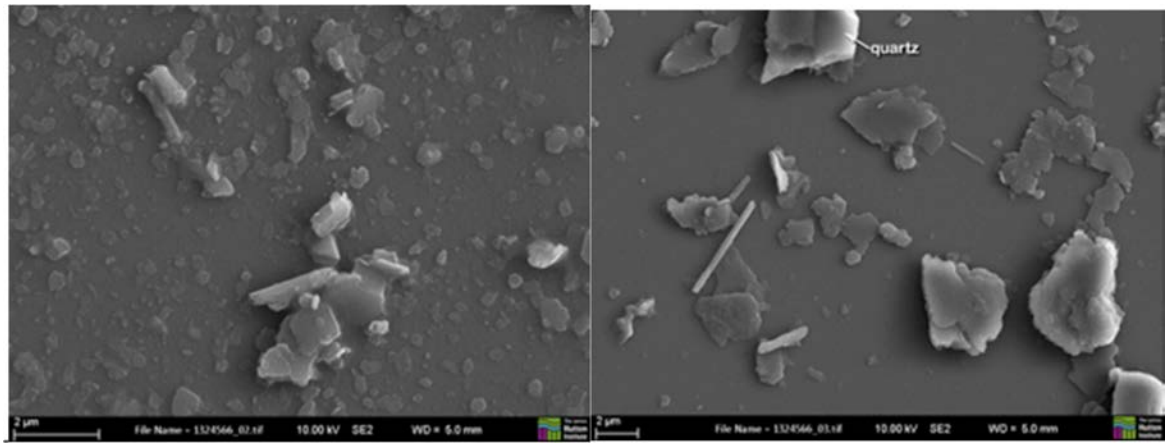
The dominant mineral present is platy kaolinite and shows presence of halloysite in very small amounts. The Kaolinite crystals are platy pseudo-hexagonal morphology whilst Halloysite is tubular.

There are two distinct type of tubular halloysite as shown below:

- **Cylindrical** form with circular cross-section (left below)
- **Prismatic** (or Polygonal) form with angular flat faces (right below)



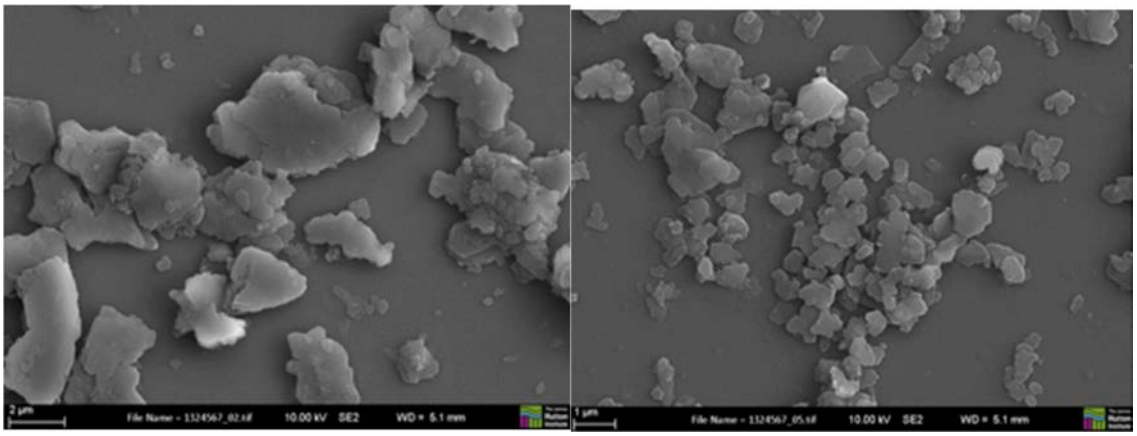
7.2.1 MAC 010 SEMs



Fine particle size kaolinite with some Prismatic halloysite

Quartz crystal, platy kalin and cylindrical halloysite

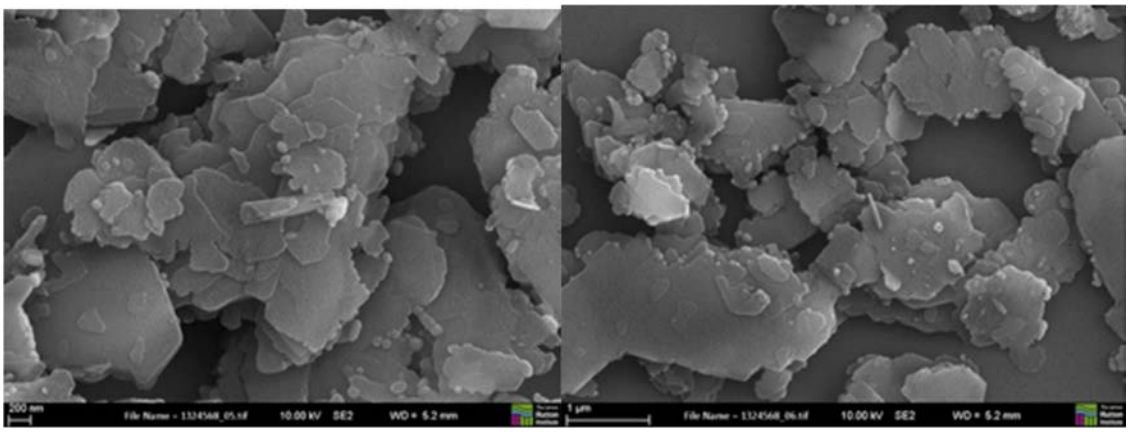
7.2.2 MAC 016 SEMs



Very platy kaolinite at 2 micron scale

Platy kaolin with many kaolinite crystals less than 1 micron size

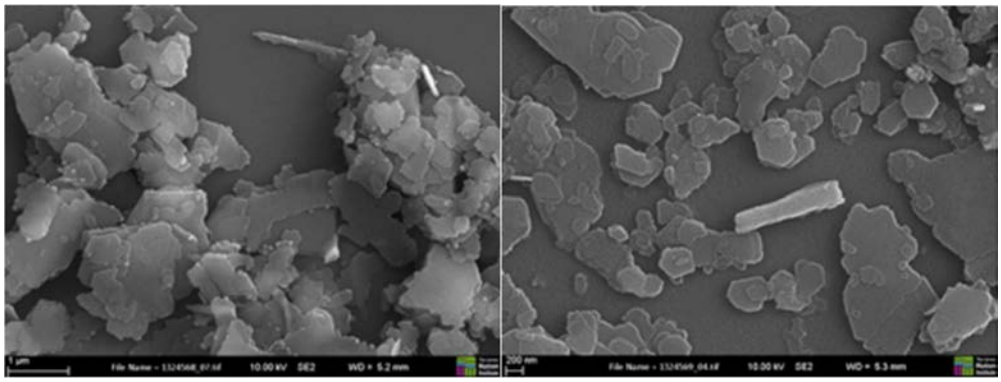
7.2.3 MAC 020 SEMs



200 nm scale - Platy kaolin with Prismatic Halloysite

1-micron scale – Very platy kaolinite with cylindrical halloysite

7.2.4 MAC 022 SEMs



1-um: Platy kaolinite, few cylindrical halloysite 200 nm scale – Platy kaolinite with Prismatic halloysite

7.3 Chemistry, Mineralogy and SEMs of Centrifuge O/F and U/F

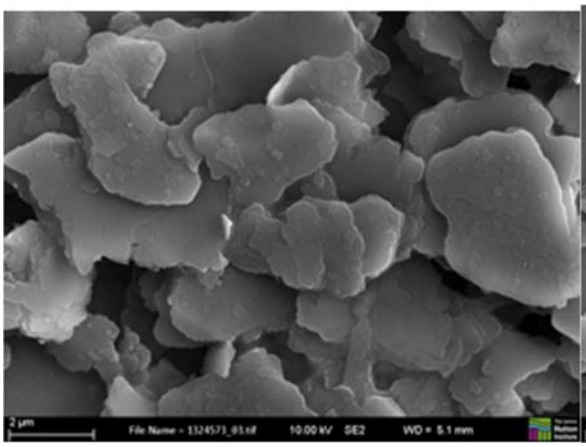
A combined sample of MAC 010, MAC 016, MAC 020 and MAC 022 was passed through a centrifuge that separates fines (overflow) and coarse material (underflow). The chemistry and mineralogy is shown in Table 10.

Table 10: Chemistry and Mineralogy of Centrifuge O/F and U/F

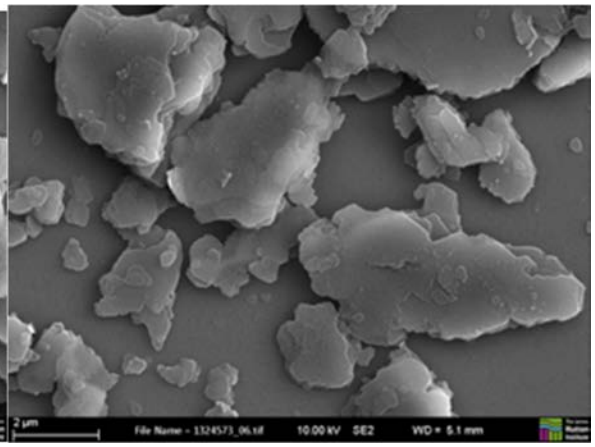
Parameter	CYCLONE	
Cyclone	Over Flow (O/F)	Under Flow (U/F)
SiO_2	46.53	46.5
Al_2O_3	36.87	36.16
Fe_2O_3	0.64	0.62
TiO_2	0.38	0.44
CaO	0.06	0.06
MgO	0.14	0.14
Na_2O	0.24	0.06
K_2O	0.28	0.88
P_2O_5	<0.05	<0.05
Mn_3O_4	<0.05	<0.05
Cr_2O_3	<0.05	<0.05
BaO	<0.05	<0.05
ZrO_2	0.05	0.05
ZnO	<0.05	<0.05
V_2O_5	<0.05	<0.05
SrO	<0.05	<0.05
LOI	14.38	15.33
Kaolinite	99.6	94.7
Halloysite	0	0
Quartz	0.4	1.5
K-Feldspar	0	0
Muscovite	trace	3.8
TOTAL	100	100

The mineralogy of the Overflow was 99.6% Kaolinite, 0.4% Quartz and a trace of Muscovite, with the Underfow 94.7% Kaolinite, 1.5% Quartz and 3.8% Muscovite. Further trials are planned using a centrifuge.

7.3.1 Centrifuge Underfow (U/F) SEMs

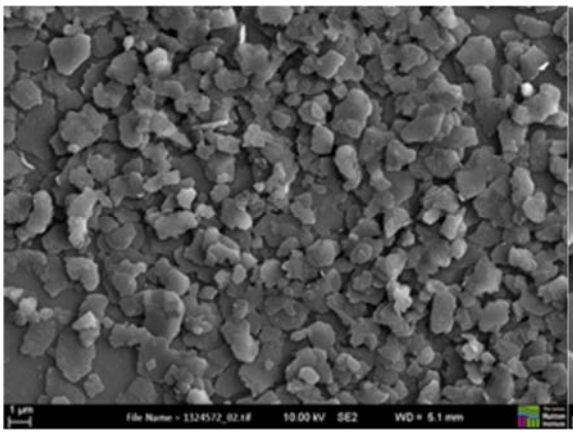


2-micron scale – large crystals of platy kaolinite

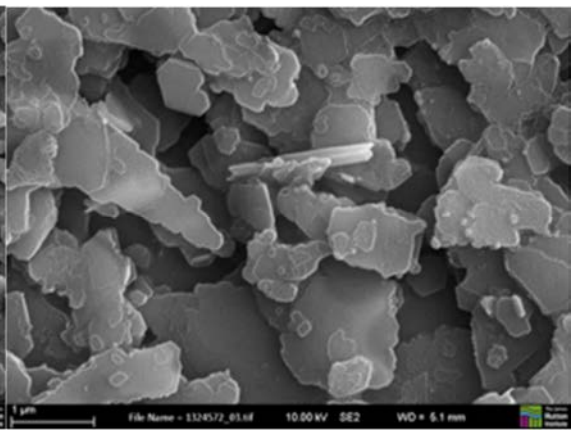


2- micron scale – large crystals of platy kaolinite

7.3.2 Centrifuge Overfow (O/F) SEMs



1 micron scale – Fine particle size kaolinite, little halloysite



1 micron scale – Platy kaolinite with prismatic halloysite

7.4 Chemistry, Mineralogy and SEMs of 45-180 microns (Combined sample)

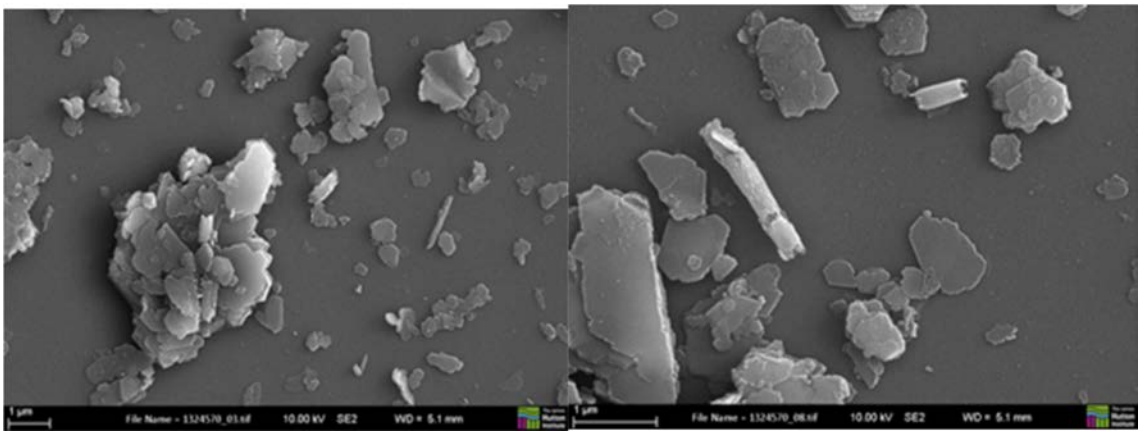
The chemistry and mineralogy of 45-180 microns combined sample is in Table 11.

Table 11: Chemistry and Mineralogy of 45-180 micron (Combined sample)

Combination of MAC10, MAC16, MAC20 and MAC22 - 45-180 micron		
Fraction	**45-180 micron**	**Result**
Chemistry (Wt%) by XRF	SiO_2	76.51
	Al_2O_3	16.03
	Fe_2O_3	0.38

	TiO_2	0.56
	CaO	0.08
	MgO	0.07
	Na_2O	<0.05
	K_2O	0.8
	P_2O_5	<0.05
	Mn_3O_4	<0.05
	Cr_2O_3	<0.05
	BaO	0.05
	ZrO_2	0.15
	ZnO	<0.05
	V_2O_5	<0.05
	SrO	<0.05
	LOI	6.01
Mineralogy (Wt.%) by XRD	Kaolinite	40.6
	Halloysite	0.2
	Quartz	53.9
	K-Feldspar	4.8
	Muscovite	0.5
	XRD TOTAL	**100**

Figure 17: SEMs of 45-180 micron fraction



1 um - Clump platy kaolinite with halloysite tubes

1 um - Platy kaolinite and prismatic halloysite 2um long

8 RESULTS OF COMBINED SAMPLE OF >180 MICRON SAND FRACTION

The XRF Chemistry and XRD (Mineralogy) results are in Table 12. XRF level of SiO_2 is 94.2% with XRD showing 89.2% Quartz and 10.8% Kaolinite,

Table 12: XRF and XRD test results of the >180 micron faction (Sand)

Combination of MAC10, MAC16, MAC20 and MAC22 - >180 microns		
Fraction	**>180 micron**	**Result**
Chemistry (Wt%) by XRF	SiO_2	94.2
	Al_2O_3	3.9
	Fe_2O_3	0.14
	TiO_2	0.07
	CaO	0.05
	MgO	<0.05
	Na_2O	<0.05
	K_2O	0.05
	P_2O_5	<0.05
	Mn_3O_4	<0.05
	Cr_2O_3	0.06
	BaO	<0.05
	ZrO_2	<0.05
	ZnO	<0.05
	V_2O_5	<0.05
	SrO	<0.05
	LOI	1.79
Mineralogy (Wt.%) by XRD	Kaolinite	10.8
	Quartz	89.2
	XRD TOTAL	**100**

9 EVALUATION OF CERAMIC PROPERTIES

The ceramic test results are presented in Table 13.

9.1 Ceramic Test results summary

Table 13: Ceramic testing results of the <45 micron fractions

SAMPLE	MAC 10	MAC 16	MAC 20	MAC 22	COMBINED 4 SAMPLES
% Yield (<45um)	**29.4**	**46.7**	**49.9**	**41.9**	
Particle Size (Sedigraph):					
% < 10 um	81.4	89.7	93.3	88.3	
% < 8 um	75.7	86.4	90.2	84.7	
% < 2 um	37.9	59	54.4	53.6	
% < 1 um	25.9	43.8	36.1	39.3	

% <0.5 um	15.8	25.3	18.2	22.9	
% < 0.1 um	5.0	2.7	0.6	2.5	
MOR (Kg/cm2)					5.0
Fired Brightness @ 1180C (%)	94.7	95.2	94.6	92.6	
L* value at 1180C (%)	97.26	97.54	97.45	96.82	
a* value at 1180C (%)	0.11	0.18	0.21	0.42	
b* value at 1180C (%)	3.03	3.18	3.58	4.15	
Contraction @ 1180C (%)	7.0	7.9	8.1	8.1	
Water Absorption @ 1180C (%)	23.9	23.7	25.6	24.5	
Soluble Salts (%)	0.11	0.09	0.092	0.092	
Soluble Salts (ppm)	1100	900	920	920	
SO_4 (%)	0.006	0.007	0.013	0.003	
pH	7.9	7.2	4.8	7.5	
Flowability (%)	59.7	69	60.8	63.5	

9.2 Fired properties and chemistry

Detail of the Fired Properties and Chemistry for Fe_2O_3 and TiO_2 is shown in Table 14.

Table 14: Details of Fired Properties and %Fe_2O_3 and TiO_2

Details	Test	MAC10	MAC16	MAC20	MAC22
Fired Properties					
Lab Firing@1180C	**Fired Brightness**	94.7	95.2	94.6	92.6
Lab Firing@1180C	**%Contraction**	7.0	7.9	8.1	8.1
Lab Firing@1180C	**%Absorption**	23.9	23.7	25.6	24.5
Lab Firing@1180C	**L***	97.26	97.54	97.45	96.82
Lab Firing@1180C	**a***	0.11	0.18	0.21	0.42
Lab Firing@1180C	**b***	3.03	3.18	3.58	4.15
Chemistry (Wt.%)					
Fe_2O_3	**%**	0.50	0.60	0.70	0.65
TiO_2	**%**	0.33	0.30	0.35	0.89
Fe_2O_3 + TiO_2	**%**	0.83	0.90	1.05	1.54

Plots of quality data:

Figure 18: Wt.% of Fe_2O_3 and TiO_2 on <45 micron fraction

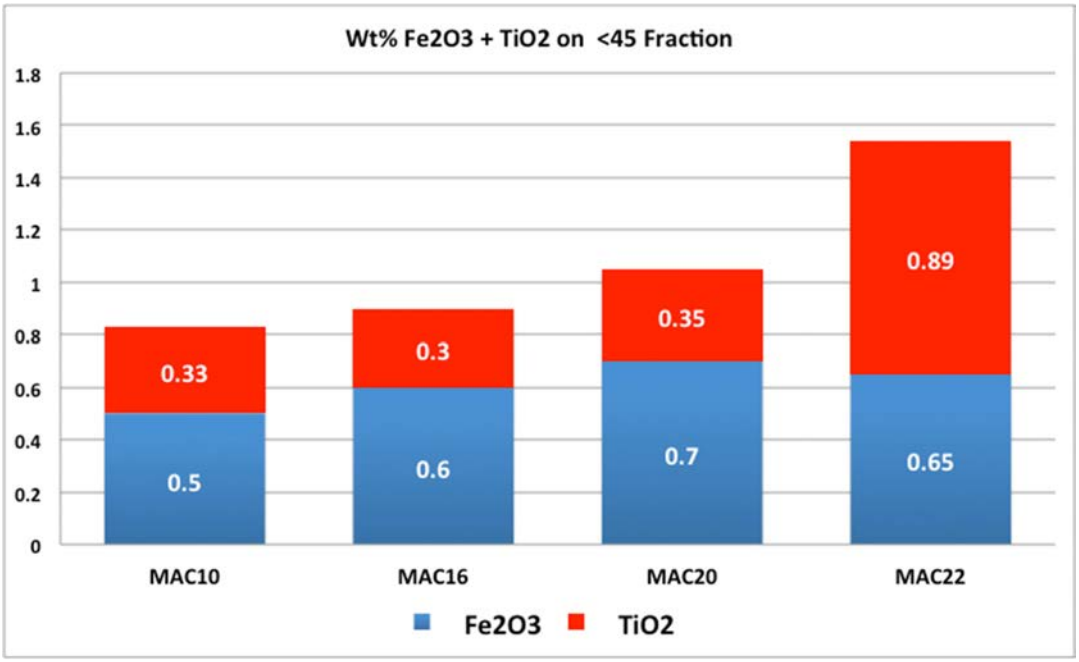
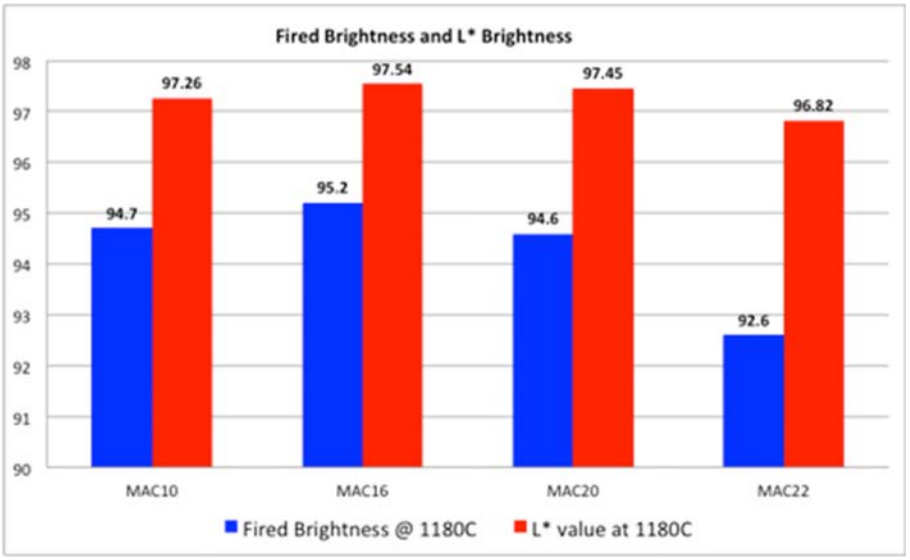


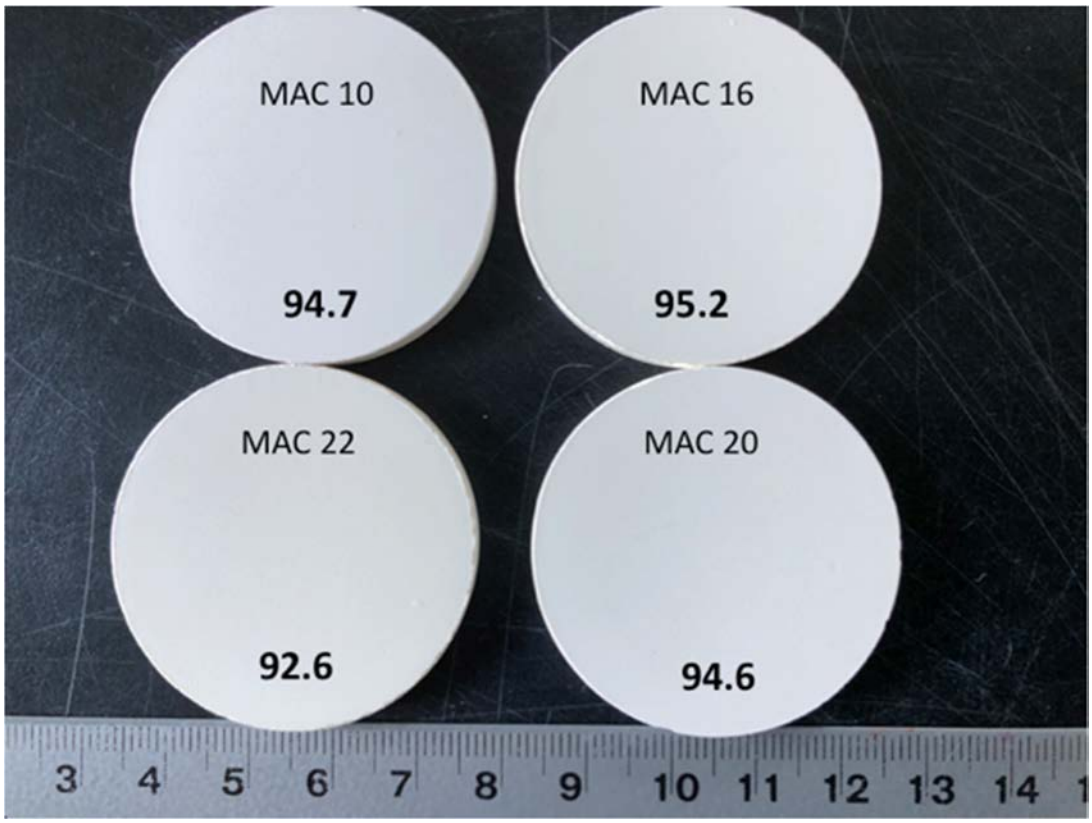
Figure 19: Fired Brightness and L* Brightness



9.3 Fired Discs

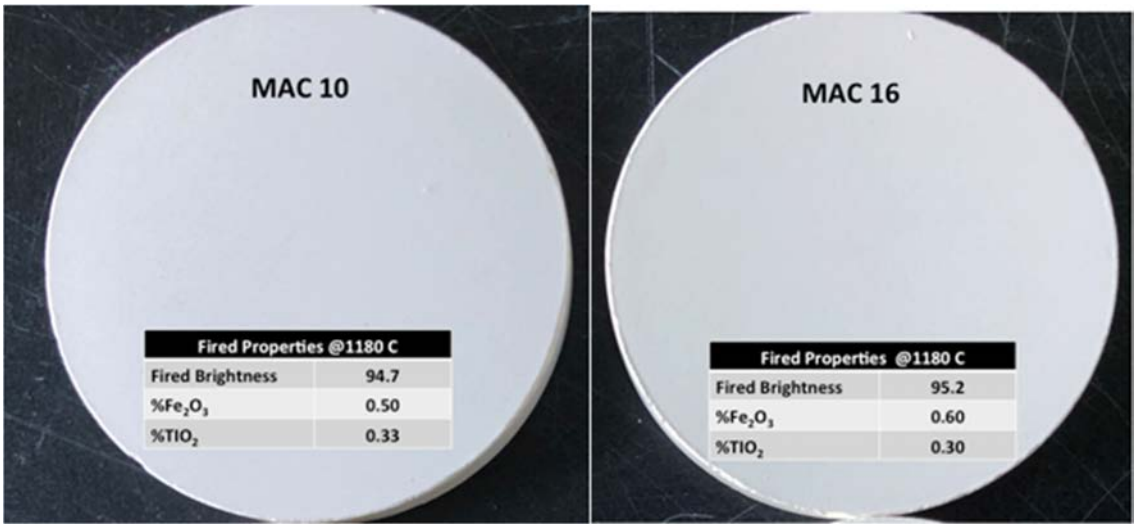
The fired discs are shown in Figure 20.

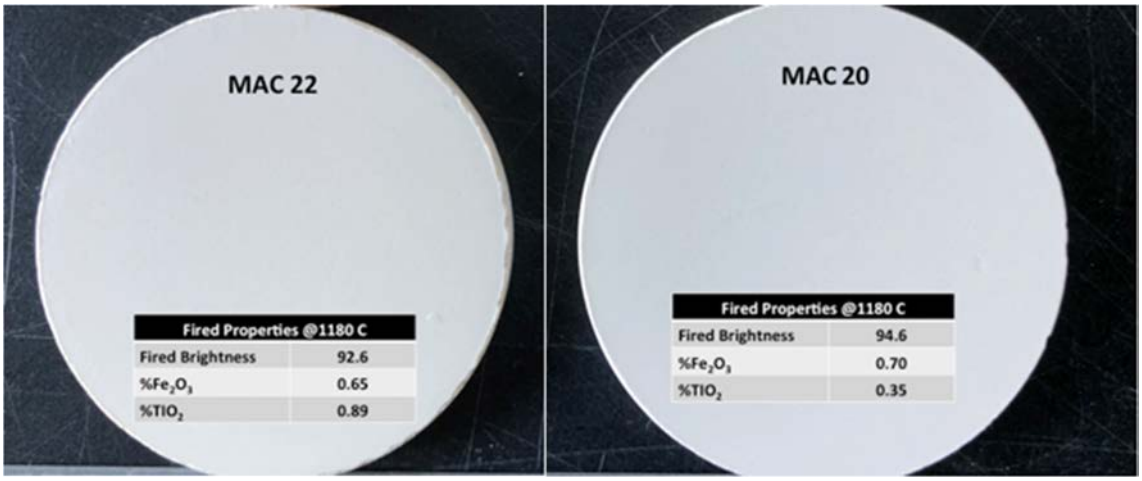
Figure 20: Discs showing Fired Brightness % 1180C (%)



The four discs are shown in Figure 21 with the levels of % Fe_2O_3 and TiO_2. MAC 22 has a lower fired brightness than the others due to higher level of 0.89% TiO_2.

Figure 21: Discs showing Fired Brightness @ 1180C and % Fe_sO_3 and TiO_2





10 PARTICLE SIZE, BRIGHTNESS, COLOUR, FLOWABILITY, ABRASION

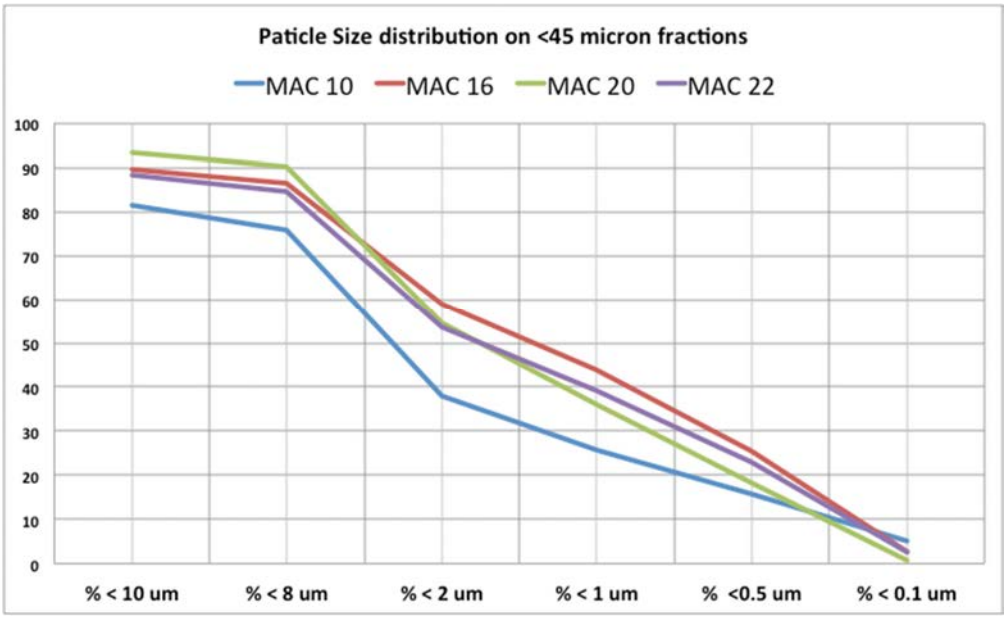
The test results in Table 15 covers ISO Brightness, ISO Yellowness, Brightness L* and bleached brightness values, Flowability, Soluble Salts and Abrasion with Particle Size Distribution included again.

Table 15: Other test results

SAMPLE	MAC 10	MAC 16	MAC 20	MAC 22	COMBINED 4 SAMPLES
% Yield (<45um)	**29.4**	**46.7**	**49.9**	**41.9**	
Particle Size (Sedigraph):					
% < 10 um	81.4	89.7	93.3	88.3	
% < 8 um	75.7	86.4	90.2	84.7	
% < 2 um	37.9	59	54.4	53.6	
% < 1 um	25.9	43.8	36.1	39.3	
% <0.5 um	15.8	25.3	18.2	22.9	
% < 0.1 um	5.0	2.7	0.6	2.5	
ISO Brightness (475nm)	84.4	85.4	83.8	81.7	
ISO Yellowness (570nm)	5.3	5.3	7	5.8	
Brightness L*	95.5	95.9	95.8	94.6	
Brightness a*	-0.1	-0.17	0.02	-0.05	
Brightness b*	3.49	3.58	4.59	4.01	
Flowability (Wt.%)	59.7	69	60.8	63.5	
Soluble Salts (%)	0.11	0.09	0.092	0.092	
Soluble Salts (ppm)	1100	900	920	920	
SO_4 (%)	0.006	0.007	0.013	0.003	
pH	7.9	7.2	4.8	7.5	
Bleached Brightness (457nm)	84.6	85.3	85.4	82.3	

Bleached Yellowness (457nm)	4.9	5.2	5.7	5.2	
Bleached Brightness L*	95.4	95.9	96.1	94.6	
Bleached Brightness a*	-0.09	-0.11	-0.27	-0.04	
Bleached Brightness b*	3.24	3.52	3.82	3.61	
Abasion (mg/m$^{2)}$)					40

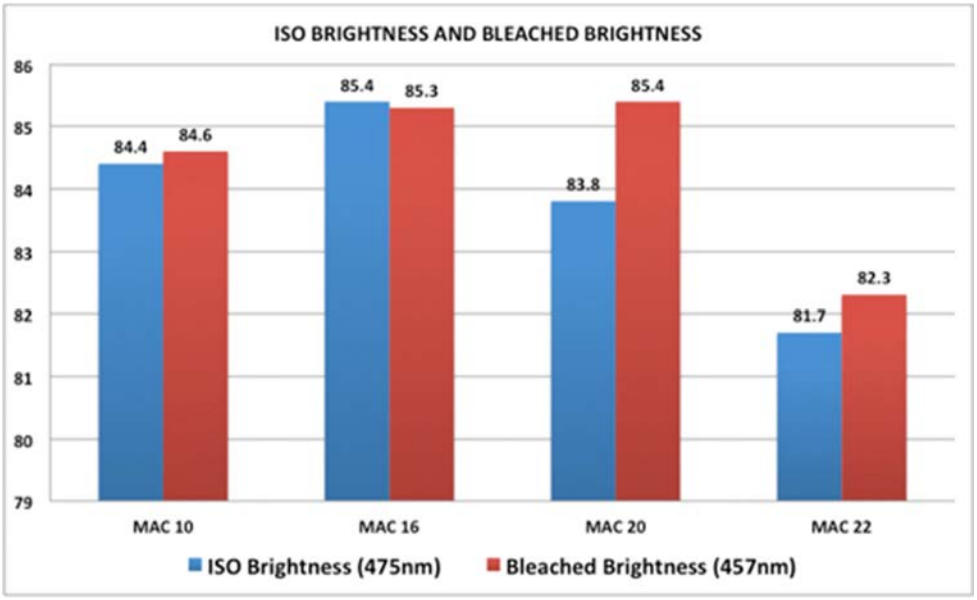
10.1 Particle size distribution on <45 micron fraction



10.2 ISO Brightness and Bleached Brightness

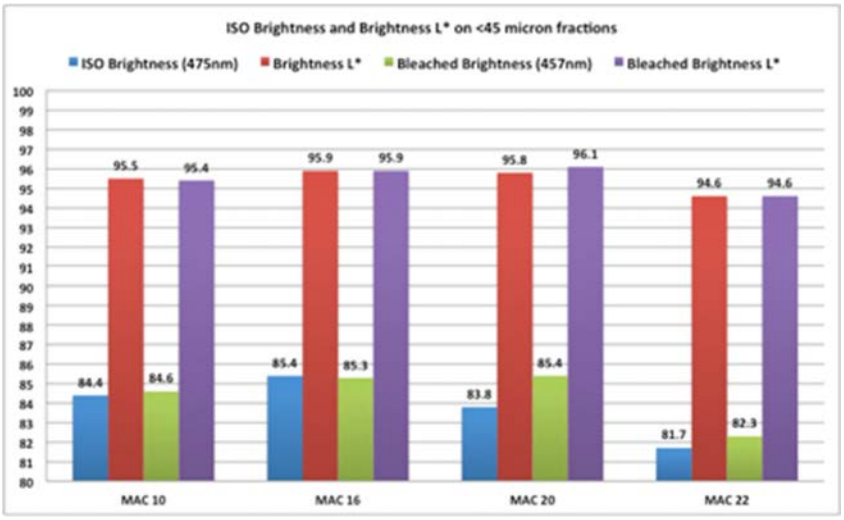
A plot of ISO brightness and bleached ISO Brightness is shown in Figure 22. Bleaching has not improved brightness significantly. For MAC 20 there was an improvement from 83.8-85.4 and a reduction in yellowness from 7.0 to 5.7. Further bleaching needs to be carried out.

Figure 22: ISO Brightness and Bleached Brightness



10.3 ISO Brightness, Bleached Brightness and L* a* b*

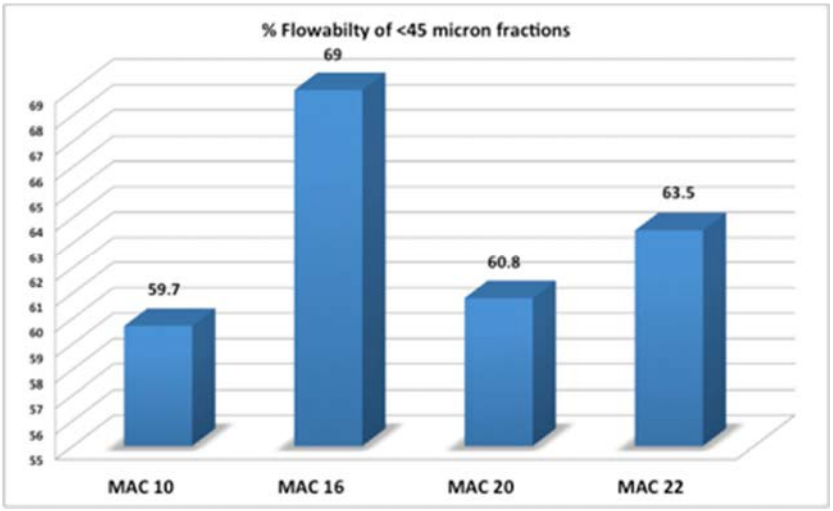
Figure 23: ISO Brightness and Bleached Brightness, L* values



10.4 Flowability

Flowability (%) ranges from 60.8 to 69.0 as in Figure 24.

Figure 24: % Flowability on four samples



Flowability is a measure of % solids concentration at 5 poise viscosity, when deflocculated with caustic and calgon. For most industrial applications eg ceramics, paint & paper coating, the higher the figure the better. The prescence of high soluble salts has impeded the action of deflocculants, giving relatively low (but not alarmingly low) flowability results.

A significant % of the original salts present will have been washed out during the blunging and screening sample preparation.

11 CSA GEOLOGICAL MODELLING AND MINERAL RESOURCE ESTIMATE

11.1 Data Import and Validation

The drill hole data were supplied by MMK in Microsoft Excel format and contained the following:

- Collar coordinate data recorded using MGA94 Zone 50 grid.
- File with assay data and lithological logging.

A summary of the data provided is shown in Table 16.

Table 16: Summary table for a database used for estimation

Category	Number of Records
Drill holes	27
Metres drilled	646
Sample intervals	119
Lithological codes	119
Including analytical values:	

Category	Number of Records
Brightness > 0	52
Yield (<45 µm) > 0 %	52
Al_2O_3 > 0 %	52
SiO_2 > 0 %	52
Fe_2O_3 > 0 %	52
TiO_2 > 0 %	52
LOI > 0 %	52

All drill hole analytical results were used for interpretation and grade estimation of the lithological zones. Data were imported into a Micromine database which for statistical analysis and grade interpolation. Lithological descriptions were entered into the database as an interval file with lithological codes assigned. The lithological codes assisted with domain interpretation.

Database Validation

Data that were imported into Micromine were grouped into three separate DAT files: collar, assay and lithology. After that, all files were checked for errors using inbuilt routines to highlight the following errors:

- Duplicate drill hole or trench names
- One or more drill hole collar coordinates missing in the collar file
- FROM or TO data missing or absent in the assay file
- FROM > TO in the assay file
- Sample intervals not contiguous in the assay file (gaps exist between the assays)
- Sample intervals overlap in the assay file
- First sample is not equal to 0 m in the assay file
- First depth is not equal to 0 m in the survey file
- Several downhole survey records exist for the same depth
- Azimuth is not between 0 and 360 degrees in the survey file
- Dip is not between 0 and 90 degrees in the survey file
- Azimuth or dip is missing in the survey file
- Total depth of the holes is less than the depth of the last sample.

11.2 Geological Modelling

Software

Geological modelling was undertaken by CSA Global using Micromine 2018 software (version 18.0.979.27 x 64).

Preliminary Statistical Assessment

CSA Global carried out statistical analysis of the analytical data individually for CKG and WKG. Due to limited amount of drilling input data densities were relatively low for statistical analysis. However, initial assessment of the values for both brightness and yield (< 45 µm fraction) within the Project data reveals a pseudo-normal population for yield for WKG , centered around a value of approximately 40% (Figure 27) and positively skewed population for yield for CKG around a median approximately 30% (Figure 25), and either slightly negatively skewed population for brightness values around a median approximately 66% and 82% for CKG and WKG respectively (Figure 26and Figure 28).

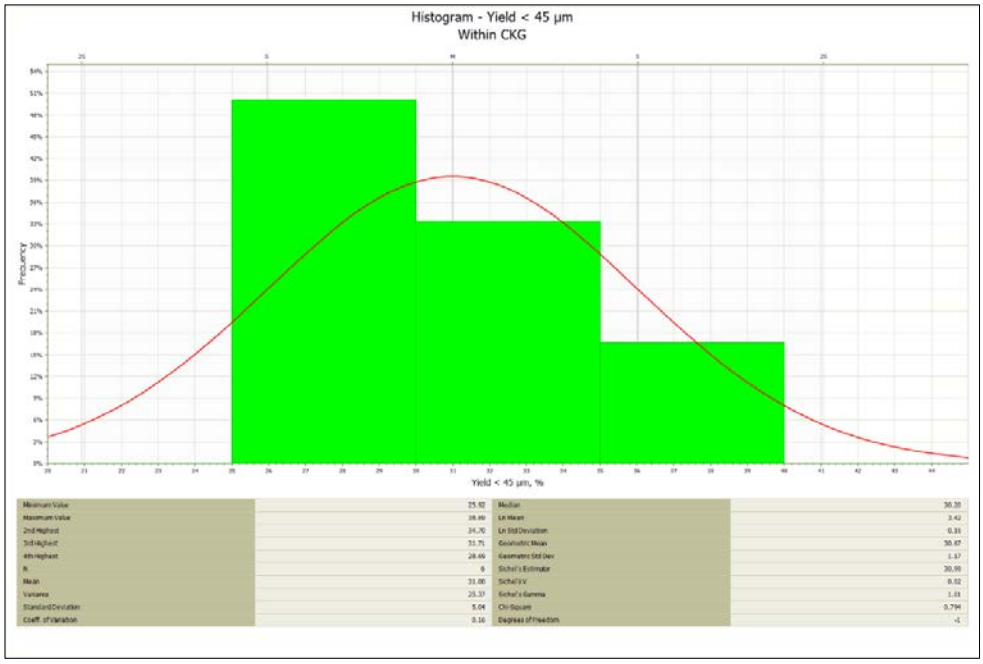


Figure 25: Histogram of Yield (< 45 µm fraction) distribution within CKG unit

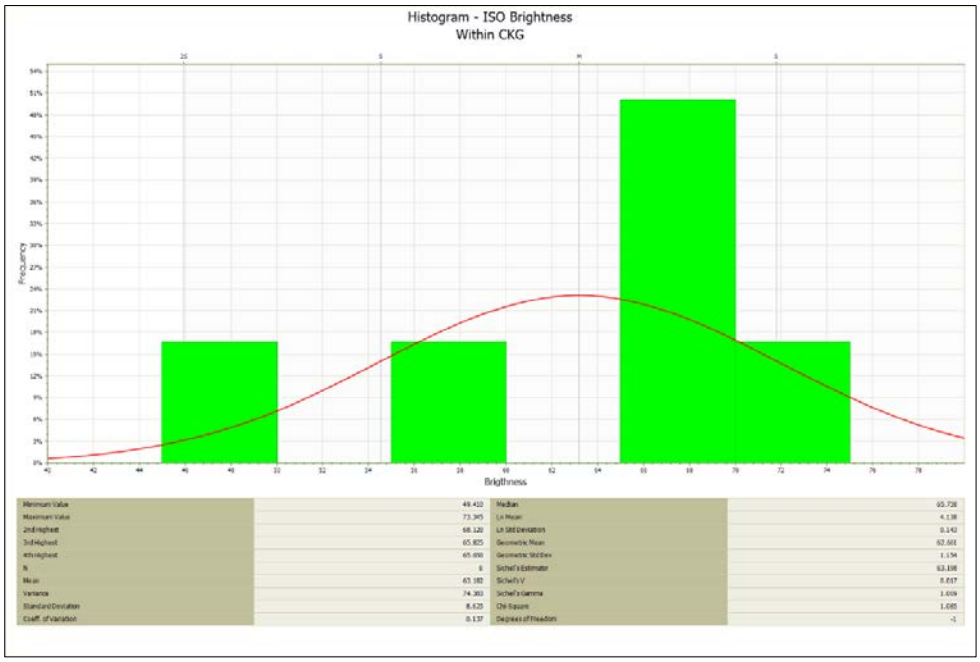


Figure 26: **Histogram of Brightness distribution within CKG unit**

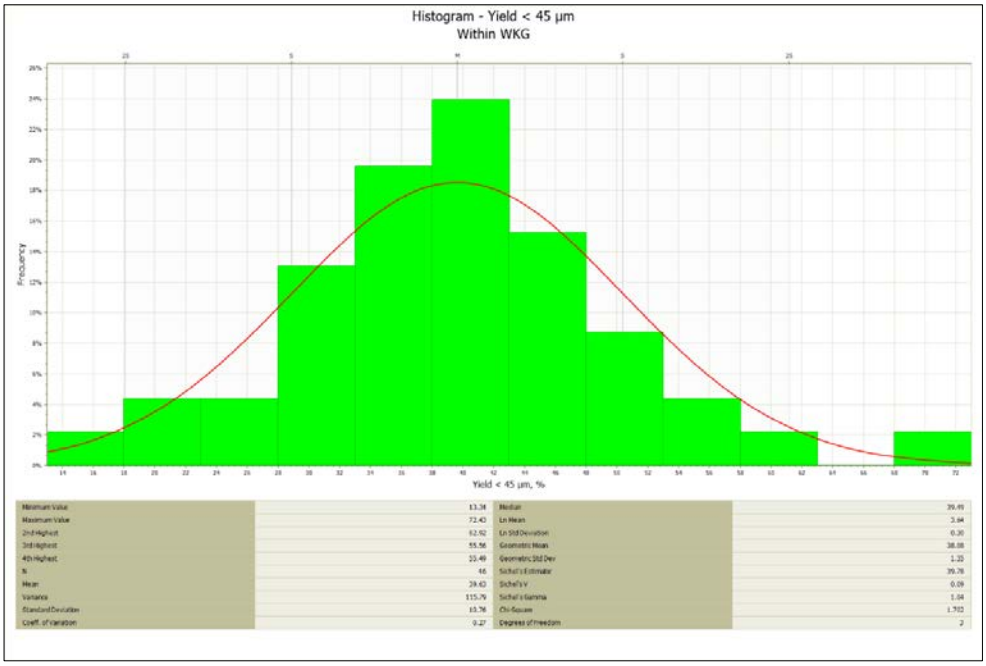


Figure 27: **Histogram of Yield (< 45 µm fraction) distribution within WKG unit**

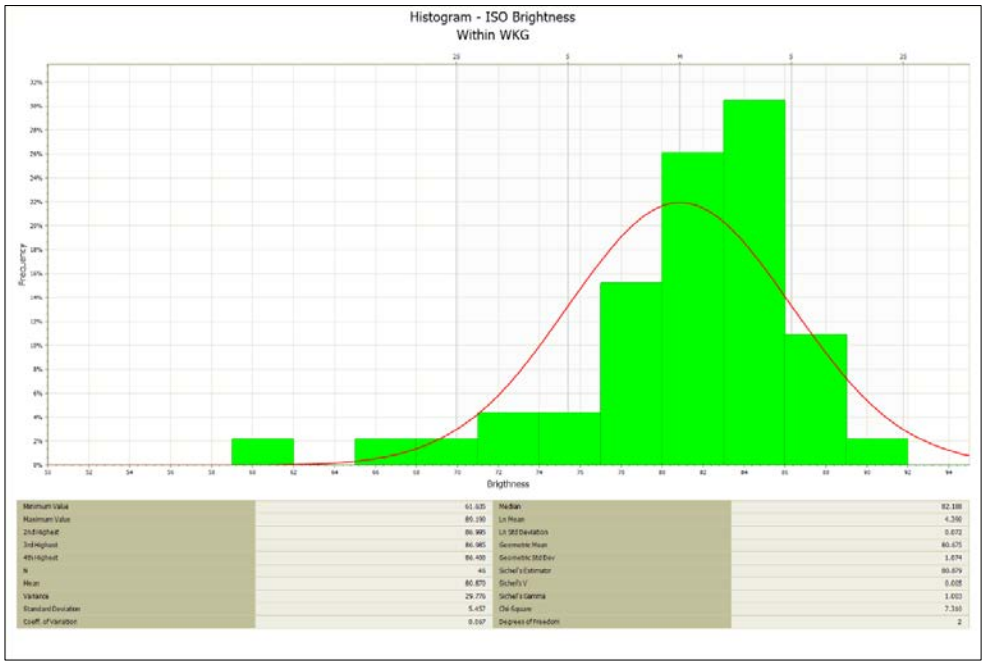


Figure 28: Histogram of Brightness distribution within WKG unit

Lithology, Structure and Alteration

The mineralisation contained within the Mt Marshall Kaolin Project is the product of weathering of the underlying granitoids. Modelling of the upper and lower surfaces of the host horizon for kaolin mineralisation is tantamount to modelling the various oxidation states within the weathered granitoid.

Geological Interpretation

Interpretation was carried out interactively for 7 vertical cross sections from west to east through the weathering profile of the deposit (Figure 29).

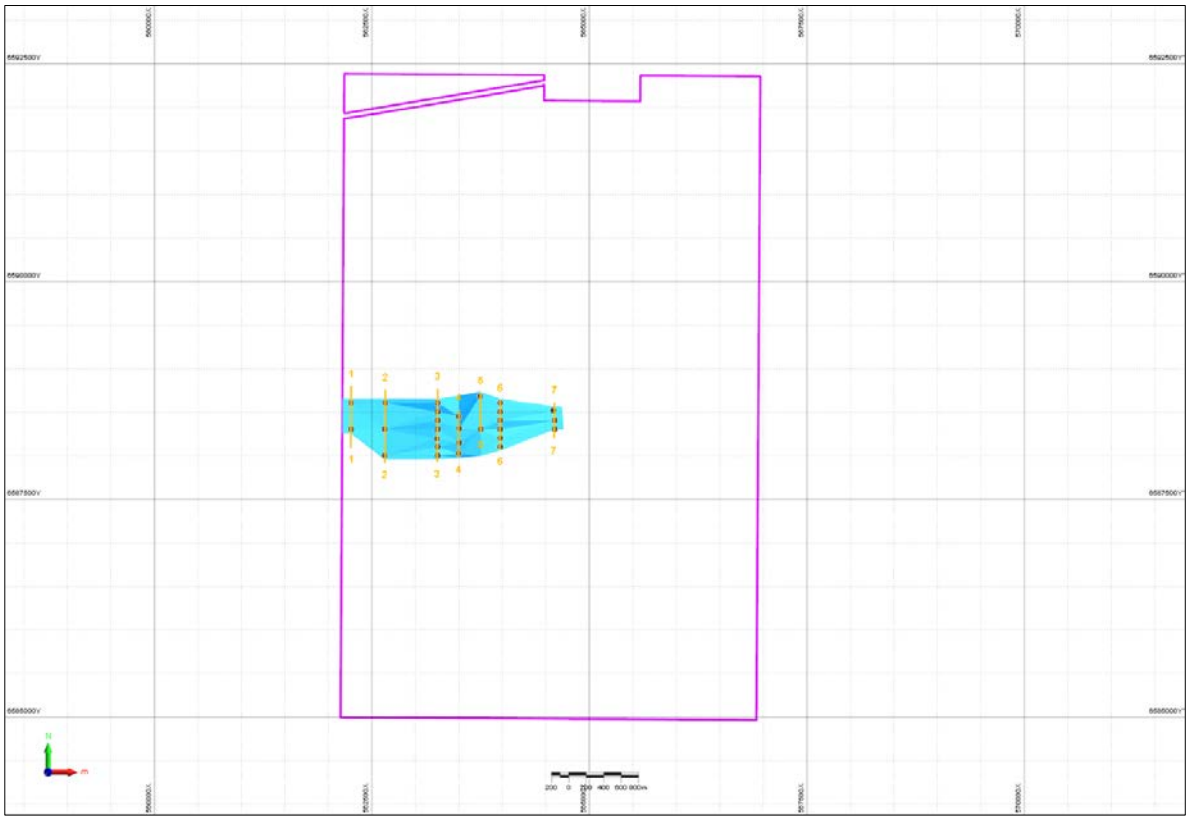


Figure 29: Exploration profiles from line 1 (west) to line 7 (east). The magenta line represents the project lease boundary. Map grid 2,500 m x 2,500 m

Interpretation was carried out by initially creating strings. Geological knowledge relating to weathering profile development formed the basis for interpretation. All strings were saved separately for each lithological domain.

The following approach was applied during interpretation:

- Each view was displayed on screen with a clipping window equal to half the distance from the adjacent plan sections.
- All interpreted strings were snapped to drillholes.
- The interpretation was extended perpendicular to the first and last interpreted section a distance equal to half the distance between the adjacent data points. Consideration was given to the general direction of the structure.
- If a lithological envelope did not extend to the adjacent section, it was pinched out to the next section and then terminated. The general shape of the envelope was maintained.

Figure 30 shows an interpretation of lithological units for the deposit using the lithological codes (blue line —WKG, light brown — CKG). Coloured hatches along the drill hole traces show the distribution of the various lithological units.

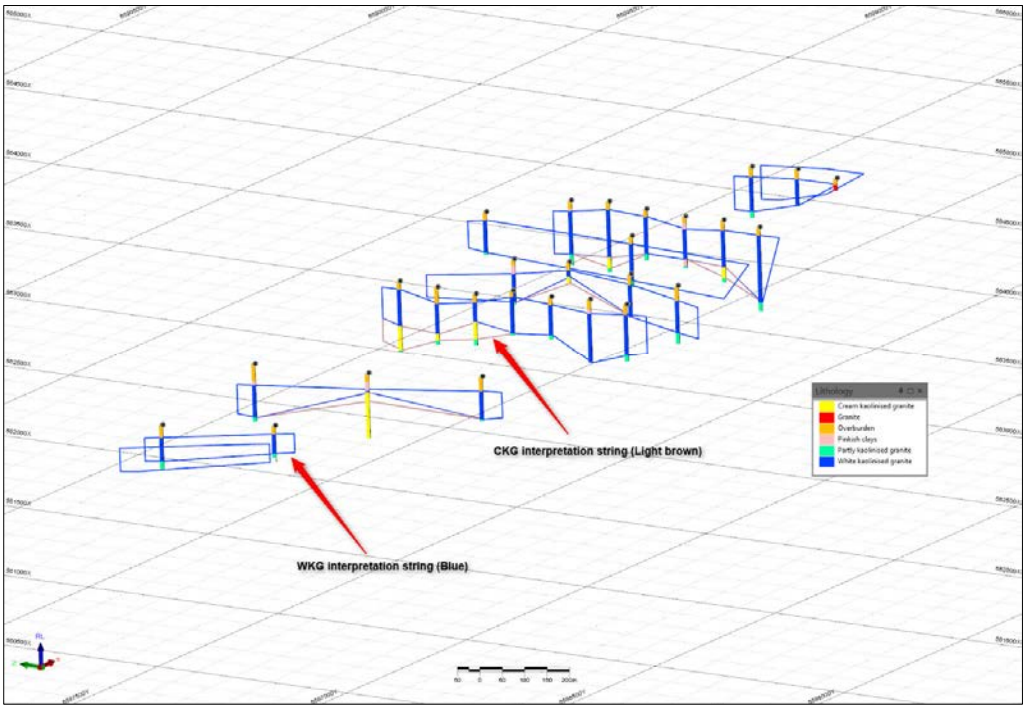


Figure 30: **Example of geological interpretation, looking northeast**

Topography

A topographic surface was built for the Mt Marshall Kaolin Project using the drillhole collar data, and then extended horizontally where required to ensure coverage and appropriate coding of the subsequent block model.

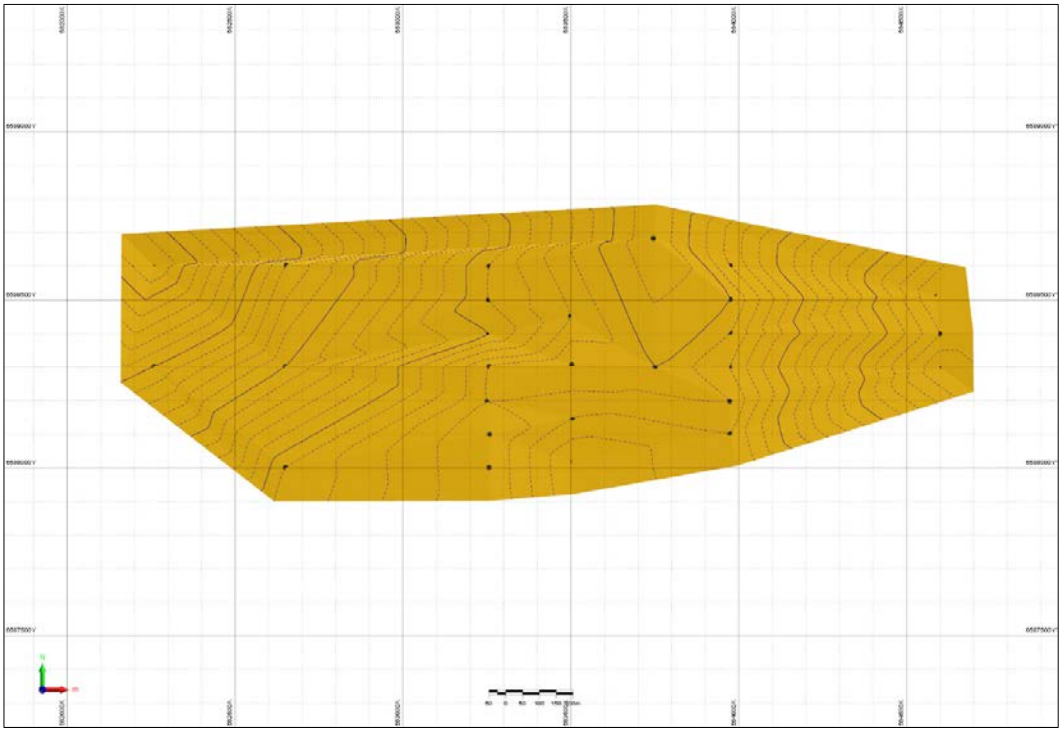


Figure 31: **Mt Marshall Project topographic surface, as built from drillhole collars. Map grid 500 m x 500 m**

Wireframing

The interpretation strings were used to generate 3D models. Each wireframe has a name that corresponds to its zone. Two sets of wireframes were created for the deposit: namely, CKG and WKG domains. Examples of the wireframes constructed are shown in Figure 32 for WKG and in Figure 33 for CKG.

Working in a 3D environment ensured accurate modelling of the weathering zones. Table 17 shows volumes of the wireframe models.

Table 17:Volume statistics for the wireframe models of the deposit

Domain	Volume (m^3)
WKG	19,496,255
CKG	1,974,343

Each wireframe model was assigned a unique name so that it was possible to carry out the subsequent grade interpolation individually for each modelled mineralised body.

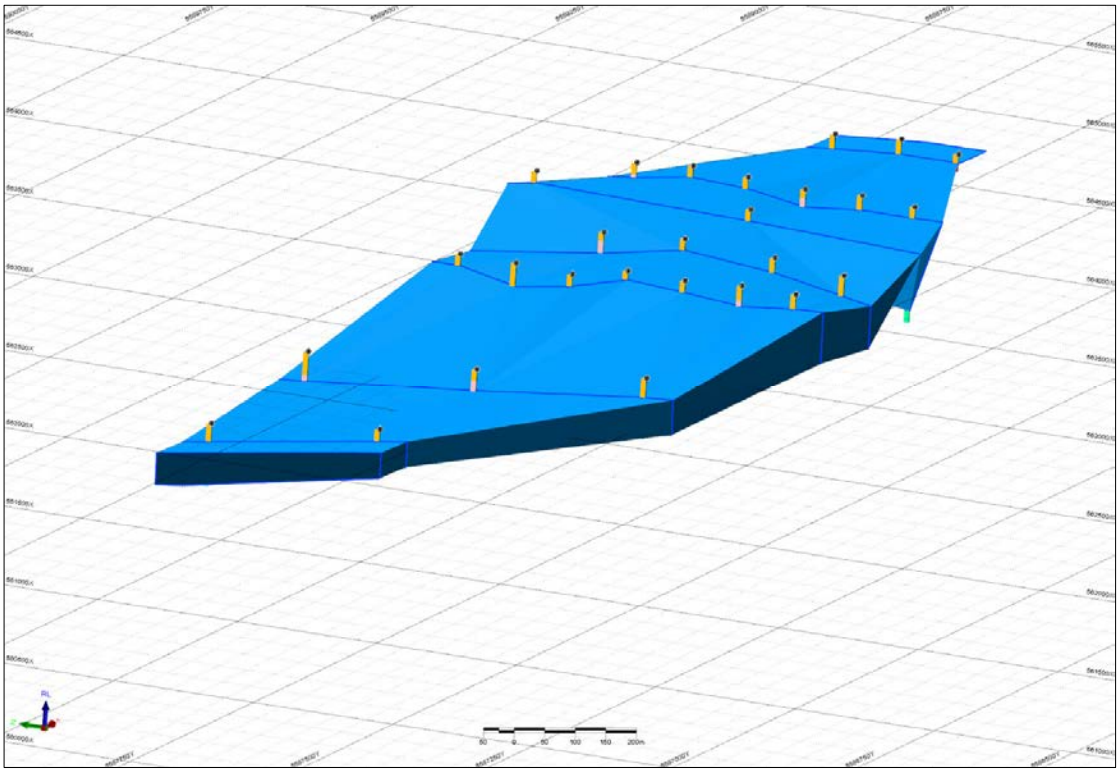


Figure 32: WKG wireframe, looking northeast

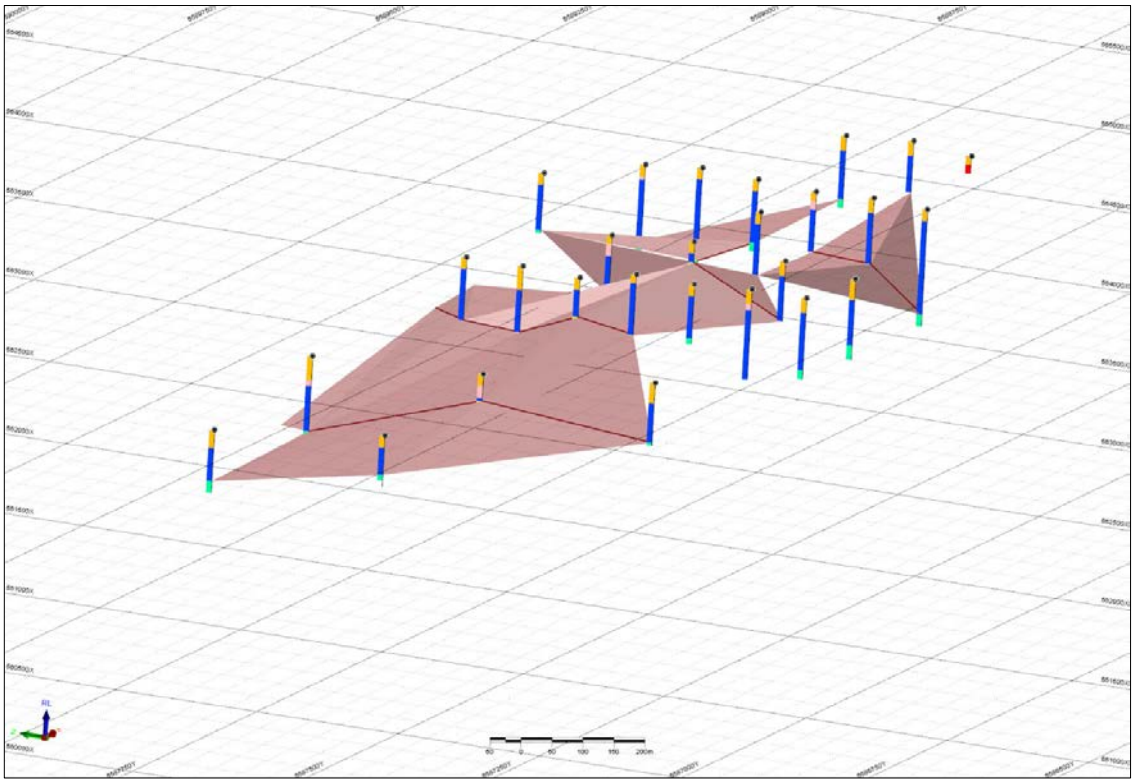


Figure 33: CKG wireframe, looking northeast

11.3 Statistical and Geostatistical Analysis

Summary

Before undertaking the block modelling, statistical assessment of the data was completed to understand how the grade estimates should be accomplished. The main variables under consideration for the Mt Marshall Kaolin Project are ISO brightness and yield. Each of these variables was subject to classical exploratory data analysis in preparation for estimation.

Statistical analysis was carried out using Micromine software.

Data Coding and Composite Length Selection

Drillhole interval compositing is a standard procedure which is used to set all sampling intervals to the same length ("volume support") so that all the samples will have the same weight during grade interpolation. Usually the composite interval length is selected to be close to the standard or mean sampling length (Edwards, 2001) to retain the natural variability of the data.

Solid wireframes for each mineralised envelope were used to select samples. Samples were selected for individual mineralised envelopes and flagged for each mineralisation zone and geological domain using Micromine software.

Based on the drillhole coding, samples from within the resource wireframes were used to conduct a sample length analysis. The distribution of the interval length is shown in

Figure 34. The samples range from 2-11 m in length, for a mean sample length of 7 metres.

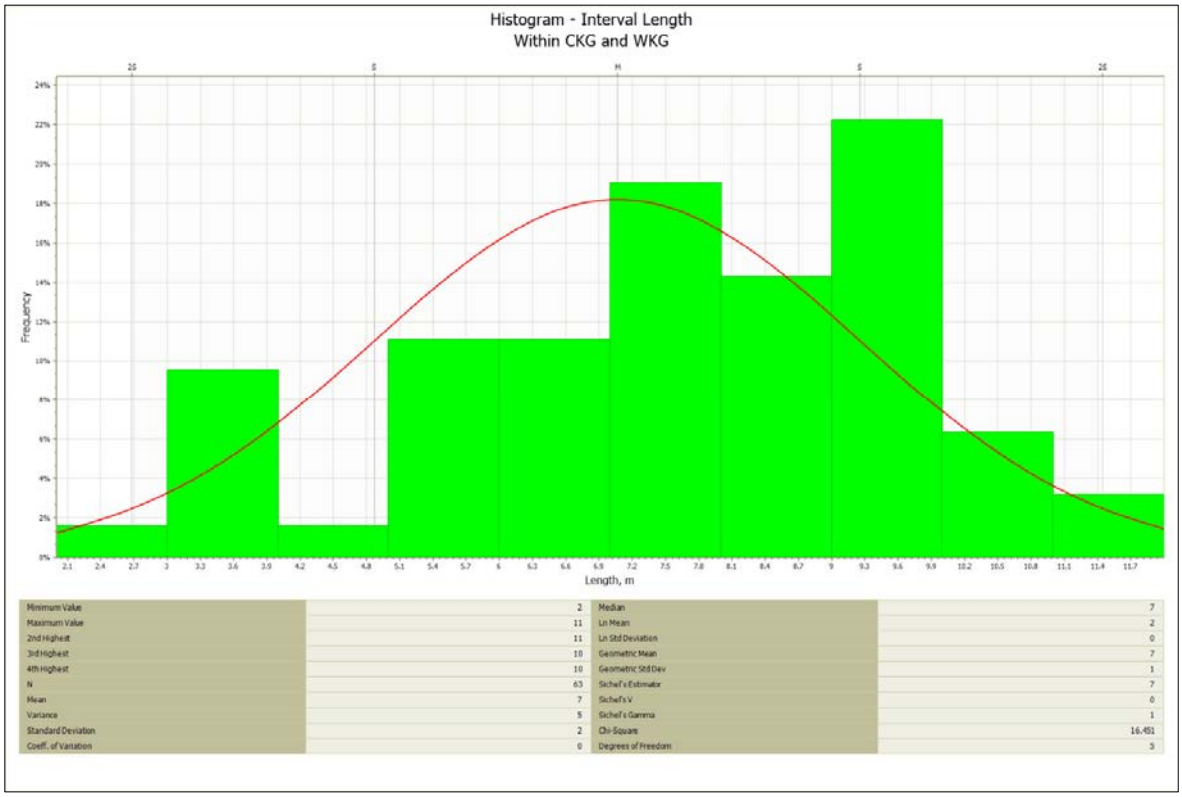


Figure 34: Histogram of sample lengths

Given the wide variation in raw sample interval lengths and the variable thickness of each domain, a decision was made to use a 1 m sample length in order to preserve domain sample input densities through thinner portions of the oxidation profiles, while at the same time maintaining equal sample supports. The apparent reduction in sample variability due to splitting longer intervals is reflected in subsequent Mineral Resource classification. The composite intervals were created separately for each type of mineralisation. The composite intervals were generated using the samples within the corresponding wireframe models only. Compositing was stopped at all boundaries between different lithological units.

Statistical Analysis

Once the mineralisation had been interpreted and wireframed, classical statistical analysis was repeated, but only for the samples that were within the mineralised envelopes. This was carried out to meet the following objectives:

- To estimate the mixing effect of grade populations for each element within each zone
- To assess the potential for separation of grade populations if more than one population exists
- To define the top-cut grades.

Samples were coded separately for each mineralisation zone. Visual validation was then performed to check sample coding. Log-histograms and log-probability plots were then analysed to determine top-cut grade values.

Statistical parameters for all grades (raw and weighted over the interval length) are shown in Table 18.

Table 18: Statistical parameters of brightness and yield analytical results

Domain	Parameter	Number of Samples	Minimum	Maximum	Mean	Variance	SD	COV	Median
Analyses within lithological domains									
WKG	Yield	47	13.34 %	72.43 %	39.65 %	106.49	10.32	0.28	39.37%
	Brightness	47	49.41	89.19	80.90	28.40	5.33	0.09	81.90
CKG	Yield	6	25.92 %	38.69 %	32.85 %	29.14	5.40	0.16	30.20%
	Brightness	6	49.41	73.35	64.68	64.07	8.00	0.14	65.74

Analyses for different domains of the mineralised bodies (WKG and CKG) were treated separately.

The coefficient of variation for composited grades in the geological domains was low (between 0.09 and 0.28), which indicates that the chances of obtaining reliable semivariograms models for all grades are good, given an adequate database.

Treatment of Outliers

A review of grade outliers was undertaken to ensure that extreme grades are treated appropriately during grade interpolation. Brightness and yield values for each mineralised domain were assessed using distribution coefficient of variation values, log-probability and histogram plots, to identify any extreme high-grade values. Data for both brightness and yield for each mineralised domain showed pseudo-normal distributions with no significantly high-grade outliers. Consequently, no top cuts were applied to either variable for any domain.

Geostatistical Analysis

No geostatistical analysis (variography) has been attended due to insufficient number of samples.

11.4 Density

Methodology

Density values in block models may be assigned by several methods:

- Direct assignment of values to all model blocks
- Calculation of values for each block by regression formulas
- Interpolation of values
- Use of the geological model to assign values to each block.

CSA Global used the first method, i.e., bulk density values were assigned to each block of the block model. Density values were assigned within the model on the basis of

oxidation state. In this instance, both the CKG and WKG domains were assigned the same value

CSA Global applied the following values for the deposit:

- 1.8 t/m^3 both for WKG and CKG zones.

It is the opinion of the Competent Person Dr Ian Wilson (MIMMM), that the method of application and the value applied are appropriate for the nature and style of mineralisation.

11.5 Block Modelling

Software

Block modelling was undertaken using Micromine 2018 software (version 18.0.979.27 x64).

Block Model Construction

An empty block model was created with dimensions sufficient to encompass the closed wireframe models for the mineralised envelopes that were modelled. Blocks that fell into the boundaries of the wireframes were then coded as either WKG blocks or CKG.

Blocks were sub-celled at the margins of mineralisation domains and at the topographic surface during coding to preserve volumetric resolution. The parent cell size was chosen based on the general morphology of the interpreted bodies and in order to avoid the generation of too large block models. The sub-celling size was chosen to maintain the resolution of the mineralised bodies. The sub-cells were optimised in the models where possible to form larger cells. The block model dimensions and parameters are shown in Table 19.

Table 19: Block model dimensions and parameters

Axis	Extent (m)		Block size (m)	Maximum sub-celling (m)
	Minimum	Maximum		
Easting	562,100	564,750	50	10
Northing	6,587,900	6,588,750	50	10
RL	290	340	3	1

Grade Interpolation

Brightness, yield, Al_20_3, SiO_2, Fe_2O_3, TiO_2, and LOI values were interpolated into the empty block model using the IDW method.

For the purposes of domain coding, input data selection and estimation, each domain boundary was treated as a hard boundary. Each zone domain was estimated separately.

The interpolation was performed using multiple passes, with expanding search radii until all cells were interpolated. The initial search radii were determined by the drillhole

density used at the deposit where the densest drillhole grid is 100 m by 200 m and the sparser drillhole grid is 300 m by 600 m.

Due to the relatively sparse drilling at the deposit and to ensure that local grade distribution is preserved, the first run was set to be equal to the block size dimension. The second and the third interpolation runs used a multiplier to the search axes, which was started from 2 and incremented by 1 with requirement of minimum 3 samples and two drillholes. The search radii for the last two interpolation runs were set to 5 block sizes and 10 block sizes respectively. For the last two runs estimation parameters such as minimum number of informing samples, and restrictions on informing composites contributed from individual drillholes were relaxed and set to 1 minimum sample and 1 minimum drillhole. The search ellipse was relatively flat in horizontal plane, so as to model the assumed high vertical variability of grades in the deposit's weathering profile

Table 20:Interpolation Parameters

Interpolation Method	**Inverse Distance Weighting**		
Search Radii	Equal to block size dimension (50 x 50 x 3 m)	2 or 3 block sizes in all directions	5 and 10 block sizes in all directions
Minimum number of samples	1	3	1
Maximum number of samples	16	16	16
Minimum number of drill holes	1	2	1

The blocks were interpolated using only composite intervals within the corresponding wireframe domains.

Search ellipses were divided into quadrants in the XY plane to minimise input sample clustering. The following constraints were applied on each quadrant for all profile zones: a maximum of four points was used within each quadrant. Thus, a maximum of 16 composite samples was available for interpolation. Target blocks were discretised into 5 $\times$ 5 $\times$ 5 points, with punctual estimation centred on each point. Then the grade estimation in the centre of the block consisted of the simple average value of the estimated points throughout the block volume.

Block Model Validation

Validation of the grade estimate was completed by:

- Visual checks on screen in sectional view to ensure that block model grades honour the general grade tenor of down-hole composites.
- Generation of swath plots to compare input and output brightness and yield values in a semi- local sense, by easting, northing and elevation (Figure 37 to Figure 42). The swath plots were constructed for the blocks and sample intervals that fall into the WKG zone.

Visual validation of block grades against input grades in each area confirmed that the block model reflects the grade tenor of the input composites. Example cross sections with yield and brightness values are shown in Figure 35 and Figure 36 respectively.

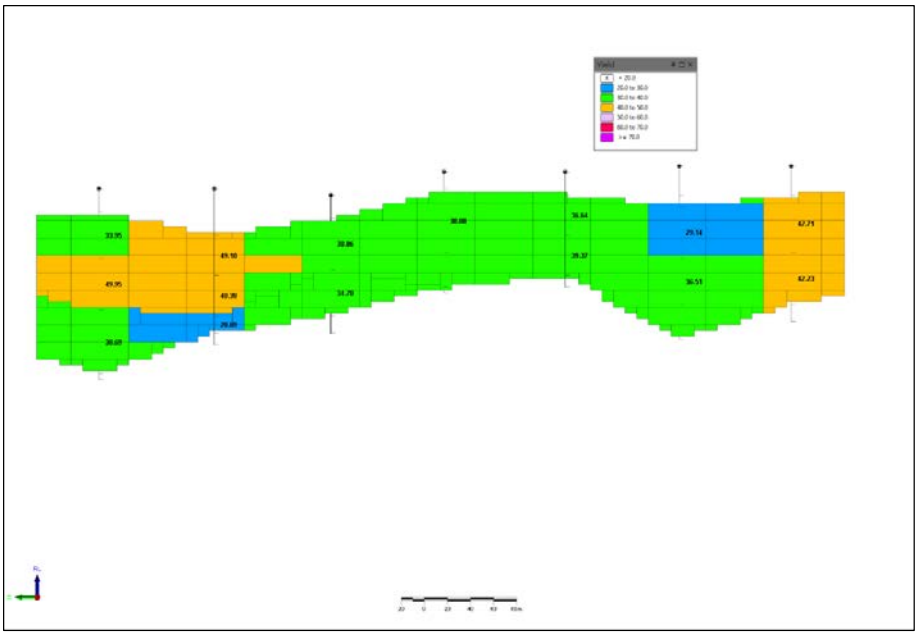


Figure 35: Visual validation of block model grades vs drillhole grades (Yield)

Section line 3 looking east; drill spacing 100 m; vertical exaggeration 5

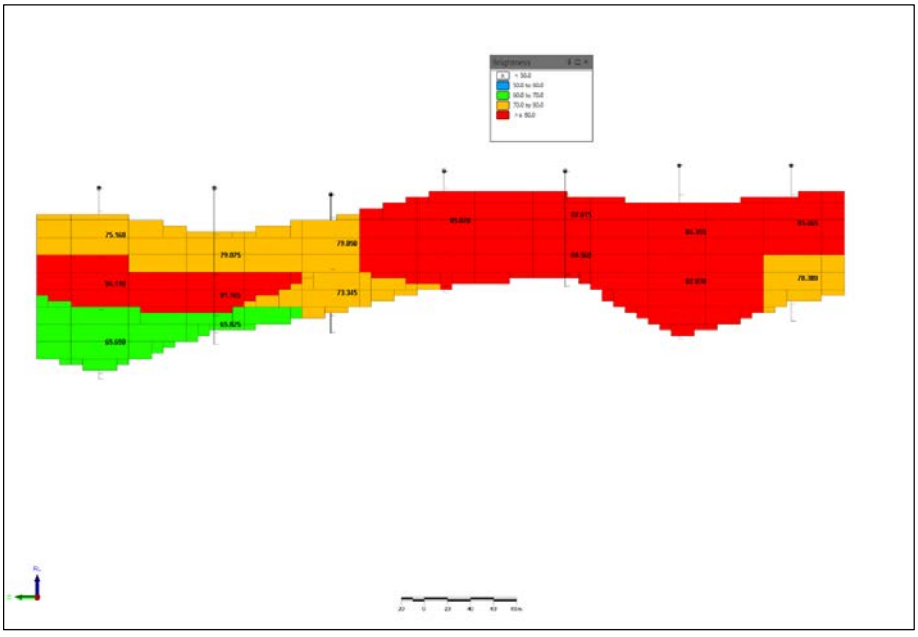


Figure 36: Visual validation of block model grades vs drillhole grades (Brightness)

Section line 3 looking east; drill spacing 100 m; vertical exaggeration 5

Validation histograms and probability plots were generated for composites and block model grades. Grade distribution, populations and swath plots were reviewed and compared. They show that the distribution of block grades honours the distribution of input composite grades. There is a degree of smoothing evident, which is to be expected given the volume variance effect. Smoothing is particularly evident in areas of wide spaced drilling where the number of

composites was relatively low. However, the general trend in the composites is reflected in the block model.

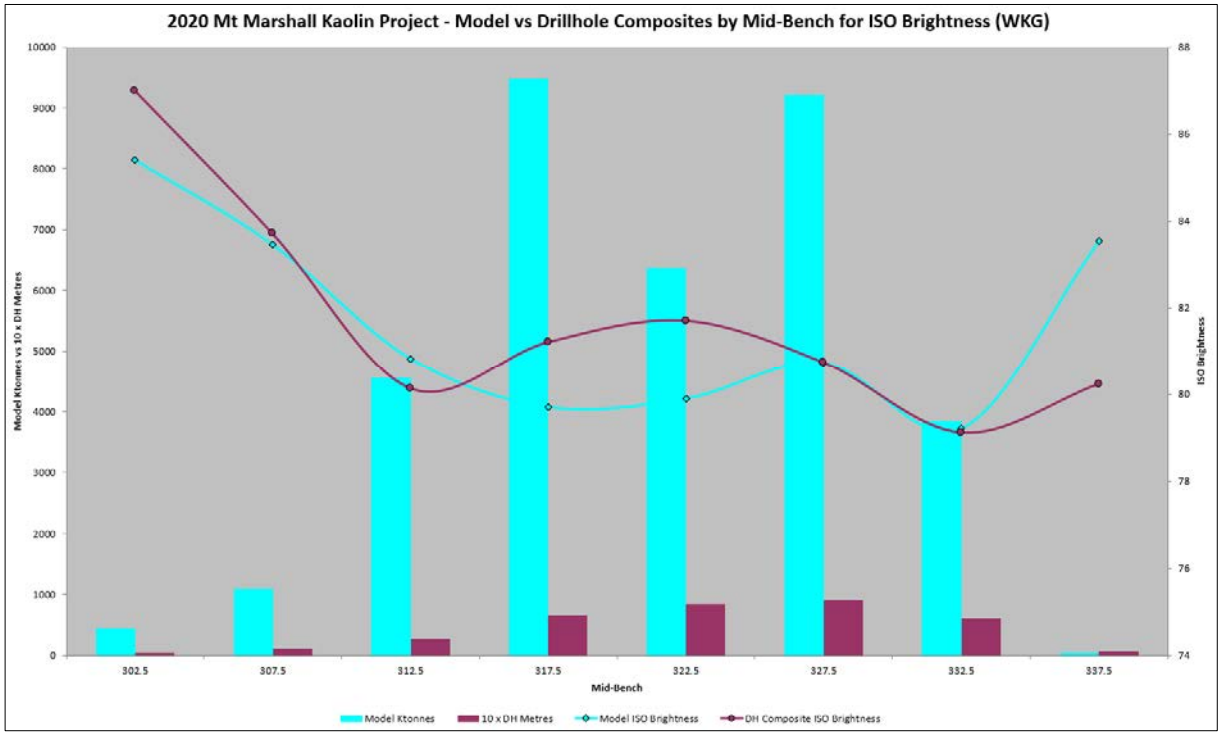


Figure 37. **Swath plot by 5 m bench – Brightness. Cyan = block results. Burgundy = input data**

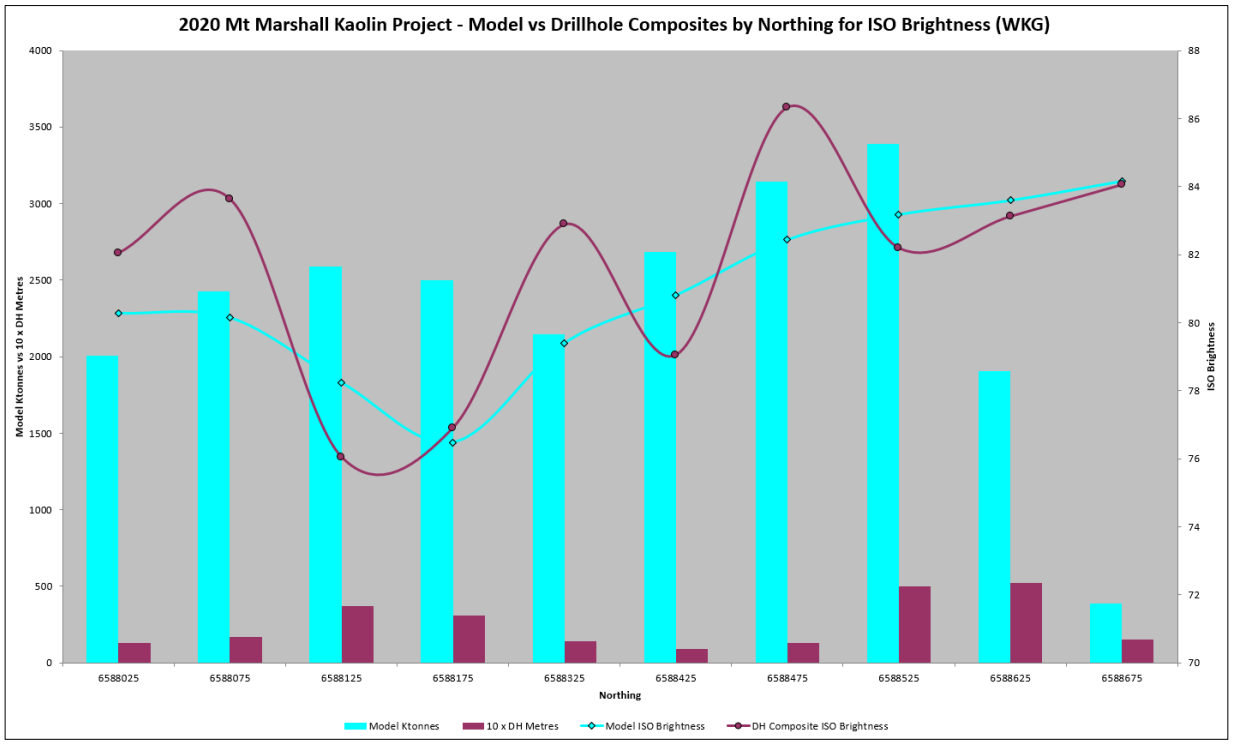


Figure 38. **Swath plot by northing – Brightness. Cyan = block results. Burgundy = input data.**

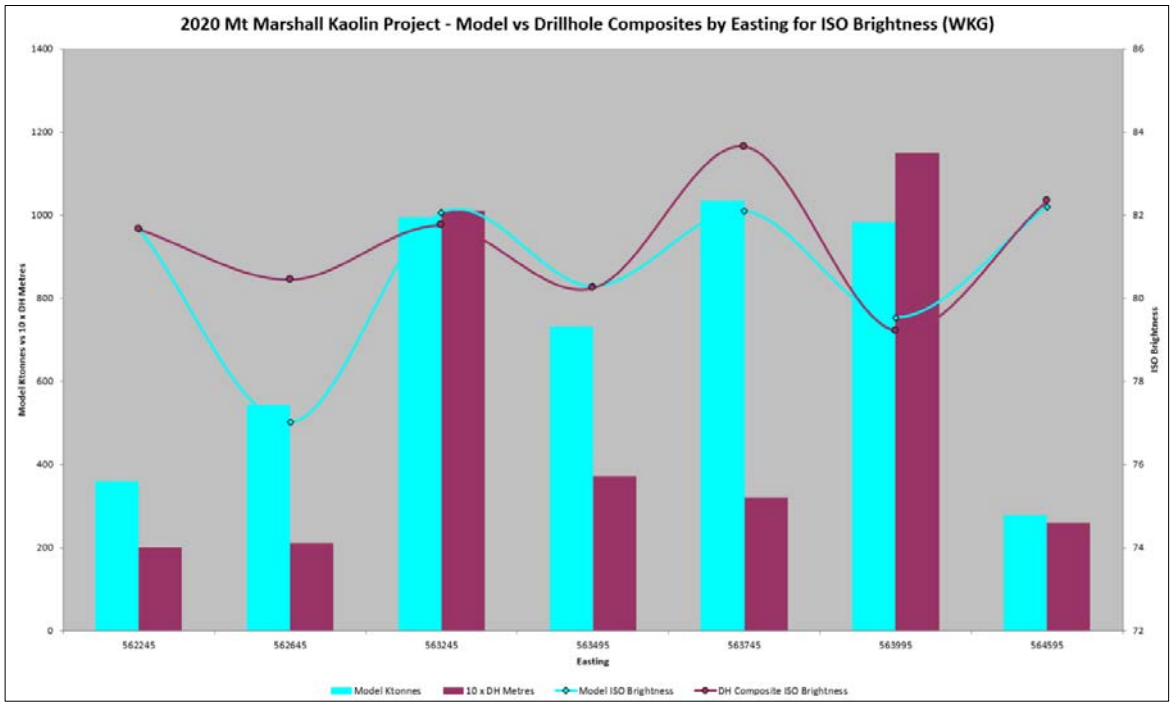


Figure 39. **Swath plot by easting – Brightness. Cyan = block results. Burgundy = input data.**

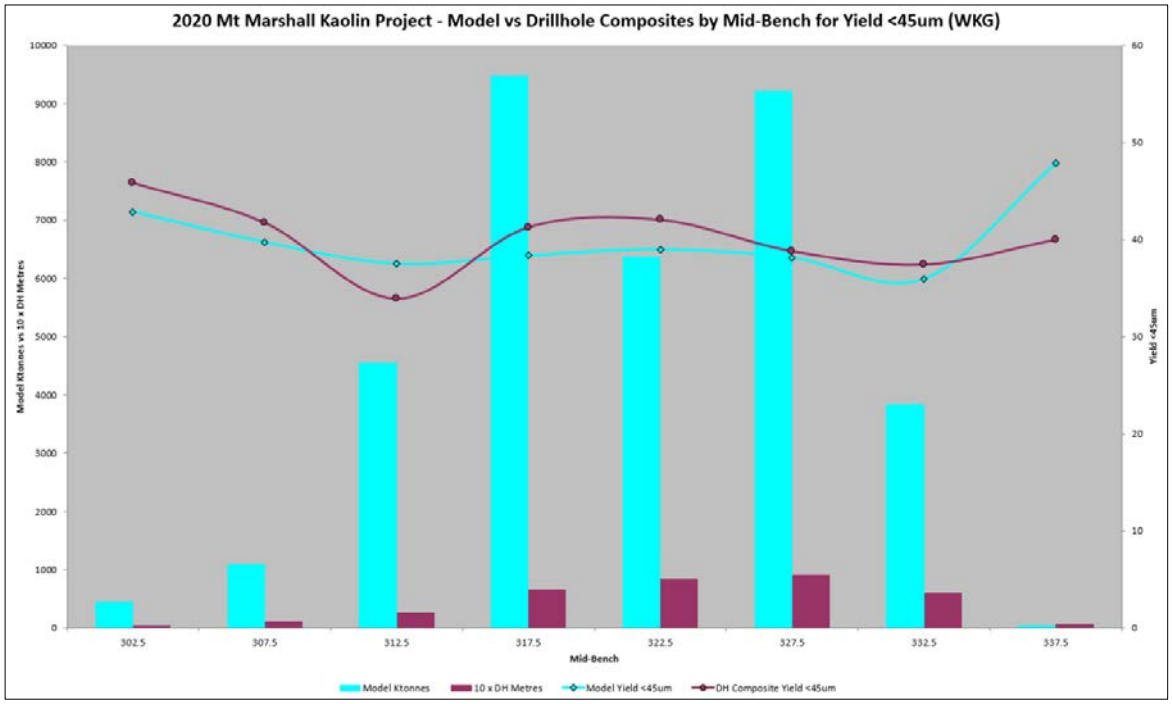


Figure 40. **Swath plot by 5 m bench – Yield. Cyan = block results. Burgundy = input data.**

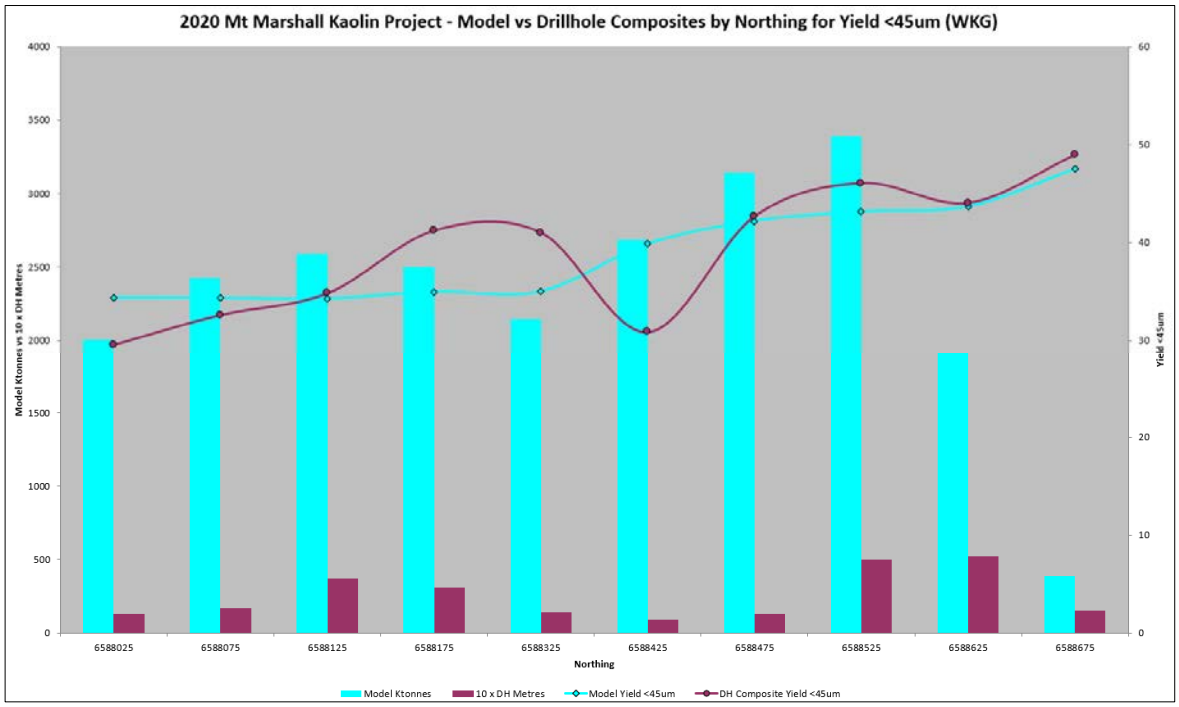


Figure 41. **Swath plot by northing – Yield. Cyan = block results. Burgundy = input data.**

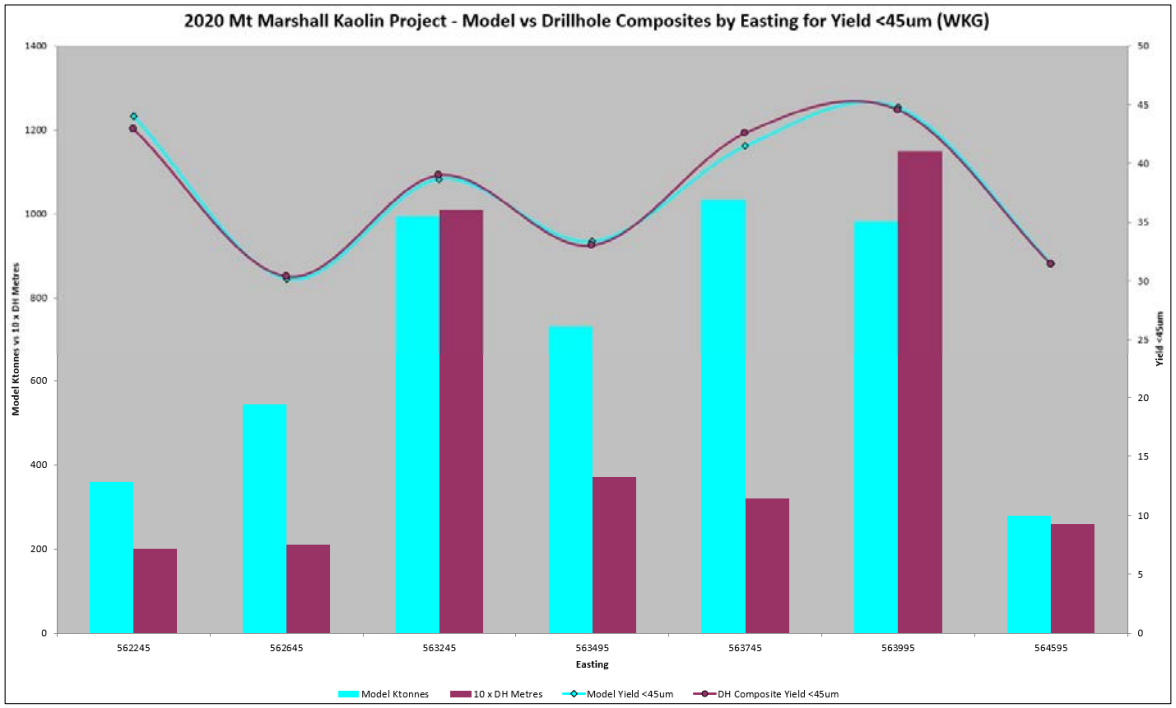


Figure 42. **Swath plot by easting – Yield. Cyan = block results. Burgundy = input data.**

11.6 Mineral Resource Reporting

Reasonable Prospects Hurdle

Clause 20 of the JORC Code requires that all reports of Mineral Resources must have reasonable prospects for eventual economic extraction, regardless of the classification of the resource.

The overall Competent Person Dr Ian Wilson (MIMMM) deems that there are reasonable prospects for eventual economic extraction on the following basis:

- The geometry of the mineralisation is conductive to open pit mining, being close to the surface.
- The Project is well situated for transport of product for export through Fremantle port.
- Kaolin in the region has been produced from similar deposits

Clause 49 of the JORC Code requires that industrial minerals including kaolin that are produced and sold according to product specifications, must be reported "in terms of the mineral or minerals on which the project is to be based and must include the specification of those minerals". The CP deems that the Mt Marshall Kaolin Project is appropriately reported by considering ISO brightness, yield for the <45 µm fraction and major element chemistry of kaolinised granite within the Project area and also notes that products with similar specifications are currently traded.

JORC Classification

The Mineral Resource has been classified in accordance with guidelines contained in the JORC Code. The classification applied reflects the author's view of the uncertainty that should be assigned to the Mineral Resources reported herein. Key criteria that have been considered when classifying the Mineral Resource are detailed in JORC Table 1.
This classification is based upon assessment and understanding of the deposit style, geological and grade continuity, drillhole spacing, input data quality (including drill collar surveys and bulk density), interpolation parameters using IDW.

The Mineral Resource has been classified as Inferred as it was considered sufficiently informed by geological and sampling data to imply but not verify geological and grade continuity between data points.

Inferred Mineral Resource Estimate

The Inferred Mineral Resource estimate prepared in accordance with the JORC Code[2] is presented in the table below.

	White Kaolinised granite (Mt)	ISO Brightness (%)	Yield (%)	Kaolin <45 micron (Mt)
Total	**35.1**	**80.3**	**38.2**	13.4

[2] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

The modelling of the inferred mineral resource has been undertaken on the basis of lithology of the deposit rather than the brightness value, as the average brightness values of the product tested are generally high (averaging 80.3%). It is the opinion of the author that, based on the average brightness value of the deposit, reporting the inferred mineral resource without a brightness cut-off is appropriate. Refer to section 11.7 for detail with respect to the grade and tonnage of the resource based on brightness cut-offs of 75% and 80%.

Product tests also included CKG. However, given the relatively low tonnage of the CKG and that WKG produces a higher quality kaolin product, the Company has advised that its intention is to focus on development of the WKG and the CKG has therefore not been included in the inferred mineral resource estimate.

11.7 Grade Tonnage Table

Grade tonnage tables (Table 21 and Table 22) have been generated for the deposit.

Table 21:Grade tonnage table for WKG

Brightness Cut-Off	Zone	Category	Tonnes	ISO Brightness	Yield<45um	Tonnes	Al_2O_3	SiO_2	Fe_2O_3	TiO_2	LOI
			Mt	(457nm)	%	Mt	%	%	%	%	%
0	WKG	Inferred	35.1	80.3	38.2	13.4	36.22	48.73	0.79	0.45	12.51
75	WKG	Inferred	31.6	81.8	39.2	12.4	36.4	48.6	0.70	0.44	12.55
80	WKG	Inferred	23.3	83.1	40.4	9.4	36.7	48.35	0.65	0.43	12.70

Note: All figures in the table are rounded. As a result, the total amounts may not always add up exactly (for example, the sum 0.33 + 0.33 = 0.66 will be rounded to 0.3 + 0.3 = 0.7).

Table 22:Grade tonnage table for CKG

Brightness Cut-Off	Zone	Category	Tonnes	ISO Brightness	Yield<45um	Tonnes	Al_2O_3	SiO_2	Fe_2O_3	TiO_2	LOI
			Mt	(457nm)	%	Mt	%	%	%	%	%
0	CKG	Inferred	3.6	62.6	31.5	1.1	33.03	50.24	2.52	0.47	11.03

Note: All figures in the table are rounded. As a result, the total amounts may not always add up exactly (for example, the sum 0.33 + 0.33 = 0.66 will be rounded to 0.3 + 0.3 = 0.7).

Gridded Seam Models (GSM) were also created from block models for the WKG zones. During GSM creation, grades in each column of blocks were averaged and weighted by block volume, and the actual blocks were combined to form a single block for each column. When these models are visualized it is easy to see the sites with higher-grade mineralisation and the thickest sites with the highest productivity (productivity is equal to the mineralisation thickness multiplied by grade, i.e., “metal”). Maps of the WKG zone showing the distribution of brightness, yield, and productivity are shown in from Figure 43 to Figure 46 and could be used for planning of future exploration.

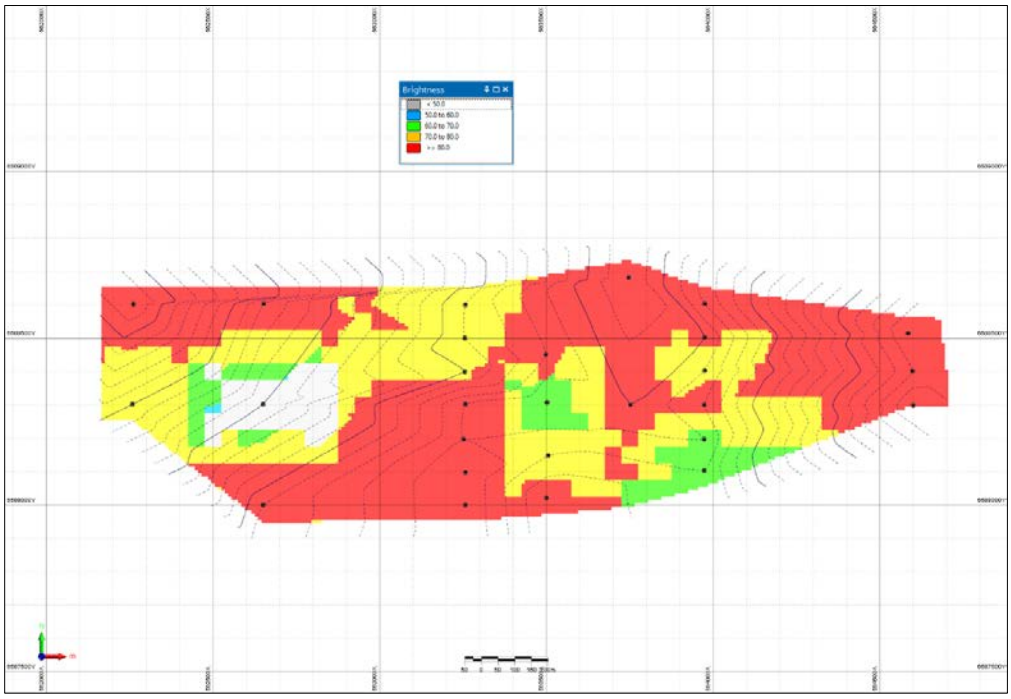


Figure 43: **Distribution of brightness values in WKG. Map grid 500 m x 500 m**

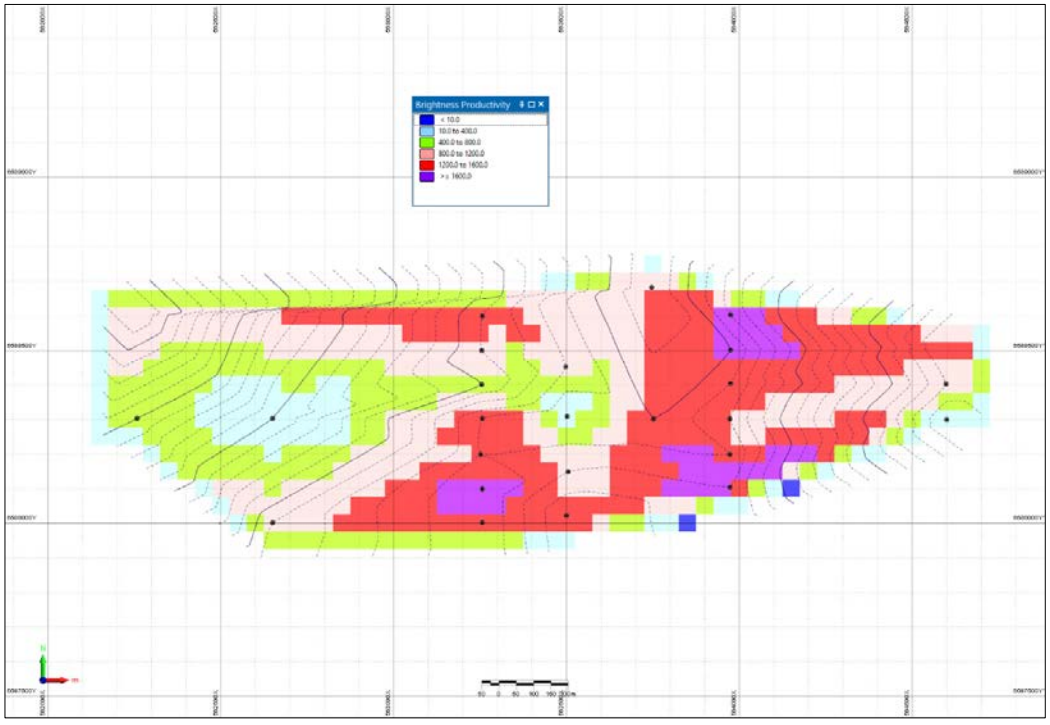


Figure 44: **Productivity Distribution in WKG (Thickness x Brightness). Map grid 500 m x 500 m**

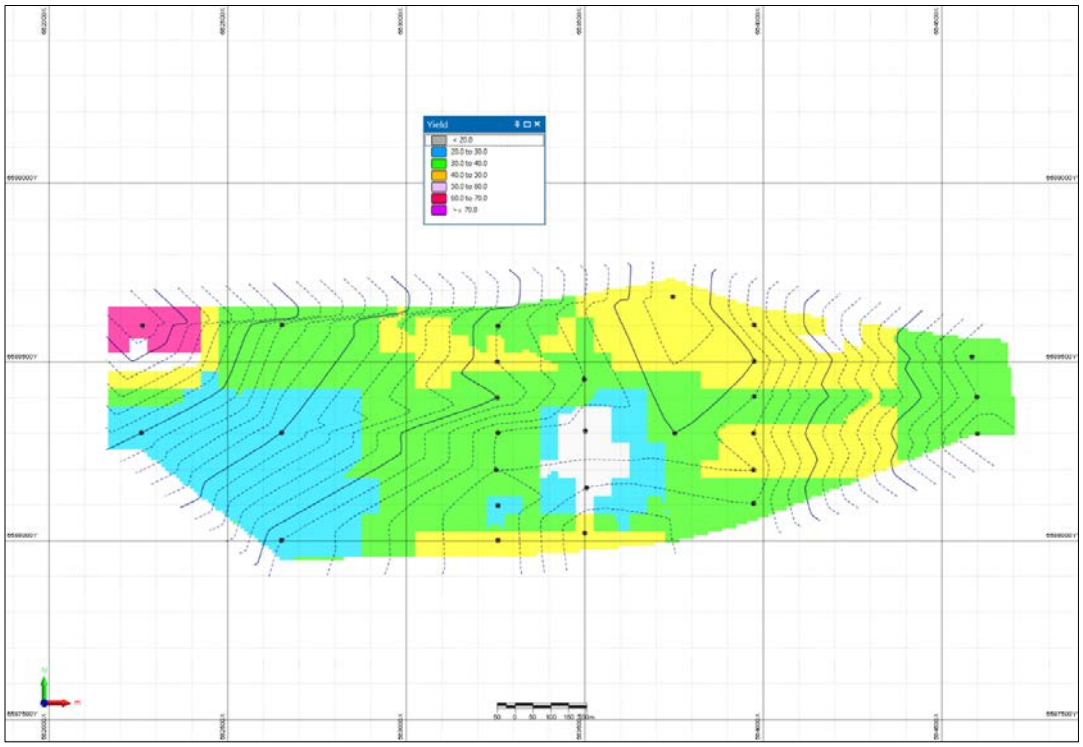


Figure 45: **Distribution of yield values in WKG. Map grid 500 m x 500 m**

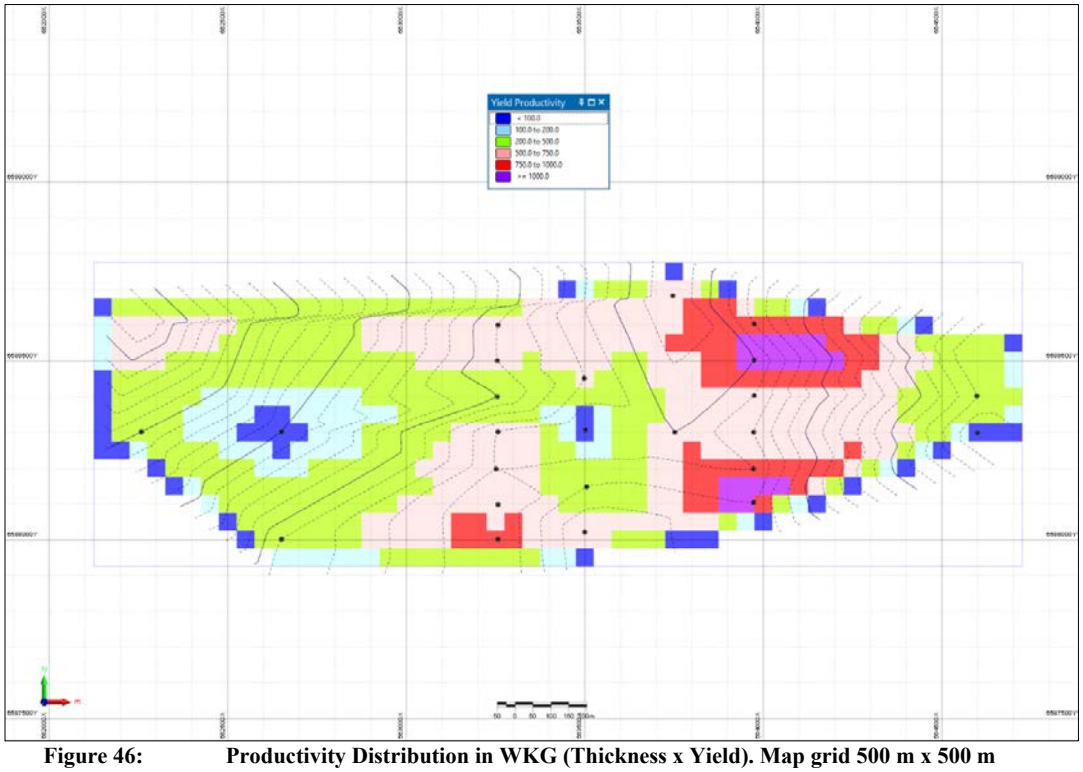


Figure 46: **Productivity Distribution in WKG (Thickness x Yield). Map grid 500 m x 500 m**

11.8 Conclusions and Recommendations

Conclusions

An analytical database was used in the process of modelling and grade tonnage estimation of the deposit, allowing estimation of brightness, yield values and other elements for two deposit zones — WKG and CKG. The deposit database was imported into the MICROMINE system environment and checked for errors. All logical errors were corrected and the database was found valid for the purposes of modelling the deposit and grade-tonnage estimation.

Two weathering zones — WKG and CKG — were interpreted and modelled separately using geological logs and geological understanding of the deposit.

All model cells have been coded according to their occurrence in weathering zones. The final model was divided into two lithological domains — WKG and CKG. Results of modelling the latter two zones are included in the report.

All sample analytical data were composited to 1 m to reflect the possible vertical variability of the deposit.

The Inverse Distance Weighting method was used to interpolate values in the block model. The grades were interpolated individually in each zone.

X and Y coordinates for the drill collar positions were measured using hand-held GPS, while Z (elevation) was generated from Google Earth imagery. This method has introduced uncertainty into the drill collar positions, especially regarding elevation.

No bulk density measurements were available for the deposit. It is important to collect bulk density information or each lithological unit of the deposit. The bulk density is a key parameter in estimating tonnages of a deposit and impacts the resource classification.

The process testwork and results provided by the client are appropriate and industry standard for this style of kaolin mineralisation.

Recommendations

CSA Global recommends completing or considering the feasibility of performing the following work:

- It is strongly recommended that a robust QAQC protocol for any future drilling programs should be established, including the use of field duplicate samples and bulk density measurements. This may allow at least a portion of the Mineral Resource classification to be upgraded.
- Measure bulk density for each lithological unit of the deposit during the next exploration phase.
- Accurately survey the drill collars and surrounding topography to provide full coverage of the deposit. This is important for any future mining studies.
- Detailed XRF chemistry (and perhaps XRD mineralogy) analysis down-hole (perhaps using 2 m composites) in select holes to evaluate down-hole variability

in chemistry and mineralogy. This data could be used to guide selection of larger down-hole composites for metallurgy / process testing.

- Further metallurgical / process testwork should be considered, possibly using shorter down-hole composites to evaluate possible vertical variability and removal of iron by magnetic methods.
- Quantify “reasonable prospects for eventual economic extraction” of the deposit using industry standard pit optimisation techniques, and generating a financial model of the deposit assessing its NPV, initially for internal use to guide exploration activities.
- In the case of a positive economic outcome based on the initial study, further exploration work should be planned (Infill drilling) for the deposit to increase confidence in the Mineral Resources.
- Utilise the provided brightness and yield distribution and brightness and yield productivity maps for future exploration programs.

Appendix 1: JORC Table 1, Mt Marshall Kaolin

Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• The aircore-drilling program was conducted to determine an Inferred/Indicated Resource on the property. • The datasets used to establish the resource were derived from the drilling program conducted in 2019. The program consisted of 27 AC (Aircore) drillholes equating to 644 m of AC drilling, • Samples are stored at a secure storage facility. • All of the AC samples were collected on 1 m intervals. The sample of approximately 3kg each was collected directly from a splitter attached to the cyclone. Sample quality was very good and no loss of sample through hole blowouts or the like occurred. Drilling and sampling continued to rig refusal or to a non-kaolinitic domain change.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drilling carried out by Wallis Drilling Pty Ltd using a Mantis 200 AC rig fitted with an 86-mm air core face sampling bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• A qualitative assessment of AC recovery was made by the supervising geologist during drilling. Samples were geologically logged and recovery was again assessed. All samples were dry and recovery complete. • Compositing of samples based on the colour of matrix were prepared for testing purposes.

Criteria	JORC Code explanation	Commentary
		• There was no evidence of bias in the samples.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• The Aircore samples were geologically logged for all intervals by an experienced geologist on-site at the time of drilling. • Logging noted the lithology, colour, degree of weathering and alteration. • All relevant intersections were logged and photographs taken of the chip trays. • A lithology control file (LCF) was established: ovb - overburden pc - pink clay wkg – white kaolinised granite ckg – cream kaolinised granite (iron stained) pkg - partly kaolinised granite • Level of detail deemed sufficient to enable the delineation of geological domains appropriate to support a future Mineral Resource estimation and classification. • The geology log and data are deemed to be qualitative.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The entire sample from each 1 m interval was collected from the cyclone underflow. Samples were generally 3 kg each and homogenous save for the transition zones between domains. No sample loss was recorded and the samples are considered representative. Samples were collected directly from a splitter attached to the cyclone. • Sample size collected from the cyclone represented approximately 60% of the total volume. There is little variation between each 1m sample within a particular domain. • Field samples and composites were all dry. • 50 composite samples of 1kg each of kaolinised granite were tested at Nagrom facilities in Perth to produce fractions of >180 µm (micron), 45-180 µm and <45 µm by wet processing by crushing,

Criteria	JORC Code explanation	Commentary

blunging and screening.

- Pre-crushing screening at 10 mm.
  - Kaolinised matrix blunged in cold water at approximately 50% w/w solids (density 1450 Kg/m^3) at high shear for 30 minutes. Equipment used was Metso Denver D12 Cell with Dual Blade Agitator. No chemicals used.
  - Screen at 180 µm. Collect the >180 µm 'sand' fraction, dry at 110 degrees centigrade and weigh.
  - Screen the <180 µm fraction at 45 µm. Ensure all the clay is washed through into a clean bucket.
  - Collect the 45 to 180 µm fraction, dry and weigh.
  - Allow the <45 µm clay to settle, carefully decant top clear water and filter using vacuum buchners.
  - Dry the wet cakes at 110 degrees centrigrade max and weigh.
  - Retain all 3 dry fraction in labeled polythene bags.
  - Calculate % clay yield (wt < 45µm / (wt >180 µm + wt 45-180 µm + wt < 45 µm) x 100. Results are shown in Table below:

HoleID	From	To	>180 mics	45-180 mics	<45 mics	Total
MAC 1	6	12	28.33	8.75	62.92	100
MAC1	12	17	46.38	7.77	45.85	100
MAC2	4	13	61.48	10.6	27.92	100
MAC3	4	12	54.75	11.3	33.95	100
MAC3	12	21	45.06	4.99	49.95	100
MAC3	21	32	52.42	8.89	38.69	100
MAC4	8	15	41.6	9.22	49.18	100
MAC4	15	22	52.43	7.19	40.38	100
MAC4	22	25	65.03	6.28	28.69	100
MAC5	3	14	55.94	5.99	38.08	100
MAC6	4	11	55.74	7.62	36.64	100

Criteria	JORC Code explanation	Commentary						
		MAC6	11	18	49.02	11.60	39.37	100
		MAC7	7	16	65.73	5.13	29.14	100
		MAC7	16	24	54.72	8.77	36.51	100
		MAC8	4	13	62.5	6.64	30.86	100
		MAC8	13	20	56.67	8.63	34.7	100
		MAC9	5	15	49.71	7.57	42.71	100
		MAC9	15	24	48.02	9.74	42.23	100
		MAC10	7	16	62.05	12.49	25.45	100
		MAC10	16	20	51.34	9.81	38.85	100
		MAC11	8	13	61.8	11.93	26.27	100
		MAC12	10	17	58.8	8.69	32.51	100
		MAC13	5	14	49.08	8.76	42.16	100
		MAC13	14	22	46.32	9.36	44.31	100
		MAC14	4	13	64.5	5.48	30.01	100
		MAC14	13	22	41.32	3.12	55.56	100
		MAC14	22	32	58.3	6.83	34.88	100
		MAC15	5	12	42.94	7.16	49.9	100
		MAC15	12	19	50.53	9.85	39.61	100
		MAC15	22	27	55.45	18.63	25.92	100
		MAC16	6	15	50.9	5.68	43.42	100
		MAC16	15	20	55.49	7.89	36.62	100
		MAC17	4	12	59.46	5.69	34.85	100
		MAC17	12	21	46.32	9.69	43.99	100
		MAC18	4	11	47.07	6.72	46.21	100
		MAC18	11	18	24.23	3.35	72.43	100
		MAC18	18	26	35.35	9.17	55.49	100

Criteria	JORC Code explanation	Commentary

MAC18	26	31	61.91	6.38	31.71	100
MAC19	4	13	59.01	8.35	32.64	100
MAC19	**13**	**21**	46.99	11.15	41.86	100
MAC20	14	19	48.44	4.59	46.97	100
MAC21	4	7	79.86	6.81	13.34	100
MAC22	13	19	54.94	10.5	34.57	100
MAC23	5	14	71.45	9.78	18.77	100
MAC24	7	14	52.91	7.33	39.76	100
MAC24	14	20	47.31	6.63	46.06	100
MAC25	5	12	57.58	6.45	35.98	100
MAC25	12	19	68.54	10.12	21.34	100
MAC26	7	12	51.64	10.83	37.52	100
MAC26	12	17	54.63	14.83	30.54	100

Quality of assay data and Laboratory tests

- *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*
- *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*
- *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*

- Full quantitative chemistry carried out by Panalytical Zetium XRF at Nagrom, Kelmscott, WA. Reported are % SiO_2, Al_2O_3, Fe_2O_3, TiO_2, CaO, MgO, Na_2O, K_2O, P_2O_5, Mn_3O_4, Cr_2O_3, BaO, ZrO_2, ZnO, V_2O_5, SrO and LOI (Loss on ignition at 1000deg C).
- Duplicate samples were tested at Nagrom .
- ISO Brightness, Yellowness and CIE Coordinates L* a* b* were tested by Microanalysis Australia. Perth, WA. Duplicate samples were tested.

<u>Testing in UK</u>

- Four composite samples were tested in UK by First Test Minerals Ltd (FTM).
- 4 matrix samples received were wet-processed to produce fractions of >180 µm, 45-180 µm and <45 µm similar to the Nagrom procedure.
- Particle size distribution (PSD) measured from % <10 µm down to % <0.1 µm (measured by Micromeritics Sedigraph).

Criteria	JORC Code explanation	Commentary

		• ISO Brightness, Yellowness and L* a* b measured by Elrepho Datacolor. Some bleached results as well:
		  • Soluble salts (%) and SO_4 (%).
		  • pH
		  • Abrasion (mg/m^2)
		  • Flowability (Wt.%)
		  • Chemistry (Wt.%) by XRF
		  • Mineralogy by X-Ray Diffraction (XRD)
		  • Fired brightness @ 1180 deg C (%) for the 4 samples
		• Contraction @ 1180 deg C (%)
		• Water Absorption @ 1180 deg C (%)
		• Modulus of Rupture (MOR) Kg/cm^2
		• SEM – Scanning Electron Microscopy
		• At 1 micron scale Kaolinite shows a well formed pseudo-hexagonal morphology *(James Hutton Institute)*

Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Dr Andrew Scogings, a consulting geologist from Klipstone Pty Ltd, Perth, carried out a one day site visit after the drilling was completed. • No twinned holes were carried out.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All drillholes and tracks were picked up using a Garmin GPSmap 62S. Drillhole collars were recorded using the MGA94 Zone 50 grid with an accuracy of approximately 3m. • This is sufficiently precise for these initial drillholes which nominally were 100m to 600m apart. Elevations were recorded for the GPS and subsequently reviewed for validation. • All holes were vertical and, with an average hole depth of only 20m downhole surveying was not considered necessary
Data spacing and	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to*	• The drilling was performed on section lines orthogonal to the MGA94

Criteria	JORC Code explanation	Commentary
distribution	*establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	grid. A nominal drill spacing of 100 m x 600 m was used in the priority target area, with a nominal spacing of 100 m between drillholes on each line. • The continuity of kaolin can be traced between drillholes 100m apart. The data and geological continuity is sufficient to establish an Inferred/Indicated Resource. • The sampling is considered appropriate to accurately define domains characterised by changes vertically in the weathering profile. • Sample composites were produced from original 1m samples. Composites comprised equally weighted intervals collected by quartering each of the 1m samples. Compositing was based on field geological observations of kaolinite brightness and colour.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• All drill holes are assumed vertical, which means that the sampling is orthogonal to the horizontal to sub horizontal kaolin zones. • Orientation-based sampling bias is not expected from vertical drillholes.
Sample security	• *The measures taken to ensure sample security.*	• Samples have been in the care of Company personnel during drilling, transport from the field and into Company storage facility
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The field program was managed and supervised by Dean de Largie who is a Fellow of the Australian Institute of Geoscientists.

JORC TABLE 1:
Section 2 Reporting of Exploration Results
(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The tenement is a Granted Exploration License. Tenement Number E70/5039 . It is located 15km east of Koorda in Western Australia. The Tenement is held by Mt Marshall Kaolin Pty Ltd. • There are no known impediments to operate the tenements.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No previous exploration for kaolin has been identified.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Mt Marshall kaolin deposit is formed from the meteoric weathering of the coarse-grained granite mainly composed of quartz and feldspar with minor amounts of mica and other constituents. Kaolinite is a layered silicate clay mineral. The feldspar in the granite has been altered to kaolinite, • Kaolinite formula is Al2Si2O5 (OH)4 and is a layered silicate clay mineral • Mt Marshall is considered to be a weathering deposit. The original rocks are granitic. The intense weathering of this rock has dissolved and leached selected constituents in the rock and formed an in-situ deposit of white kaolin and quartz.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole*	

DH	Easting	Northing	RL	Depth	Kaolinised Granite		
ID	GDA94 z50	GDA94 z50	masl	(m)	From (m)	To (m)	Thickness (m)
MAC001	562261.25	6588602.18	318	21	6	17	11
MAC002	562258.84	6588302.29	325	17	3	13	10
MAC003	563256.16	6588601.11	336	33	4	21	17

Criteria	JORC Code explanation	Commentary
	○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data	• *In reporting Exploration Results, weighting averaging*	

MAC004	563255.00	6588501.03	336	27	7	25	18
MAC005	563256.02	6588301.98	339	21	3	17	14
MAC006	563250.71	6588197.27	339	20	4	18	14
MAC007	563257.10	6588097.71	340	30	5	28	23
MAC008	563254.87	6588399.74	335	24	4	20	16
MAC009	563256.34	6588000.85	340	27	5	24	19
MAC010	562649.64	6587999.88	336	21	7	20	13
MAC011	562649.60	6588302.33	330	30	8	13	5
MAC012	562652.42	6588604.33	327	27	10	21	11
MAC013	563974.12	6588602.60	338	30	5	22	17
MAC014	563971.89	6588102.66	338	39	4	32	28
MAC015	563971.79	6588197.53	339	29	5	27	22
MAC016	563973.07	6588299.93	338	24	4	22	18
MAC017	563975.13	6588403.76	339	24	3	21	18
MAC018	563975.06	6588503.18	340	33	4	31	27
MAC019	563751.59	6588301.25	340	24	4	22	18
MAC020	563746.41	6588682.65	342	20	4	20	16
MAC021	563502.41	6588308.39	340	10	4	7	3
MAC022	563500.04	6588021.46	336	27	**6**	**22**	16
MAC023	563505.38	6588147.66	338	20	5	20	15
MAC024	563498.67	6588451.82	338	21	7	20	13
MAC025	564584.90	6588514.25	326	24	5	21	16
MAC026	564597.99	6588401.35	327	17	5	17	12
MAC027	564598.62	6588299.38	325	6			0

- All holes were drilled vertically with none inclined

Criteria	JORC Code explanation	Commentary
aggregation methods	*techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The kaolin is hosted within a horizontal near-surface weathering profile. It is an in-situ weathered product of a granitic intrusive rock. The weathering profile is zoned vertically. Drillholes are all vertical. Reported widths of kaolin are true widths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Drill collar maps and appropriate sections are included in the IGR.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.*	• All available exploration results are reported in the IGR.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All material exploration data has been used and reported.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions,*	• The current resource remains open in all directions and at depth. • Further drill programs outside of the currently drilled area to establish

Criteria	JORC Code explanation	Commentary
	including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	the greater extent of the Resource. • Further drilling is planned within the area currently drilled to provide an updated and upgraded resource.

JORC 2012 Table 1

Section 3 – Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	Data used in the Mineral Resource estimate is sourced from Microsoft Excel files provided by Mt Marshall Kaolin Pty Ltd . All data was validated in Micromine software and verified that all the available data was submitted. Validation of the data import include checks for overlapping intervals, missing survey data, missing and incorrectly recorded assay data, missing lithological data and missing collars. Manual checks were carried out by plotting and review of sections and plans.
	Data validation procedures used.	
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	The Competent Person Dr Ian Wilson (MIMMM) who is UK-based was unable to visit the project area due to Covid-19 travel restrictions. Dr Andrew Scogings who is Perth-based visited the Welshpool sample storage facility and inspected a selection of drill chip trays and sample during May 2020. No negative outcomes resulted from this site visit.
	If no site visits have been undertaken, indicate why this is the case.	
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	The geological interpretation of the kaolin deposit at Mt Marshall is well understood, and the logged lithologies are coherent and is traceable over numerous drill holes and drill sections. Drillhole intercept logging and assay results have formed the basis for
	Nature of the data used and of any assumptions made.	
	The effect, if any, of alternative interpretations on Mineral Resource	

Criteria	JORC Code explanation	Commentary
	estimation.	the geological interpretation.
	The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology.	The grade and lithological interpretation forms the basis for modelling. Lithological envelopes defining prospective WKG and CKG zones within which the grade estimation has been completed. The deposit is an in-situ kaolin deposit formed by near-surface weathering of granitoid rocks. The deposit does not lend itself readily to alternative interpretations, and as such they are unlikely to have a material impact on the results. The lithological units are recognised based on mineralogy, chemistry and colour. Resource estimation assumed that these units formed series of stratified units sub-parallel to the topography.
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The mineralised zone extends approximately for 2,600 m in easting and ranges between 300 m to 750 m in width along northings. The average vertical thickness is 14 m (12 m for WKG and 2.0 m for CKG)
Estimation and modelling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen, include a description of computer software and parameters used*	The mineralisation interpretation was extended perpendicular to the corresponding first and last interpreted cross section to the distance equal to a half distance between the adjacent exploration lines. If a mineralised envelope did not extend to the adjacent drill hole section, it was pinched out to the next section and terminated. The general direction and dip of the envelopes was maintained. The size of the parent block used in creating the block model was selected on the basis of the densest exploration grid (100 by 200 m), the general morphology of mineralised bodies, and with due regard for the geology of the weathering profile and the high vertical grade variability and to avoid creating excessively large block models. The sub-block dimensions were chosen accordingly to maintain resolution of the mineralised bodies The block model was constructed using a 50 m E x 50 m N x 3 m RL parent block size, with subcelling to 10 m E x 10 m N x 1 m RL for domain volume resolution. Input data did not display significant outliers in their distributions and so no top-cuts were applied.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	
	The assumptions made regarding recovery of by-products.	
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	
	Any assumptions behind modelling of selective mining units.	
	Any assumptions about correlation between variables	

Criteria	JORC Code explanation	Commentary
	Description of how the geological interpretation was used to control the resource estimates.	Grade estimation was by Inverse Distance Weighting (IDW^2) using Micromine 2018 software. Kaolin mineralisation is considered to have formed as a weathering product within the regolith horizon, and envelopes as modelled are constrained by this lithological horizon. The wireframe objects were used as hard boundaries for grade interpolation. The block model of the deposit with interpolated grades was validated both visually and by statistical/software methods.
	Discussion of basis for using or not using grade cutting or capping.	
	The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages have been estimated on a dry in situ basis. No moisture values were reviewed.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	The grade and tonnages are presented at a range of cut-off grades from 75 to 80 ISO Brightness for elements considered to be important in the choice of treatment processes (yield <45 µm fraction, Al_20_3, Fe_2O_3, SiO_2, TiO_2)
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	It is assumed that due to the very shallow / near surface nature of the deposit, it will be mined by open pit methods.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	Process test work was carried out in accordance with kaolin industry standard methods for this type of deposit. For further details see Section 1 of this table under JORC criteria 'Sub-sampling techniques and sample preparation'. Fifty-two down-hole composites were tested of which 46 were from the WKG domain and 6 were from the CKG domain. These tests verified that the WKG kaolin has a minus 45-micron fraction yield of approximately 40% (range ~13-72%) compared with a lower yield for CKG around a median approximately 30% (range ~25-39%). Brightness values were around a median of approximately 82 (range

Criteria	JORC Code explanation	Commentary
		~62-89) and 66 (range ~49-73) for WKG and CKG respectively
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered, this should be reported with an explanation of the environmental assumptions made.*	The deposit is situated under cultivated land that has been cleared of native vegetation, hence no environmental factors or assumptions were made at this stage.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	CSA Global assigned a density of 1.8 t/m3 to the WKG and CKG zones. This bulk density value was assumed from analogous deposits, from various public reports and news releases and industry experience of the Competent Person Dr Ian Wilson (MIMMM).
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.	
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories.*	The Mineral Resource was classified as Inferred, taking into account the level of geological understanding of the deposit, quality of samples, density data, drillhole spacing and sampling and assaying processes. The classification reflects the level of data available for the estimate including input drillhole data spacing, the high level of geological continuity of the particular style of deposit. The MRE appropriately reflects the view of the Competent Person.
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	
	Whether the result appropriately reflects the Competent Person's view of the deposit.	
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	Internal audits were completed by CSA Global which verified the technical inputs, methodology, parameters and results of the estimate. No external audits have been undertaken.

Criteria	JORC Code explanation	Commentary
Discussion of relative accuracy/ confidence	*Where appropriate, a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.*	The Mineral Resource accuracy is communicated through the classification assigned to the deposit. The MRE has been classified in accordance with the JORC Code (2012 Edition) using a qualitative approach. All factors that have been considered have been adequately communicated in Section 1 and Section 3 of this table. The Mineral Resource statement relates to a global estimate of in-situ tonnes and grade. No mining activity has been on the deposit.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	

Appendix 2: LITHOLOGY CONTROL FILE AND TEST RESULTS

HoleID	LCF	Fm (m)	To (m)	Yield <45um	SiO_2	Al_2O_3	Fe_2O_3	TiO_2	CaO	MgO	Na_2O	K_2O	P_2O_5	% LOI @ 1000degC	ISO Brightness	Yellowness	L*	a*	b*
MAC001	ovb																		
MAC001	wkg	6	12	62.92	47.09	38.58	0.26	0.36	0.02	0.07	0.04	0.09	0.00	13.80	89.19	4.12	96.77	0	2.2
MAC001	wkg	12	17	45.85	48.21	36.71	0.43	0.34	0.02	0.09	0.06	1.50	0.01	12.58	87.00	5.21	96.16	-0.15	2.85
MAC001	pkg																		
MAC002	ovb																		
MAC002	wkg	4	13	27.92	48.52	35.80	1.33	0.56	0.04	0.10	0.05	1.07	0.02	12.55	73.67	12.83	92.23	0.6	6.55
MAC002	pkg																		
MAC003	ovb																		
MAC003	wkg	4	12	33.95	47.73	37.88	0.44	0.42	0.02	0.05	0.04	0.42	0.01	13.35	75.16	12.69	92.59	1.7	5.85
MAC003	wkg	12	21	49.95	46.80	38.24	0.47	0.40	0.01	0.02	0.03	0.51	0.02	13.44	86.11	5.69	95.94	-0.2	3
MAC003	ckg	21	32	38.69	48.75	34.50	2.26	0.52	0.13	0.27	0.44	1.46	0.06	11.71	65.65	15.98	89.09	0.4	8
MAC003	pkg																		
MAC004	ovb																		
MAC004	wkg	8	15	49.18	47.11	36.89	0.63	1.12	0.02	0.07	0.05	1.08	0.02	12.76	79.08	9.63	93.89	-0.05	5
MAC004	wkg	15	22	40.38	48.20	36.16	0.80	0.75	0.02	0.09	0.10	1.56	0.04	12.28	81.17	7.70	94.32	-0.1	4.15
MAC004	ckg	22	25	28.69	50.37	33.06	2.22	0.42	0.15	0.28	0.73	1.58	0.04	10.94	65.83	13.51	88.59	-0.55	7.05
MAC004	pkg																		
MAC005	ovb																		
MAC005	wkg	3	14	38.08	47.65	37.75	0.58	0.42	0.01	0.03	0.04	0.26	0.01	13.40	85.02	6.19	95.55	0.25	3.15
MAC005	wkg																		
MAC005	pkg																		

APPENDIX 2: CONTINUES

HoleID	LCF	Fm (m)	To (m)	Yield <45um	SiO_2	Al_2O_3	Fe_2O_3	TiO_2	CaO	MgO	Na_2O	K_2O	P_2O_5	% LOI @ 1000degC	ISO Brightness	Yellowness	L*	a*	b*
MAC006	ovb																		
MAC006	wkg	4	11	36.64	47.06	38.24	0.66	0.39	0.04	0.00	0.04	0.13	0.01	13.68	82.62	7.69	94.85	0.5	3.75
MAC006	wkg	11	18	39.37	47.81	37.17	0.81	0.39	0.05	0.03	0.04	0.86	0.02	13.00	84.57	6.19	95.38	-0.1	3.3
MAC006	pkg																		
MAC007	ovb																		
MAC007	pc																		
MAC007	wkg	7	16	29.14	48.66	37.24	0.48	0.24	0.06	0.07	0.05	0.43	0.01	13.09	84.36	5.26	95.04	-0.2	2.7
MAC007	wkg	16	24	36.51	48.42	35.54	0.58	0.29	0.04	0.08	0.08	2.18	0.01	11.82	82.83	7.79	95.13	-0.25	4.25
MAC007	wkg																		
MAC008	ovb																		
MAC008	wkg	4	13	30.86	49.28	36.21	0.61	0.37	0.03	0.06	0.06	1.07	0.02	12.43	79.05	9.64	93.69	0.85	4.7
MAC008	ckg	13	20	34.70	49.28	34.13	2.07	0.40	0.10	0.21	0.32	2.24	0.05	11.21	73.35	11.74	91.48	-0.6	6.3
MAC008	pkg																		
MAC009	ovb																		
MAC009	wkg	5	15	42.71	46.88	38.43	0.42	0.39	0.04	0.03	0.04	0.33	0.01	13.50	81.47	7.63	94.28	0.9	3.6
MAC009	wkg	15	24	42.23	47.61	37.17	0.88	0.38	0.06	0.08	0.05	0.93	0.02	12.86	78.38	9.16	93.52	-0.3	4.95
MAC009	pkg																		
MAC010	ovb																		
MAC010	wkg	7	16	25.45	48.75	37.14	0.49	0.34	0.05	0.07	0.06	0.37	0.02	13.11	83.29	6.62	94.94	-0.3	3.6
MAC010	wkg	16	20	38.85	48.71	36.03	0.84	0.36	0.06	0.08	0.10	1.51	0.04	12.29	79.25	8.46	93.73	-0.45	4.6
MAC010	pkg																		

APPENDIX 2: CONTINUES

HoleID	LCF	Fm (m)	To (m)	Yield <45um	SiO_2	Al_2O_3	Fe_2O_3	TiO_2	CaO	MgO	Na_2O	K_2O	P_2O_5	% LOI @ 1000degC	ISO Brightness	Yellowness	L*	a*	b*
MAC011	ovb																		
MAC011	pc																		
MAC011	wkg	8	9																
MAC011	ckg	9	13	26.27	50.89	32.66	2.94	0.50	0.02	0.09	0.09	1.17	0.02	11.84	49.41	36.13	84.13	7.15	15.25
MAC011	pkg	13	22																
MAC011	pkg	22	30																
MAC012	ovb																		
MAC012	pc																		
MAC012	wkg	10	17	32.51	49.55	35.79	0.59	0.63	0.02	0.04	0.05	1.30	0.02	12.26	81.90	8.21	94.72	0.4	4.15
MAC012	wkg																		
MAC012	pkg																		
MAC013	ovb																		
MAC013	pc																		
MAC013	wkg	5	14	42.16	48.43	37.17	0.67	0.35	0.01	0.09	0.05	0.63	0.00	12.90	83.28	8.08	95.31	0.4	4.1
MAC013	wkg	14	22	44.31	48.36	35.98	0.94	0.43	0.02	0.11	0.06	1.63	0.03	12.24	81.68	8.33	94.77	-0.4	4.55
MAC013	wkg																		
MAC013	pkg																		
MAC014	ovb																		
MAC014	wkg	4	13	30.01	50.97	34.43	1.06	0.43	0.02	0.19	0.07	1.23	0.00	11.73	66.52	20.46	90.18	3.75	9.05
MAC014	wkg	13	22	55.56	46.78	37.80	0.70	0.33	0.01	0.16	0.05	1.27	0.02	12.70	83.39	7.92	95.39	-0.3	4.35
MAC014	wkg	22	32	34.88	52.27	32.93	1.00	0.35	0.02	0.28	0.05	2.89	0.03	10.13	77.79	10.50	93.68	-0.8	5.9
MAC014	wkg																		
MAC014	pkg																		

APPENDIX 2: CONTINUES

HoleID	LCF	Fm (m)	To (m)	Yield <45um	SiO_2	Al_2O_3	Fe_2O_3	TiO_2	CaO	MgO	Na_2O	K_2O	P_2O_5	% LOI @ 1000degC	ISO Brightness	Yellowness	L*	a*	b*
MAC015	ovb																		
MAC015	wkg	5	12	49.90	48.31	36.55	1.10	0.45	0.02	0.08	0.06	0.57	0.01	12.96	68.21	20.77	91.54	2.3	10.05
MAC015	wkg	12	19	39.61	50.59	33.16	1.49	0.36	0.01	0.27	0.10	3.08	0.01	10.62	73.65	14.66	92.84	-0.3	7.9
MAC015	ckg	22	27	25.92	54.85	26.78	3.69	0.72	0.10	0.56	2.45	4.52	0.08	6.34	56.74	29.70	88.51	-0.4	16
MAC015	pkg																		
MAC016	ovb																		
MAC016	pc																		
MAC016	wkg	6	15	43.42	47.46	37.56	0.59	0.30	0.01	0.10	0.06	1.11	0.01	12.88	84.10	6.78	95.40	-0.3	3.65
MAC016	wkg	15	20	36.62	48.92	35.11	1.02	0.36	0.02	0.17	0.07	2.86	0.03	11.23	80.72	9.06	94.57	-0.6	5
MAC016	pc																		
MAC016	pkg																		
MAC017	ovb																		
MAC017	wkg	4	12	34.85	48.14	37.14	0.54	0.42	0.04	0.06	0.04	0.50	0.01	13.14	77.13	11.59	93.43	0.95	5.7
MAC017	wkg	12	21	43.99	47.99	37.12	0.62	0.41	0.04	0.06	0.06	1.33	0.01	12.65	86.40	6.18	94.20	0.5	5.3
MAC017	pkg	21	24																
MAC018	ovb																		
MAC018	wkg	4	11	46.21	47.21	37.92	0.76	0.32	0.03	0.04	0.05	0.44	0.00	13.37	80.49	9.42	94.43	0.55	4.7
MAC018	wkg	11	18	72.43	46.38	38.13	0.66	0.26	0.02	0.12	0.05	0.94	0.04	13.18	86.34	6.46	96.29	-0.5	3.6
MAC018	wkg	18	26	55.49	47.60	36.07	1.07	0.41	0.03	0.22	0.06	2.90	0.03	11.41	80.41	10.87	94.87	-1.05	6.25
MAC018	ckg	26	31	31.71	50.17	33.01	2.39	0.35	0.11	0.33	0.44	2.71	0.01	10.43	68.12	17.55	90.88	0.55	8.85
MAC018	pkg																		

APPENDIX 2: CONTINUES

HoleID	LCF	Fm (m)	To (m)	Yield <45um	SiO_2	Al_2O_3	Fe_2O_3	TiO_2	CaO	MgO	Na_2O	K_2O	P_2O_5	% LOI @ 1000degC	ISO Brightness	Yellowness	L*	a*	b*
MAC019	ovb																		
MAC019	wkg	4	13	32.64	47.69	37.48	0.75	0.49	0.04	0.05	0.05	0.38	0.01	13.25	83.12	7.42	95.05	0.6	3.45
MAC019	wkg	13	21	41.86	47.76	36.55	0.94	0.44	0.05	0.10	0.08	1.54	0.01	12.41	83.47	6.40	94.99	-0.35	3.65
MAC019	pkg																		
MAC020	ovb																		
MAC020	wkg																		
MAC020	wkg	**8**	**14**	49.90	47.72	36.65	0.70	0.35	0.01	0.16	0.01	1.11	0.01	13.11	83.80	7.00	96.10	-0.27	3.82
MAC020	wkg	14	19	46.97	48.26	36.43	1.02	0.29	0.01	0.19	0.06	1.68	0.01	12.15	84.58	6.93	95.65	-0.1	3.55
MAC020	pkg																		
MAC021	ovb																		
MAC021	wkg	4	7	13.34	52.29	32.78	1.22	0.56	0.04	0.08	0.10	0.28	0.01	12.32	61.64	20.89	88.14	2.4	9
MAC021	ckg																		
MAC022	ovb																		
MACO22	wkg																		
MAC022	wkg	**8**	**12**	41.90	47.40	37.01	0.65	0.89	0.05	0.12	0.01	0.54	0.01	13.47	81.70	5.80	94.60	-0.04	3.61
MAC022	wkg																		
MAC022	wkg	13	19	34.57	49.05	35.48	0.71	0.91	0.05	0.07	0.07	1.81	0.01	11.85	80.81	7.53	94.12	-0.1	4
MAC022	wkg																		
MAC022	pkg																		
MAC023	ovb																		
MAC023	wkg	5	14	18.77	51.72	33.50	0.78	0.62	0.05	0.05	0.10	1.65	0.03	11.64	76.30	8.97	92.41	0.1	4.65
MAC023	wkg																		

APPENDIX 2: CONTINUES

HoleID	LCF	Fm (m)	To (m)	Yield <45um	SiO_2	Al_2O_3	Fe_2O_3	TiO_2	CaO	MgO	Na_2O	K_2O	P_2O_5	% LOI @ 1000degC	ISO Brightness	Yellowness	L*	a*	b*
MAC024	ovb																		
MAC024	pc																		
MAC024	wkg	7	14	39.76	47.38	38.03	0.40	0.41	0.02	0.03	0.05	0.43	0.01	13.37	86.99	5.34	96.20	-0.1	2.9
MAC024	wkg	14	20	46.06	47.28	37.33	0.74	0.45	0.02	0.04	0.05	0.88	0.01	13.03	85.58	5.65	95.70	-0.3	3.1
MAC024	pkg																		
MAC025	ovb																		
MAC025	wkg	5	12	35.98	48.45	37.26	0.60	0.28	0.04	0.12	0.04	0.41	0.00	13.17	84.94	6.51	95.62	0.2	3.4
MAC025	wkg	12	19	21.34	54.35	31.63	0.44	0.30	0.02	0.09	0.10	2.86	0.02	10.30	83.21	5.74	94.66	0	3
MAC025	wkg																		
MAC025	pkg																		
MAC026	ovb																		
MAC026	wkg	7	12	37.52	50.76	34.99	0.39	0.48	0.01	0.13	0.09	0.80	0.01	12.41	82.475	7.84	94.87	0.4	3.9
MAC026	wkg	12	17	30.54	52.00	33.07	0.55	0.49	0.03	0.10	0.10	2.74	0.03	10.78	77.295	11.3	93.3	1.35	5.4
MAC027	ovb																		
MAC027	gr																		

LCF	Description
ovb	overburden
pc	pinkish clays
wkg	white kaolinised granite
ckg	cream kaolinised granite
pkg	partly kaolinised granite
gr	granite

ANNEXURE B – SOLICITOR'S TENEMENT REPORT

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25 June 2020

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Our Ref: PMG:5097-01
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The Board of Directors
Ultracharge Limited
Unit 1B
205 - 207 Johnson Street
FITZROY VIC 3065

Dear Sirs

SOLICITOR'S REPORT ON TENEMENTS

This Report is prepared for inclusion in a prospectus for the offer of 250,000,000 fully paid ordinary shares (**Shares**) in the capital of Ultracharge Limited (to be renamed 'Suvo Strategic Minerals Limited' (ACN 140 316 463) (**Company**) at an issue price of $0.02 cents per share to raise $5,000,000 with oversubscriptions of up to 50,000,000 Shares to raise a further $1,000,000 (**Prospectus**).

In connection with the issue of Shares under the Prospectus, the Company has entered into acquisition agreements pursuant to which it has the conditional right to acquire 100% of the issued capital in Watershed Enterprise Solutions Pty Ltd (**Watershed**) and Mt Marshall Kaolin Pty Ltd (**Mt Marshall**) (together, the **Acquisitions**). Further details with respect to these agreements is set out in section 9.2 of the Prospectus.

1. SCOPE

We have been requested to report on certain mining tenements in which the Company has an interest (the **Tenements**).

The Tenements are located in Western Australia. Details of the Tenements are set out in Part I of this Report.

This Report is limited to the Searches set out in Section 2 of this Report (as defined below).

2. SEARCHES

For the purposes of this Report, we have conducted searches and made enquiries in respect of all of the Tenements as follows (**Searches**):

(a) we have obtained mining tenement register searches of the Tenements from the registers maintained by the Western Australian Department of Mines and Petroleum (**DMP**) (**Tenement Searches**). These searches were conducted on 28 October 2019, 29 October 2019 and 27 November 2019 and updated on 5 June 2020. Key details on the status of the Tenements are set out in Part I of this Report;

(b) we have obtained results of searches of the schedule of native title applications, register of native title claims, national native title register, register of indigenous land use agreements and national land use agreements as maintained by the National Native Title Tribunal (**NNTT**) for any native title claims (registered or unregistered), native title determinations and indigenous land use agreements (**ILUAs**) that overlap or apply to the Tenements. This material was obtained on 29 October 2019 and 27 November 2019 and updated on 9 June 2020. Details of any native title claims (registered or unregistered), native title determinations and ILUAs are set out in Section 7 of this Report and Part II of this Report;

(c) we have obtained searches from the online Aboriginal Heritage Enquiry System maintained by the Department of Indigenous Affairs (**DIA**) for any Aboriginal sites registered on the Western Australian Register of Aboriginal sites over the Tenements (**Heritage Searches**). These searches were conducted on 28 October 2019 and 27 November 2019 and updated on 24 February 2020;

(d) we have obtained quick appraisal user searches of Tengraph which is maintained by the DMP to obtain details of features or interests affecting the Tenements (**Tengraph Searches**). These searches were conducted on 28 October 2019 and 27 November 2019 and updated on 9 June 2020. Details of any material issues identified from the Tengraph Searches are set out in the notes to Part I of this Report; and

(e) we have reviewed all material agreements relating to the Tenements provided to us or registered as dealings against the Tenements as at the date of the Tenement Searches and have summarised the material terms (details of which are set out in Part III of this Report).

3. OPINION

As a result of our Searches, but subject to the assumptions and qualifications set out in this Report, we are of the view that, as at the date of the relevant Searches, this Report provides an accurate statement as to:

(a) the Company's interest in the Tenements;

(b) the validity and good standing of the Tenements; and

(c) third party interests, including encumbrances, in relation to the Tenements.

4. EXECUTIVE SUMMARY

Subject to the qualifications and assumptions in this Report, we consider the following to be material issues in relation to the Tenements:

(a) **Crown land**

Land the subject of the Tenements overlaps Crown land. Further details are provided in Section 8 of this Report. The Mining Act imposes prohibitions on prospecting, exploration and mining activities and restrictions on access to certain parts of mining tenements that overlap Crown land without the prior agreement of the occupier, which commonly involves the tenement holder paying compensation to the occupier of the Crown land. Although the Company will be able to undertake its proposed activities on those parts of the granted Tenements not covered by the prohibitions and pass over those parts of the Tenements to which the restrictions do not apply immediately upon listing on ASX, the Company should consider entering into access and compensation agreements with the occupiers of the Crown land upon commencement of those activities in the event further activities are required on other areas of the Tenements which are subject to prohibitions or restrictions.

(b) **Company's interest**

Watershed and Mt Marshall have a registered interest in Tenements E70/5001 and E70/5039.

(c) **Material contracts**

Please refer to Part 3 of this Report for a summary of the Access and Exploration Agreement entered into between by the Titleholder of the Private Land covered by Exploration License E70/5039 and Mt Marshall.

(d) **Native title and Aboriginal Heritage**

The Tenements are each within the external boundaries of native title claims and indigenous land use agreements, as described in Part II.

5. DESCRIPTION OF THE TENEMENTS

The Tenements comprise of two registered exploration licenses, and six pending exploration licenses applied for, under the *Mining Act 1978* (WA) (**Mining Act**). The Tenement Schedule in Part 1 of this Report provides a list of the Tenements. This section of the Report provides a description of the nature and key terms of this type of mining tenement as set out in the Mining Act and potential successor tenements.

5.1 Exploration Licence

(a) **Rights**

The holder of an exploration licence is entitled to enter the land for the purposes of exploration for minerals with employees and contractors and such vehicles, machinery and equipment as may be necessary or expedient.

(b) **Term**

An exploration licence has a term of 5 years from the date of grant. The Minister may extend the term by a further period of 5 years followed by a further period or periods of 2 years.

(c) **Retention status**

The holder of an exploration licence granted after 10 February 2006 may apply for approval of retention status for the exploration licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the exploration licence but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years. However, the Minister has the right to impose a programme of works or require the holder to apply for a mining lease.

(d) **Conditions**

Exploration licences are granted subject to various standard conditions, including conditions relating to minimum expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. These standard conditions are not detailed in Part I of this Report. A failure to comply with these conditions or obtain an exemption from compliance may lead to forfeiture of the exploration licence.

(e) **Relinquishment**

The holder of an exploration licence applied for and granted after 10 February 2006 must relinquish not less than 40% of the blocks comprising the licence at the end of the fifth year. A failure to lodge the required partial surrender could render the tenement liable for forfeiture.

(f) **Priority to apply for mining lease**

The holder of an exploration licence has priority to apply for a mining lease over any of the land subject to the exploration licence. Any application for a mining lease must be made prior to the expiry of the exploration licence. The exploration licence remains in force until the application for the mining lease is determined.

(g) **Transfer**

No legal or equitable interest in an exploration licence can be transferred or otherwise dealt with during the first year of its term without the prior written consent of the Minister. Thereafter, there is no restriction on transfer or other dealings.

5.2 Mining lease

(a) **Application**

Any person may lodge an application for a mining lease, although a holder of a prospecting licence, exploration licence or retention licence over the

relevant area has priority. The Minister decides whether to grant an application for a mining lease.

The application, where made after 10 February 2006, must be accompanied by either a mining proposal or a statement outlining mining intentions and a "mineralisation report" indicating there is significant mineralisation in the area over which a mining lease is sought. A mining lease accompanied by a "mineralisation report" will only be approved where the Director, Geological Survey considers that there is a reasonable prospect that the mineralisation identified will result in a mining operation.

(b) **Rights**

The holder of a mining lease is entitled to mine for and dispose of any minerals on the land in respect of which the lease was granted. A mining lease entitles the holder to do all acts and things necessary to effectively carry out mining operations.

(c) **Term**

A mining lease has a term of 21 years and may be renewed for successive periods of 21 years. Where a mining lease is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

(d) **Conditions**

Mining leases are granted subject to various standard conditions, including conditions relating to expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. An unconditional performance bond may be required to secure performance of these obligations. A failure to comply with these conditions may lead to forfeiture of the mining lease. These standard conditions are not detailed in Part I of this Report.

(e) **Transfer**

The consent of the Minister is required to transfer a mining lease.

5.3 Miscellaneous licence

(a) **Application**

Any person may apply for a miscellaneous licence. The mining registrar or warden decides whether to grant an application for a miscellaneous licence. A miscellaneous licence may be granted for a prescribed purpose that is directly connected with mining operations. An application for a miscellaneous licence cannot be legally transferred and continues in the name of the applicant.

(b) **Rights**

The holder of a miscellaneous licence is entitled to carry out the activities for the purpose specified in the miscellaneous licence.

(c) **Term**

A miscellaneous licence granted or applied for before 6 June 1998 has a term of 5 years and the Minister may renew it for a further term of 5 years and if so, must renew for a further term or terms of 5 years. A miscellaneous licence applied for and granted after 6 June 1998 has a term of 21 years and the Minister may renew for a further term of 21 years and if so, must renew for a further term or terms of 21 years. Where a miscellaneous licence is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

(d) **Conditions**

A miscellaneous licence is granted subject to various standard conditions. A failure to comply with these conditions may lead to forfeiture of the miscellaneous licence. These standard conditions are not detailed in this Report.

(e) **Transfer**

The consent of the Minister is required to transfer a miscellaneous licence.

6. ABORIGINAL HERITAGE

No Aboriginal sites were identified from the Heritage Searches. However, there is no obligation under the relevant legislation to register sites or objects and the exact location of Aboriginal sites within the area of a known site cannot be ascertained from these searches.

It is important to note that an Aboriginal site may:

(a) exist in any area of Western Australia;

(b) not have been recorded in the Register of Aboriginal Sites or elsewhere; and

(c) not have been identified in previous heritage surveys or reports on that area,

but remains fully protected under the *Aboriginal Heritage Act 1972* (WA). Therefore, the absence of any reference to an Aboriginal site of interest from the Aboriginal Heritage Inquiry System is not conclusive.

We have not obtained information from the Commonwealth in connection with any places, areas and objects, which are registered or recognised in the National Heritage List, the Commonwealth Heritage List or other heritage lists or registers maintained by the Commonwealth.

The Company must ensure that it does not breach the Commonwealth and applicable State legislation relating to Aboriginal heritage as set out below. To ensure that it does not contravene such legislation, it would be prudent for the Company (and it would accord with industry practice and Aboriginal expectations) to conduct heritage surveys to determine if any Aboriginal sites or objects exist within the area of the Tenements. Any interference with these sites or objects must be in strict conformity with the provisions of the relevant legislation. It may also be necessary for the Company to enter into separate arrangements with the traditional owners of the sites.

6.2 Commonwealth legislation

The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal areas and objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which have the potential to halt exploration activities. Compensation is payable by the Minister for Aboriginal Affairs to a person who is, or is likely to be, affected by a permanent declaration of preservation.

It is an offence to contravene a declaration made under the Commonwealth Heritage Act.

6.3 Western Australian legislation

Tenements are granted subject to a condition requiring observance of the *Aboriginal Heritage Act 1972 (WA)* (**WA Heritage Act**).

The WA Heritage Act makes it an offence to alter or damage sacred ritual or ceremonial Aboriginal sites and areas of significance to Aboriginal persons (whether or not they are recorded on the register or otherwise known to the Register of Aboriginal Sites, DIA or the Aboriginal Cultural Material Committee).

The Minister's consent is required where any use of land is likely to result in the excavation, alteration or damage to an Aboriginal site or any objects on or under that site.

Aboriginal sites may be registered under the WA Heritage Act. However, there is no requirement for a site to be registered. The WA Heritage Act protects all registered and unregistered sites.

7. NATIVE TITLE

7.1 Introduction

This section of the Report examines the effect of native title on the Tenements.

The existence of native title rights held by indigenous Australians was first recognised in Australia in 1992 by the High Court in the case *Mabo v. Queensland (no.2) (1992) 175 CLR 1* (**Mabo no.2**).

The High Court in Mabo no. 2 held that certain land tenure existing as at the date of that case, including mining tenements, where granted or renewed without due regard to native title rights, were invalid. The High Court concluded that:

(a) native title has been wholly extinguished in respect of land the subject of freehold, public works or other previous "exclusive possession" acts; and

(b) native title has been partially extinguished as a result of the grant of "non-exclusive possession" pastoral leases and mining leases, and also as a result of the creation of certain reserves.

As a result of Mabo no. 2, the *Native Title Act 1993* (Cth) (**NTA**) was passed to:

(a) provide a process for indigenous people to lodge claims for native title rights over land, for those claims to be registered by the NNTT and for the Courts to assess native title claims and determine if native title rights exist. Where a Court completes the assessment of a native title claim, it will issue a native title determination that specifies whether or not native title rights exist;

(b) provide (together with associated State legislation) that any land tenures granted or renewed before 1 January 1994 were valid despite Mabo no. 2 (**Past Acts**). This retrospective validation of land tenure was subsequently extended by the NTA to include freehold and certain leasehold (including pastoral leases) granted or renewed before 23 December 1996 (**Intermediate Period Acts**). Broadly speaking, this means that native title is not extinguished, merely suspended, for the duration of the mining tenement; and

(c) provide that an act that may affect native title rights (such as the grant or renewal of a mining tenement) carried out after 23 December 1996 (a **Future Act**) must comply with certain requirements for the Future Act to be valid under the NTA. These requirements are called the **Future Act Provisions**.

7.2 Future Act Provisions

The Future Act Provisions vary depending on the Future Act to be carried out. In the case of the grant of a mining tenement, typically there are four alternatives: the Right to Negotiate, an ILUA, the Infrastructure Process (defined below) and the Expedited Procedure. These are summarised below.

Right to Negotiate

The Right to Negotiate involves a formal negotiation between the State, the applicant for the tenement and any registered native title claimants and holders of native title rights. The aim is to agree the terms on which the tenement can be granted. The applicant for the tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title. The parties may also agree on conditions that will apply to activities carried out on the tenement (e.g. in relation to heritage surveys). The classes of conditions typically included in a mining agreement are set out at section 7.3 below.

If agreement is not reached to enable the tenement to be granted, the matter may be referred to arbitration before the NNTT, which has six (6) months to decide whether the State, the applicant for the tenement and any registered native title claimants and holders of native title rights have negotiated in good faith (only if the issue is raised by one of the parties) and then whether the tenement can be granted and if so, on what conditions. The earliest an application for arbitration can be made to the NNTT is six (6) months after the date of notification of commencement of negotiations by the DMP.

If the Right to Negotiate procedure is not observed, the grant of the mining tenement will be invalid to the extent (if any) that it affects native title.

ILUA

An ILUA is a contractual arrangement governed by the NTA. Under the NTA, an ILUA must be negotiated with all registered native title claimants for a relevant area. The State and the applicant for the tenement are usually the other parties to the ILUA.

An ILUA must set out the terms on which a tenement can be granted. An ILUA will also specify conditions on which activities may be carried out within the tenement. The applicant for a tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title in return for the grant of the tenement being approved. These obligations pass to a transferee of the tenement.

Once an ILUA is agreed and registered, it binds the whole native title claimant group and all holders of native title in the area (including future claimants), even though they may not be parties to it.

The following tenements overlap land which is subject to an ILUA:

Affected Tenements	Encroachment (overlap) Percentage	Name of ILUA and ID Number
E70/5001	28.98%	Yued Indigenous Land Use Agreement (WI2015/009)
E70/5322	100%	
E70/5039	100%	Ballardong People Indigenous Land Use Agreement (WI2017/012)
E70/5332	52.41%	
E70/5334	100%	
E70/5323	20.82%	Yamatji Nation Indigenous Land Use Agreement (WI2020/002)[1]
E70/5324	35.71%	

Notes:

1. The Yamatji Nation Indigenous Land Use Agreement was submitted to the National Native Title Tribunal for registration on 12 March 2020. Please note, the Agreement does not take effect until it is conclusively registered.

Prior to conducting any exploration or mining activity on the land that is the subject of these ILUAs, the Company must enter an Aboriginal Heritage Agreement with the Native Title Agreement Group or Regional Corporation for the relevant ILUA (i.e. the Yued or Ballardong People) or, failing such agreement being reached between the Parties within 20 Business Days of the commencement of negotiations, execute and enter into a NSHA (Noongar Standard Heritage Agreement) subject only to any necessary modifications in terminology required for the tenure. Further details with respect to the ILUAs is set out in Part II of this Report.

Infrastructure Process

The NTA establishes a simplified process for the carrying out of a Future Act that is the creation of a right to mine for the sole purpose of the construction of an infrastructure

facility (**Infrastructure Process**). The NTA defines infrastructure facility to include a range of transportation, marine, aeronautical, electrical, oil, gas, mineral and communication facilities. In Western Australia, DMP applies the Infrastructure Process to two classes of mining tenements:

(a) miscellaneous licences for most purposes under the Mining Regulations 1981 (WA) that but, notably, not for a mine site administration facility or a mine site accommodation facility (both of which are dealt with under the Right to Negotiate) or for a search for groundwater (which is dealt with under the Expedited Procedure); and

(b) most general purpose leases.

The State commences the Infrastructure Process by giving notice of the proposed grant of the tenement to any registered native title claimants or native title holders in relation to the land to be subject to the tenement. Those registered native title claimants or holders have two (2) months after the notification date to object in relation to the effect of the grant of the tenement on any registered or determined native title rights. Any objection is lodged with DMP.

If a registered native title claimant or holder objects, the applicant for the tenement must consult with that claimant or holder about:

(a) ways of minimising the effect of the grant of the tenement on any registered or determined native title rights;

(b) if relevant, any access to the land; and

(c) the way in which anything authorised by the tenement may be done.

If the registered native title claimant or holder does not subsequently withdraw their objection, the State is required to ensure that the objection is heard by an independent person (in Western Australia, this is the Chief Magistrate).

The independent person must determine whether or not the registered native title claimant or holder's objection should be upheld or other conditions should be imposed on the tenement.

Expedited Procedure

The NTA establishes a simplified process for the carrying out of a Future Act that is unlikely to adversely affect native title rights (**Expedited Procedure**). The grant of a tenement can occur under the Expedited Procedure if:

(a) the grant will not interfere directly with the carrying on of the community or social activities of the persons who are the holders of native title in relation to the land;

(b) the grant is not likely to interfere with areas or sites of particular significance, in accordance with their traditions, to the persons who are holders of native title in relation to the land; and

(c) the grant is not likely to involve major disturbance to any land or waters concerned or create rights whose exercise is likely to involve major disturbance to any land.

If the State considers the above criteria are satisfied, it commences the Expedited Procedure by giving notice of the proposed grant of the tenement in accordance with the NTA. Persons have until three (3) months after the notification date to take steps to become a registered native title claimant or native title holder in relation to the land to be subject to the tenement.

If there is no objection lodged by a registered native title claimant or a native title holder within four (4) months of the notification date, the State may grant the tenement.

If one or more registered native title claimants or native title holders object within that four (4) month notice period, the NNTT must determine whether the grant is an act attracting the Expedited Procedure. If the NNTT determines that the Expedited Procedure applies, the State may grant the tenement. Otherwise, the Future Act Provisions (e.g. Right to Negotiate or ILUA) must be followed before the tenement can be granted.

The State of Western Australia currently follows a policy of granting mining leases, prospecting licences and exploration licences under the Expedited Procedure where the applicant has entered into a standard Aboriginal heritage agreement with the relevant registered native title claimants and native title holders. The standard Aboriginal heritage agreement provides a framework for the conduct of Aboriginal heritage surveys over the land the subject of a tenement prior to the conducting of ground-disturbing work and conditions that apply to activities carried out within the tenement.

Exception to requirement to comply with Future Act Provisions

The grant of a tenement does not need to comply with the Future Act Provisions if in fact native title has never existed over the land covered by the tenement, or has been validly extinguished prior to the grant of the tenement. We have not undertaken the extensive research needed to determine if in fact native title does not exist, or has been validly extinguished in relation to the Tenements.

Unless it is clear that native title does not exist (e.g. in relation to freehold land), the usual practice of the State is to comply with the Future Act Provisions when granting a tenement. This ensures the grant will be valid in the event a court determines that native title rights do exist over the land subject to the tenement.

Where a tenement has been retrospectively validated or validly granted under the NTA, the rights under the tenement prevail over any inconsistent native title rights.

Application to the Tenements

The following sections of the Report identify:

(a) any native title claims (registered or unregistered), native title determinations and ILUAs in relation to the Tenements (see Section 7.4);

(b) any Tenements which have been retrospectively validated under the NTA as being granted before 23 December 1996 (see Section 7.5);

(c) any Tenements which have been granted after 23 December 1996 and as such will need to have been granted following compliance with the Future Act Provisions to be valid under the NTA. This Report assumes that the Future

Act Provisions have been complied with in relation to these Tenements (see Section 7.5); and

(d) any Tenements which are yet to be granted and as such may need to be granted in compliance with the Future Act Provisions in order to be valid under the NTA (see Section 7.5).

7.3 Native title claims, native title determinations and ILUAs

Our searches indicate that the Tenements are within the external boundaries of the native title claims specified in Part II of the Schedule. All of these claims are yet to be determined by the Federal Court. Five of these claims (WC1997/071, WC2017/002, WC2000/007, WC2017/007-3 and WC2017/007-1) are registered and three of the claims (WC2003/006, WC2019/008 and WC2017/007-2) were not accepted for registration, and one of these claims (WP2019/001) is currently in the stage of pre-notification.

Our searches returned two results for ILUAs in relation to the Tenements.

Registered native title claimants (and holders of native title under the determinations) are entitled to certain rights under the Future Act Provisions in respect of land in which native title may continue to subsist.

Freehold land

We have assumed that all of the freehold land the subject of the Tenements was validly granted prior to 23 December 1996 and that therefore:

(a) native title has been extinguished in respect of that land; and

(b) registered native title claimants (and determined native title holders) are not entitled to rights under the Future Act Provisions in respect of that land.

The Company has advised us that it proposes to undertake exploration and, subject to receipt of relevant approvals, mining activities on areas designated as freehold land. On the basis that native title is extinguished over freehold land, the Company will not be required to enter into negotiations with respect to native title in order to conduct its activities.

Non-freehold land

Native title may continue to subsist in certain parcels of non-freehold land or 'Crown land', including pastoral leases, vacant/unallocated Crown land and certain Crown reserves that were not vested prior to 23 December 1996 and which have not been subsequently developed as public works.

Unless it is essential that the Company has access to any of the above-mentioned parcels (or any other non-freehold land), it is recommended that all parcels of non-freehold land are excised from any applications for mining leases. If the Company wishes to undertake mining activities on any of the above-mentioned parcels, we expect the Right to Negotiate to apply.

Native title mining agreement

A typical native title mining agreement would impose obligations on the Company in relation to the matters set out below.

(a) **Compensation**

The Company may be required to make a number of milestone payments prior to commencement of production (e.g. at signing of the agreement and at decision to mine). The specific amount of these payments is dependent on a number of factors such as the type of activity and size of the project and is generally determined and agreed upon by the parties on a case by case basis.

(b) **Aboriginal heritage**

The Company would be required to give notice prior to any ground-disturbing activities and to conduct an Aboriginal heritage survey through the relevant registered native title claimants prior to doing so. The Company's right to apply to disturb Aboriginal sites under the *Aboriginal Heritage Act 1972* (WA) would be subject to, as a minimum, an obligation to consult with the registered native title claimants prior to doing so.

(c) **Access**

The Company would be required to avoid unreasonably restricting the registered native title claimants' rights of access to the relevant areas.

(d) **Environment**

The Company would be required to provide copies of all of its environmental approvals to the registered native title claimants. The Company may be required to consider funding the participation of the registered native title claimants in its environmental survey and monitoring processes.

(e) **Training, employment and contracting**

The Company would be required to provide certain training, employment and contracting benefits to the registered native title claimants, which may include measures such as funding for Aboriginal scholarships or traineeships, implementation of an Aboriginal training and employment policy and business development assistance for Aboriginal contractors or entities that work with Aboriginal contractors (e.g. in joint venture arrangements).

(f) **Cross-cultural awareness**

The Company would be required to ensure that all of its employees and contractors participate in cross-cultural awareness training, which would be likely to be coordinated by the registered native title claimants.

(g) **Social impact**

The Company may be asked to fund a study into the social impact of its operations, including the social impact on the registered native title claimants.

7.4 Validity of Tenements under the NTA

Our Searches indicate that the Tenements are within the external boundaries of the following native title claims, native title determinations and ILUAs:

Native Title Claim	Affected Tenements	Native Title Determination	ILUA
WC1997/071	E70/5001 E70/5322	Active Claim. No determination. Accepted for registration.	Yued Indigenous Land Use Agreement (WI2015/009)
WC2017/002	E70/5001 E70/5323 E70/5324	Active Claim. No determination. Accepted for registration.	Not Applicable.
WC2003/006	E70/5001 E70/5332 E70/5334	Active Claim. Not accepted for registration. No determination.	Not Applicable.
WC2019/008	E70/5001 E70/5323 E70/5324	Active Claim. Not accepted for registration. No determination.	Not Applicable.
WC2000/007	E70/5039 E70/5332 E70/5334	Active Claim. No determination. Accepted for registration.	Ballardong People Indigenous Land Use Agreement (WI2017/012)
WC2003/006	E70/5039 E70/5332 E70/5334	Active claim. Not accepted for registration. No determination.	Not Applicable.
WC2017/007	E70/5332 E70/5333	Active Claim No determinations. WC2017/007-1 and WC2017/007-3 were accepted for registration. WC2017/007-2 was not accepted for registration.	Not Applicable.
WP2019/007	E70/5332	Active claim Pre-notification No determination	Not Applicable.
WP2019/001	E70/5001 E70/5039	Active claim Pre-notification	Not Applicable.

Native Title Claim	Affected Tenements	Native Title Determination	ILUA
	E70/5322 E70/5332 E70/5334	No determination	
WCD2020/001	E70/5323 E70/5324	Determined Native Title exists in parts of the determination area	Not Applicable
WI2020/002	E70/5323 E70/5324	Active claim Yet to be accepted for registration	Yamatji Nation Indigenous Land Use Agreement (WI2020/002)[1]

Notes:

1. The Yamatji Nation Indigenous Land Use Agreement was submitted to the National Native Title Tribunal for registration on 12 March 2020. Please note, the Agreement does not take effect until it is conclusively registered.

The status of any native title claims, native title determinations and ILUAs is summarised in Part II of this Report.

Native title claimants, holders of native title under the determinations and native title parties under ILUAs are entitled to certain rights under the Future Act Provisions.

7.5 Validity of Tenements under the NTA

The sections below examine the validity of the Tenements under the NTA.

Tenements granted after 23 December 1996

Our Searches indicate that the only granted Tenements in which the Company has an interest were granted after 23 December 1996.

Tenement	Date of Grant
E70/5001	14/06/2018
E70/5039	25/10/2018
E70/5322	Pending
E70/5323	Pending
E70/5324	Pending
E70/5332	Pending
E70/5333	Pending
E70/5334	Pending

We have assumed that these Tenements were granted in accordance with the Future Act Provisions and as such are valid under the NTA.

Tenements renewed after 23 December 1996

Renewals of mining tenements made after 23 December 1996 must comply with the Future Act Provisions in order to be valid under the NTA.

An exception is where the renewal is the first renewal of a mining tenement that was validly granted before 23 December 1996 and the following criteria are satisfied:

(a) the area to which the mining tenement applies is not extended;

(b) the term of the renewed mining tenement is no longer than the term of the old mining tenement; and

(c) the rights to be created are not greater than the rights conferred by the old mining tenement.

In such cases, the mining tenement can be renewed without complying with the Future Act Provisions. It is currently uncertain whether this exemption applies to a second or subsequent renewal of such a mining tenement.

Our Searches indicate that none of the Tenements were renewed after 23 December 1996.

Renewals of Tenements in the future will need to comply with the Future Act Provisions in order to be valid under the NTA. The registered native title claimants, holders of native title and native title parties to any ILUA identified in Section 7.3 of this Report will need to be involved as appropriate under the Future Act Provisions.

8. CROWN LAND AND RESERVES

8.1 Crown Land

As set out in Part I of this Report, land the subject of the Tenements overlaps Crown land as set out in the table below.

Tenement	Crown Land	% Overlap
E70/5001	Unallocated Crown Land	10.76%
E70/5323	Unallocated Crown Land	52.55%
E70/5332	Unallocated Crown Land	<0.01%
E70/5334	Unallocated Crown Land	0.14%

The Mining Act:

(a) prohibits the carrying out of prospecting, exploration or mining activities on Crown land that is less than 30 metres below the lowest part of the natural surface of the land:

(i) for the time being under crop (or within 100 metres of that crop);

(ii) used as or situated within 100 metres of a yard, stockyard, garden, cultivated field, orchard vineyard, plantation, airstrip or airfield;

(iii) situated within 100 metres of any land that is an actual occupation and on which a house or other substantial building is erected;

(iv) the site of or situated within 100 metres of any cemetery or burial ground; or

(v) if the Crown land is a pastoral lease, the site of or situated within 400 metres of any water works, race, dam, well or bore not being an excavation previously made and used for purposes by a person other than the pastoral lessee,

without the written consent of the occupier, unless the warden by order otherwise directs.

(b) imposes restrictions on a tenement holder passing over Crown land referred to in section 7.1(a), including:

(i) taking all necessary steps to notify the occupier of any intention to pass over the Crown land;

(ii) the sole purpose for passing over the Crown land must be to gain access to other land not covered by section 7.1(a) to carry out prospecting, exploration or mining activities;

(iii) taking all necessary steps to prevent fire, damage to trees, damage to property or damage to livestock by the presence of dogs, the discharge of firearms, the use of vehicles or otherwise; and

(iv) causing as little inconvenience as possible to the occupier by keeping the number of occasions of passing over the Crown land to a minimum and complying with any reasonable request by the occupier as to the manner of passage.

(c) requires a tenement holder to compensate the occupier of Crown land:

(i) by making good any damage to any improvements or livestock caused by passing over Crown land referred to in section 7.1(a) or otherwise compensate the occupier for any such damage not made good; and

(ii) in respect of land under cultivation, for any substantial loss of earnings suffered by the occupier caused by passing over Crown land referred to in section 7.1(a).

The warden may not give the order referred to in section 7.1(a) that dispenses with the occupier's consent in respect of Crown land covered by section 7.1(a). In respect of other areas of Crown land covered by the prohibition in section 7.1(a) the warden may not make such an order unless he is satisfied that the land is genuinely required for mining purposes and that compensation in accordance with the Mining Act for all loss or damage suffered or likely to be suffered by the occupier has been agreed between the occupier and the tenement holder or assessed by the warden under the Mining Act.

Although the Company will be able to undertake its proposed activities on those parts of the Tenements not covered by the prohibitions and pass over those parts of the

Tenements to which the restrictions do not apply immediately upon listing on ASX, the Company should consider entering into access and compensation agreements with the occupiers of the Crown land upon commencement of those activities in the event further activities are required on other areas of the Tenements which are subject to prohibitions or restrictions.

8.2 Crown Reserves

Land the subject of the Tenements overlaps Crown reserves as set out in the table below.

Tenement	Crown reserve	Class	% overlap
E70/5001	R 35499 "C" Class Reserve Government Requirements	C	34.36%
E70/5322	R 29801 "C" Class Reserve Public Recreation & Camping	C	3.44%
E70/5322	R 35565 "C" Class Reserve Sub Station Site	C	<0.01%
E70/5323	R 35499 "C" Class Reserve Government Requirements	C	33.01%
E70/5323	R 38966 "C" Class Reserve Natural Gas Pipeline Purposes	C	1.05%
E70/5323	R 38967 "C" Class Reserve Dampier to Bunbury Pipeline Act 1997	C	0.01%
E70/5324	R 35499 "C" Class Reserve Government Requirements	C	60.95%
E70/5332	R 16423 "C" Class Reserve Water	C	0.02%
E70/5332	R 19373 "C" Class Reserve Water	C	0.03%
E70/5332	R 16990 "C" Class Reserve Fire Station Site	C	<0.01%
E70/5332	R 16992 "C" Class Reserve Excepted from Sale	C	<0.01%
E70/5332	R 17772 "C" Class Reserve Cemetery	C	0.01%
E70/5332	R 18192 "C" Class Reserve Methodist Church Site	C	<0.01%
E70/5332	R 18561 "C" Class Reserve Recreation	C	0.04%
E70/5332	R 23182 "C" Class Reserve Stopping Place for Travellers and Stock and for Protection of Flora	C	0.02%
E70/5332	R 33149 "C" Class Reserve Railway Purposes	C	<0.01%
E70/5333	R 21659 "C" Class Reserve Recreation	C	0.02%

Tenement	Crown reserve	Class	% overlap
E70/5334	R 20123 "C" Class Reserve Excepted from Sale	C	<0.01%
E70/5334	R 20181 "C" Class Reserve Recreation	C	0.36%
E70/5334	R 20233 "C" Class Reserve Use and requirements of the Shire of Wongan-Ballidu	C	<0.01%
E70/5334	R 20865 "C" Class Reserve Church of England Church Site	C	<0.01%
E70/5334	R 21098 "C" Class Reserve for the Purpose of the School Education Act 1999	C	0.01%
E70/5334	R 22496 "C" Class Reserve Saleyards	C	0.03%
E70/5334	R 23954 "C" Class Reserve Church Site	C	<0.01%
E70/5334	R 23955 "C" Class Reserve Recreation Children's Playground	C	<0.01%
E70/5334	R 20865 "C" Class Reserve Roman Catholic Church Site	C	<0.01%
E70/5334	R 26071 "C" Class Reserve Pre School Centre and Children's Playground	C	<0.01%
E70/5334	R 26539 "C" Class Reserve Water Supply	C	0.01%
E70/5334	R 29564 "C" Class Reserve Camping	C	<0.01%
E70/5334	R 32966 "C" Class Reserve Railway Purposes	C	<0.01%
E70/5334	R 36158 "C" Class Reserve Water Supply	C	<0.01%
E70/5334	R 44502 "C" Class Reserve Bush Fire Brigade Depot	C	<0.01%
E70/5334	R 48920 "C" Class Reserve Water Chlorination Plant	C	<0.01%

Under section 41 of the *Land Administration Act 1997* (WA) (**LAA**) the Minister may set aside Crown lands by Ministerial Order in the public interest. Every such reservation has its description and designated purpose registered on a Crown Land Title (**CLT**) and is depicted on an authenticated map held by Landgate.

The *Land Act 1933* (WA) provided for State reserves to be classified as Class A, B or C. There is no provision in the LAA to create new Class B reserves and there is no longer reference to Class C reserves.

Upon the *Land Act 1933* (WA) being repealed, all Class C reserves became reserved land under the LAA. Schedule 3 of the *Land Administration Amendment Act 2000* (WA), at section 3(5), provides that any land which was classified as a Class C reserve, upon the day the LAA came into operation, is to be treated as a reserve within the meaning of the LAA. Tenement holders are limited as to what activities may be

undertaken on reserved land, requiring the written consent of the Minister for Mines and Petroleum.

Class A affords the greatest degree of protection for reserved lands, requiring approval of Parliament to amend the reserve's purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue but are no longer created under the LAA. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session.

Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a Management Order registered against the relevant CLT. A Management Order under the LAA does not convey ownership of the land – only as much control as is essential for the land's management.

8.3 Flora and Fauna Reserves

Land the subject of the Tenements overlaps flora and fauna reserves as set out in the table below.

Tenement	Crown reserve	Class	% overlap
E70/5001	R 31030 "C" Class Reserve Conservation of Flora and Fauna	C	5.59%
E70/5332	R 16683 "A" Class Reserve Conservation of Flora and Fauna	A	0.4%
E70/5332	R 17771 "A" Class Reserve Conservation of Flora and Fauna	A	0.49%
E70/5332	R 18950 "A" Class Reserve Conservation of Flora and Fauna	A	0.02%
E70/5332	R 19036 "A" Class Reserve Conservation of Flora and Fauna	A	0.04%
E70/5333	R 14429 "A" Class Reserve Conservation of Flora and Fauna	A	0.62%
E70/5334	R 20571"A" Class Reserve Conservation of Flora and Fauna	A	0.18%
E70/5334	R 24060 "A" Class Reserve Conservation of Flora and Fauna	A	0.25%

State Government policy provides that mining should not occur on national parks, nature reserves, conservation parks or state forests and, where possible, a tenement applicant is encouraged to excise the conservation area from the area of the application.

The Company has advised that in relation to E70/5001, E70/5332, E70/5333 and E70/5334 the areas that overlap flora and fauna reserve R 31030, R 16683, R 17771, R 18950, R 19036, R 14429 and R 24060 were not excised from the tenement application.

If a conservation area is not excised, the DMP will refer the application to the Department of Environment and Conservation for comment and or consent. Under the Mining Act, mineral exploration on national parks, class "A" nature reserves and certain conservation parks requires the concurrence of the Minister of Environment and Conservation. In relation to nature reserves other than class "A" reserves, and certain conservation parks, the Minister for the Environment and Conservation is required to give his recommendation in relation to the grant.

Where the Minister for the Environment and Conservation concurs with the grant or provides recommendations in relation to the grant, additional conditions and endorsements are generally placed on the tenement. These conditions are designed to minimise the impacts on the environment and to draw the tenement holder's attention to the requirements under other environmental protection legislation.

It is noted that class "A" nature reserves attract restrictions on mining activities within the conservation reserves, including:

(a) a mining lease or a general purpose lease cannot be granted over a class A reserve without the consent of both Houses of Parliament; and

(b) mining can only be commenced in a class A reserve with the approval of the Minister for Mines and Petroleum and the Minister for Environment and Conservation.

9. ENCROACHMENTS

Where an application is encroached upon by a live tenement, the application as granted will be for a tenement reduced by that amount of land which falls under the live tenement licence.

E70/5323 is being encroached by M 267SA by 32.75%.

E70/5333 is being encroached by M 70/324 by <0.01% and M 70/439 by 0.82%.

E70/5334 is being encroached by L 70/184 by <0.01%.

10. PRIVATE LAND

Generally and subject to certain exceptions and limitations, private land which is not already subject to a mining tenement is considered open for mining under the Mining Act, and a mining tenement may be issued in relation to such land, entitling the holder to the rights granted thereby. However, a tenement may not be granted in respect of private land which is:

(a) in *bona fide* and regular use as a yard, stockyard, garden, orchard, vineyard, plant nursery or plantation or is land under cultivation or within 100m of that site;

(b) the site of a cemetery or burial ground or within 100 metres of that site;

(c) the site of a dam, bore, well or spring or within 100 metres of that site;

(d) on which there is erected a substantial improvement or within 100 metres of that improvement; or

(e) a parcel of land with an area of 2,000 square metres or less,

unless the written consent of the private landholder and any other occupier is obtained, or the tenement is only granted in respect of the land below 30 metres from the surface of the private land. If the tenement is only granted in respect of the land below 30 metres from the surface of the private land, the tenement holder can apply to the Minister for the land between the surface and 30 metres depth to be included in the tenement, which application may be granted provided that the private landowner has consented to such land being included in the tenement.

As set out in the Schedule in Part I of this Report, the land the subject of the Tenements is overlapped by private land as follows:

Tenement	Land Type	Land Parcels Affected	% overlap
E70/5001	Private/Freehold	4	33.10%
E70/5001	Private/Freehold	3	12.86%
E70/5039	Private/Freehold	32	88.88%
E70/5039	Private/Freehold	2	9.67%
E70/5322	Private/Freehold	6	75.87%
E70/5322	Private/Freehold	2	19.85%
E70/5323	Private/Freehold	1	0.31%
E70/5323	Private/Freehold	1	10.77%
E70/5324	Private/Freehold	1	0.08%
E70/5324	Private/Freehold	1	0.88%
E70/5332	Private/Freehold	115	97.37%
E70/5332	Private/Freehold	1	0.14%
E70/5333	Private/Freehold	61	90.83%
E70/5333	Private/Freehold	2	7.04%
E70/5334	Private/Freehold	80	81.68%
E70/5334	Private/Freehold	13	15.18%

The owners and occupiers of any land where mining takes place are entitled according to their respective interests to compensation for all loss and damage suffered or likely to be suffered by them resulting or arising from the mining, whether or not lawfully carried out. The tenement holder may not commence mining on the surface or within a depth of 30 metres from the surface until compensation has been

agreed with the private landowner or paid in accordance with the Mining Act. Compensation may be determined by agreement between the tenement holder and private landowner or occupier, or by the warden.

Please refer to Section 3 of this Report for a summary of the Access and Exploration Agreement entered into between Mt Marshall and the owner and occupier of the Private Land the subject of the Exploration License E70/5039.

Please also refer to Section 3 of this Report for a summary of the written consent of the owner and occupier of the Private Land the subject of the Exploration License E70/5039, to the grant of E70/5039.

The owner and any other occupier may be entitled to compensation for:

(a) deprivation of the possession or use of the natural surface or any part of the land;

(b) damage to the land or any part of the land;

(c) severance of the land or any part of the land from other land of, or used by, the owner or occupier;

(d) loss or restriction of a right of way or another easement or right;

(e) loss of, or damage to, improvements;

(f) social disruption;

(g) in the case of private land that is land under cultivation, any substantial loss of earnings, delay, loss of time, reasonable legal or other costs of negotiation, disruption to agricultural activities, disturbance of the balance of the agricultural holding, the failure on the part of a person concerned in the mining to observe the same laws or requirements in relation to that land as regards the spread of weeds, pests, disease, fire or erosion, or as to soil conservation practices, as are observed by the owner or occupier of that land; and

(h) any reasonable expenses properly arising from the need to reduce or control the damage resulting or arising from the mining.

11. QUALIFICATIONS AND ASSUMPTIONS

This Report is subject to the following qualifications and assumptions:

(a) we have assumed the accuracy and completeness of all Searches, register extracts and other information or responses which were obtained from the relevant department or authority including the NNTT;

(b) we assume that the registered holder of a Tenement has valid legal title to the Tenement;

(c) this Report does not cover any third-party interests, including encumbrances, in relation to the Tenements that are not apparent from our Searches and the information provided to us;

(d) we have assumed that any agreements provided to us in relation to the Tenements are authentic, were within the powers and capacity of those who executed them, were duly authorised, executed and delivered and are binding on the parties to them;

(e) with respect to the granting of the Tenements, we have assumed that the State and the applicant for the Tenements have complied with, or will comply with, the applicable Future Act Provisions;

(f) we have assumed the accuracy and completeness of any instructions or information which we have received from the Company or any of its officers, agents and representatives;

(g) unless apparent from our Searches or the information provided to us, we have assumed compliance with the requirements necessary to maintain a Tenement in good standing;

(h) references in Part I and Part II of this Report to any area of land are taken from details shown on searches obtained from the relevant department. It is not possible to verify the accuracy of those areas without conducting a survey;

(i) the information in Part I and Part II of this Report is accurate as at the date the relevant Searches were obtained. We cannot comment on whether any changes have occurred in respect of the Tenements between the date of the Searches and the date of this Report;

(j) where Ministerial consent is required in relation to the transfer of any Tenement, we express no opinion as to whether such consent will be granted, or the consequences of consent being refused, although we are not aware of any matter which would cause consent to be refused;

(k) we have not conducted searches of the Database of Contaminated Sites maintained by the Department of the Environment and Conservation;

(l) native title may exist in the areas covered by the Tenements. Whilst we have conducted Searches to ascertain that native title claims and determinations, if any, have been lodged in the Federal Court in relation to the areas covered by the Tenements, we have not conducted any research on the likely existence or non-existence of native title rights and interests in respect of those areas. Further, the NTA contains no sunset provisions and it is possible that native title claims could be made in the future; and

(m) Aboriginal heritage sites or objects (as defined in the WA Heritage Act or under the Commonwealth Heritage Act) may exist in the areas covered by the Tenements regardless of whether or not that site has been entered on the Register of Aboriginal Sites established by the WA Heritage Act or is the subject of a declaration under the Commonwealth Heritage Act. Other than the Heritage Searches, we have not conducted any legal, historical, anthropological or ethnographic research regarding the existence or likely existence of any such Aboriginal heritage sites or objects within the area of the Tenements.

12. CONSENT

This report is given for the benefit of the Company and the directors of the Company in connection with the issue of the Prospectus and is not to be disclosed to any other person or used for any other purpose or quoted or referred to in any public document or filed with any government body or other person without our prior consent.

Yours faithfully

STEINEPREIS PAGANIN

PART I – TENEMENT SCHEDULE

TENEMENT	REGISTERED HOLDER / APPLICANT	SHARES HELD	GRANT DATE (APPLICATION DATE)	EXPIRY DATE	AREA SIZE (Blocks)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS / ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
E70/5001	Watershed Enterprise Solutions Pty Ltd (ACN 609 289 938)	100/100	14/06/2018	13/06/2023	18 BL	Current Tenement Yr to 13/06/2020 – paid in full Next Tenement Yr - $2,484.00 due by 13/06/2021	Expended Yr End 13/06/2019 – Expended in Full Current Yr - $20,000.00 due 13/06/2020	No material registered dealings or encumbrances	Endorsements 1-9 and 14-17 and conditions 1-3, 5-15, 23-25. Tengraph Interests 1, 2, 5-12	WC1997/071 WC2017/002 WC2003/006 (Not accepted for registration) WC2019/008 (Not accepted for registration) No Aboriginal Heritage Sites Registered
E70/5039	Mt Marshall Kaolin Pty Ltd (ACN 626 494 399)	100/100	25/10/2018	24/10/2023	12 BL	Current Tenement Yr to 24/10/2020 – $1,656.00 outstanding Next Tenement Yr - $1,656.00 due by 24/10/2021	Expended Yr End 24/10/2019 – Expended in full Current Yr – $20,000 due by 24/10/2020	No material registered dealings or encumbrances	Endorsements 1, 3-15 Conditions 1-4 and 16-22, 24, 26. Tengraph Interests	WC2007/007 WC2003/006 (not accepted for registration) No Aboriginal

TENEMENT	REGISTERED HOLDER / APPLICANT	SHARES HELD	GRANT DATE (APPLICATION DATE)	EXPIRY DATE	AREA SIZE (Blocks)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS / ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
									2, 4, 7, 10, 12 -14.	Heritage Sites Registered
E70/5322	Watershed Enterprise Solutions Pty Ltd (ACN 609 289 938)	100/100	(25/11/2019)	N/A	22 BL	Current Tenement Yr – to 24/11/2020 – paid in full Next Tenement Yr – N/A	N/A	No material registered dealings or encumbrances	No Endorsements or Conditions. Tengraph Interests 2, 6-12.	WC1997/071 WC2003/006 (Not accepted for registration) Aboriginal Heritage did not show
E70/5323	Watershed Enterprise Solutions Pty Ltd (ACN 609 289 938)	100/100	(25/11/2019)	N/A	7 BL	Current Tenement Yr – to 24/11/2020 – paid in full Next Tenement Yr – N/A	N/A	No material registered dealings or encumbrances	No Endorsements or Conditions Tengraph Interests 5, 6-11	WC2017/002 WC2019/008 (Not accepted for registration) WCD2020/001 (Determined) No Aboriginal Heritage Sites Registered
E70/5324	Watershed Enterprise Solutions Pty Ltd (ACN 609 289 938)	100/100	(25/11/2019)	N/A	12 BL	Current Tenement Yr – to 24/11/2020 – paid in full Next	N/A	No material registered dealings or encumbrances	No Endorsements or Conditions Tengraph	WC2017/002 WC2019/008 (Not accepted

TENEMENT	REGISTERED HOLDER / APPLICANT	SHARES HELD	GRANT DATE (APPLICATION DATE)	EXPIRY DATE	AREA SIZE (Blocks)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS / ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
						Tenement Yr – N/A			interests 2, 3, 6 – 12.	for registration) WCD2020/001 (determined). No Aboriginal Heritage Sites Registered
E70/5332	Watershed Enterprise Solutions Pty Ltd (ACN 609 289 938)	100/100	(23/12/2019)	N/A	70	Current Tenement Yr – to 22/12/2020 – paid in full Next Tenement Yr – N/A	N/A	No material registered dealings or encumbrances	No Endorsements or Conditions Tengraph interests 1,3,5-9,12,14-16	WC2003/006 (Not accepted for registration) WC2000/007 WC2017/007 (WC2017/007-2 was not accepted for registration.) WP2019/007 (pre-notification) No Aboriginal Heritage Sites Registered
E70/5333	Watershed Enterprise Solutions Pty Ltd (ACN	100/100	(23/12/2019)	N/A	58	Current Tenement Yr – to 22/12/2020 –	N/A	No material registered dealings or encumbran	No Endorsements or Conditions	WC2017/007 (WC2017/007-2 was not accepted

TENEMENT	REGISTERED HOLDER / APPLICANT	SHARES HELD	GRANT DATE (APPLICATION DATE)	EXPIRY DATE	AREA SIZE (Blocks)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS / ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
	609 289 938)					paid in full Next Tenement Yr – N/A		ces	Tengraph interests 1,6,8,9,12,16	for registration.) No Aboriginal Heritage Sites Registered
E70/5334	Watershed Enterprise Solutions Pty Ltd (ACN 609 289 938)	100/100	(23/12/2019)	N/A	49	Current Tenement Yr – to 22/12/2020 – paid in full Next Tenement Yr – N/A	N/A	No material registered dealings or encumbrances	No Endorsements or Conditions Tengraph interests 1,5-9,12,14-16	WC2003/006 (Not accepted for registration) WC2000/007 No Aboriginal Heritage Sites Registered

Key to Tenement Schedule

E – Exploration Licence

References to numbers in the "Notes" column refers to the notes following this table.

References to letters in the "Notes" column refers to the material contracts which are summarised in Part III of this Report.

Unless otherwise indicated, capitalised terms have the same meaning given to them in the Prospectus.

Please refer to Part II of this Report for further details on native title and Aboriginal heritage matters.

Tenement conditions and endorsements

ENDORSEMENTS	
1.	The Licensee's attention is drawn to the provisions of the Aboriginal Heritage Act 1972 and any Regulations thereunder.
2.	The land the subject of this Licence affects a Rare Flora site/s (including Rare Flora Site/s 102229 and 102230) declared under the Wildlife Conservation Act 1950. The Licensee is advised to contact the Department of Biodiversity Conservation and Attractions (DBCA) for information on the management of Declared Rare Flora (or Priority Listed Flora) present within the tenement area.
3.	The Licensee's attention is drawn to the Environmental Protection Act 1986 and the Environmental Protection (Clearing of Native Vegetation) Regulations 2004, which provides for the protection of all native vegetation from damage unless prior permission is obtained.
	In respect to Water Resource Management Areas (WRMA) the following endorsements apply:
4.	The Licensee's attention is drawn to the provisions of the: • Waterways Conservation Act, 1976 • Rights in Water and Irrigation Act, 1914 • Metropolitan Water Supply, Sewerage and Drainage Act, 1909 • Country Areas Water Supply Act, 1947 • Water Agencies (Powers) Act 1984
5.	The rights of ingress to and egress from, and to cross over and through, the mining tenement being at all reasonable times preserved to officers of Department of Water and Environmental Regulation (DWER) for inspection and investigation purposes.
6.	The storage and disposal of petroleum hydrocarbons, chemicals and potentially hazardous substances being in accordance with the current published version of the Department of Water and Environmental Regulation (DWER) relevant Water Quality Protection Notes and Guidelines for mining and mineral processing.
7.	The taking of groundwater from an artesian well and the construction, enlargement, deepening or altering of any artesian well is prohibited unless current licences for these activities have been issued by Department of Water and Environmental Regulation (DWER).
8.	Measures such as drainage controls and stormwater retention facilities are to be implemented to minimise erosion and sedimentation of adjacent areas, receiving catchments and waterways.
9.	All activities to be undertaken so as to avoid or minimise damage, disturbance or contamination of waterways, including their beds and banks, and riparian and other water dependent vegetation.
	In respect to Waterways Management Areas/1 Avon River the following endorsements apply:
10.	Prior to undertaking any exploration within a Waterways Management Area the Licensee shall seek advice from the Department of Water and Environmental Regulation (DWER).
11.	Any dredging and/or reclamation within a Waterways Management Area which affects the waterway or adjacent land within the Waterway Management Area is prohibited unless a current licence to dredge and/or reclaim has been issued by the Department of Water and Environmental

	Regulation (DWER).
12.	Any discharge or deposit of any matter within a Waterways Management Area which affects the waterway or adjacent land within the Waterways Management Area is prohibited unless a current disposal licence has been issued by the Department of Water and Environmental Regulation (DWER).
	In respect to Proclaimed Surface Water Areas/2 Avon River System, Irrigation District Areas and Rivers (RIWI Act) the following endorsements apply:
13.	The taking of surface water from a watercourse or wetland is prohibited unless a current licence has been issued by the Department of Water and Environmental Regulation (DWER).
14.	Advice shall be sought from the Department of Water and Environmental Regulation (DWER) and the relevant water service provider if proposing exploration activity in an existing or designated future irrigation area, or within 50 meters of a channel, drain or watercourse from which water is used for irrigation or any other purpose, and the proposed activity may impact water users.
15.	No exploration activity is to be carried out if: • it may obstruct or interfere with the waters, bed or banks of a watercourse or wetland • it relates to the taking or diversion of water, including diversion of the watercourse or wetland unless in accordance with a permit issued by the Department of Water and Environmental Regulation (DWER).
	In respect to Proclaimed Ground Water Areas the following endorsement applies:
16.	The taking of groundwater and the construction or altering of any well is prohibited without current licences for these activities issued by the Department of Water and Environmental Regulation (DWER), unless an exemption otherwise applies.
CONDITIONS	
1.	All disturbances to the surface of the land made as a result of exploration, including costeans, drill pads, grid lines and access tracks, being backfilled and rehabilitated to the satisfaction of the Environmental Officer, DMIRS. Backfilling and rehabilitation being required no later than 6 months after excavation unless otherwise approved in writing by the Environmental Officer, DMIRS.
2.	All waste materials, rubbish, plastic sample bags, abandoned equipment and temporary buildings being removed from the mining tenement prior to or at the termination of exploration program.
3.	Unless the written approval of the Environmental Officer, DMIRS is first obtained, the use of drilling rigs, scrapers, graders, bulldozers, backhoes or other mechanised equipment for surface disturbance or the excavation of costeans is prohibited. Following approval, all topsoil being removed ahead of mining operations and separately stockpiled for replacement after backfilling and/or completion of operations.
4.	The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on Unnumbered Land Act Reserve 520 (Koorda-Welbungin Railway) and Gabbin Townsite.
5.	No interference with Geodetic Survey Stations SSM-Dongara 10 & 84 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.
6.	No interference with the transmission line or the installations in connection therewith, and the rights of ingress to and egress from the facility being at all times preserved to the owners thereof.

7.	Mining on a strip of land 20 metres wide with any pipeline as the centreline being confined to below a depth of 31 metres from the natural surface and no mining material being deposited upon such strip and the rights of ingress to and egress from the facility being at all times preserved to the owners thereof.
8.	In areas of native vegetation within the tenement, no exploration activities commencing until the licensee provides a plan of management to prevent the spread of dieback disease (Phytophtherasp) to the Executive Director, Resource and Environmental Compliance, DMIRS for assessment and until his written approval has been received. All exploration activities shall then comply with the commitments made in the management plan.
	In respect to the Petroleum Pipeline the following conditions apply:
9.	No mining within 25 metres of either side of the Gas/Petroleum pipeline contained within Petroleum Pipeline Licence No 40 as shown in TENGRAPH.
10.	No surface excavation approaching closer to the boundary of the Safety Zone established by condition 9 hereof than a distance equal to three times the depth of the excavation without the prior written approval of the Director, Dangerous Goods and Critical Risks, Safety Regulation, DMIRS.
11.	No interference with the drainage pattern, and no parking, storage or movement of equipment or vehicles used in the course of mining within the Safety Zone established by Condition 9 hereof without the prior approval of the operators of the Gas/Petroleum pipeline.
12.	The Licensee shall not excavate, drill, install, erect, deposit or permit to be excavated, drilled, installed, erected or deposited within the Safety Zone established in Condition 9 hereof, any pit, well, pavement, foundation, building, or other structure or installation, or material of any nature whatsoever without the prior written consent of the Director, Dangerous Goods and Critical Risks, Safety Regulation, DMIRS.
13.	No explosives being used or stored within one hundred and fifty (150) metres of the Gas/ Petroleum pipeline without the prior written consent of the Director, Dangerous Goods and Critical Risks, Safety Regulation, DMIRS.
14.	Mining on the Safety Zone established in Condition 9 hereof being confined to below a depth of 50 metres from the natural surface unless otherwise approved by the Director, Dangerous Goods and Critical Risks, Safety Regulation, DMIRS.
15.	The rights of ingress to and egress from the pipeline easement established in Condition 9 hereof being at all times preserved for employees, contractors and agents of the operators of the Gas/Petroleum pipeline.
16.	Such further conditions as may from time to time be imposed by the Minister responsible for the Mining Act 1978 for the purpose of protecting the Gas/Petroleum Pipeline.
	In respect to Rail Corridor Land the following conditions apply:
17.	No mining within 30 metres of either side and to a depth of 15 metres of the Rail Corridor Land 23 (Koorda to Mukinbudin) as shown in TENGRAPH without the prior written approval of the Minister responsible for the Mining Act 1978.
18.	No surface excavation approaching closer to the boundary of the Safety Zone established by Condition 5 hereof than a distance equal to three times the depth of the excavation without the prior written approval of Mines Safety, DMIRS.
19.	Mining below 15 metres from the natural surface of the land in the Safety Zone established in Condition 5 hereof being approved by Mines Safety, DMIRS in consultation with the operator of the railway on corridor land.
20.	No interference with the drainage pattern, and no parking, storage or movement of equipment or vehicles used in the course of mining within the Safety Zone established by Condition 5 hereof without the prior approval of the operator of the railway on corridor land.

21.	The Licensee not excavating, drilling, installing, erecting, depositing or permitting to be excavated, drilled, installed, erected or deposited within the Safety Zone established in Condition 5 hereof, any pit, well, pavement, foundation, building, or other structure or installation, or material of any nature whatsoever without the prior written consent of Mines Safety, DMIRS.
22.	No explosives being used or stored within one hundred and fifty (150) metres of the rail corridor land without the prior written consent of the Director, Dangerous Goods and Petroleum Safety, DMIRS.
23.	The rights of ingress to and egress from the rail corridor land being at all times preserved to the employees, contractors and agents of the operator of the railway on corridor land, and the Public Transport Authority of WA.
24.	Such further conditions as may from time to time be imposed by the Minister responsible for the Mining Act 1978 for the purpose of protecting the rail corridor land.
	In respect of the grant to the Licensee of this Licence , the Native Title Group's consent pursuant to clause 18 of Schedule 10 of the Yued People Indigenous Land Use Agreement (relevant ILUA) to such grant is, as a condition precedent, subject to the Minister for Mines, Industry Regulation and Safety (DMIRS) imposing the following condition:
25	As the Yued People ILUA (relevant ILUA) applies to this Exploration Licence, the Licensee must before exercising any of the rights, powers or duties pursuant to this Exploration Licence over that portion of the area of land the subject of the relevant ILUA: (a) Subject to paragraph (ii), execute and enter into in respect of this Exploration Licence an Aboriginal Heritage Agreement (as defined in the relevant ILUA) with the Native Title Agreement Group or Regional Corporation (as the case requires) for the relevant ILUA on terms and conditions agreed by the Licensee and the Native Title Agreement Group or Regional Corporation (as the case may be) for the relevant ILUA (the Parties) or, failing such agreement being reached between the Parties within 20 Business Days of the commencement of negotiations, execute and enter into a NSHA subject only to any necessary modifications in terminology required for the tenure. (b) Where: (i) the Parties have been unable to reach agreement on the terms and conditions of an Aboriginal Heritage Agreement under paragraph (i); (ii) the Licensee executes a NSHA (subject only to any necessary modifications in terminology required for the tenure); and (iii) the Licensee provides a copy of the NSHA to the Native Title Agreement Group or Regional Corporation (as the case requires) for the relevant ILUA for execution; if the Native Title Agreement Group or Regional Corporation (as the case requires) does not execute the NSHA and provide a copy of the executed NSHA to the Licensee within 20 Business Days of receipt of the NSHA, the requirements of paragraph (i) do not apply. (c) Provide to the Department of Mines, Industry Regulation and Safety (DMIRS) a statutory declaration from the Licensee (or if the Licensee is a corporation, from a director of that corporation on its behalf) in the form contained in Annexure U to the Settlement Terms (as defined in the relevant ILUA), as evidence that the Licensee has complied with the requirements of paragraph (i) of this condition or that paragraph (ii) of this condition applies."
	In respect of the grant to the Licensee of this Licence , the Native Title Group's consent pursuant to clause 18 of Schedule 10 of the Ballardong People Indigenous Land Use Agreement (relevant ILUA) to such grant is, as a condition precedent, subject to the Minister for Mines, Industry Regulation and Safety (DMIRS) imposing the following condition:
26.	As the Ballardong People ILUA (relevant ILUA) applies to this Exploration Licence, the Licensee must before exercising any of the rights, powers or duties pursuant to this Exploration Licence over that portion of the area of land the subject of the relevant ILUA: (a) Subject to paragraph (ii), execute and enter into in respect of this Exploration Licence an Aboriginal Heritage Agreement (as defined in the relevant ILUA) with the Native Title Agreement Group or Regional Corporation (as the case requires) for the relevant ILUA on terms and

		conditions agreed by the Licensee and the Native Title Agreement Group or Regional Corporation (as the case may be) for the relevant ILUA (the Parties) or, failing such agreement being reached between the Parties within 20 Business Days of the commencement of negotiations, execute and enter into a NSHA subject only to any necessary modifications in terminology required for the tenure.
	(b)	Where:
		(i) the Parties have been unable to reach agreement on the terms and conditions of an Aboriginal Heritage Agreement under paragraph (i); and
		(ii) the Licensee executes a NSHA (subject only to any necessary modifications in terminology required for the tenure);
		(iii) the Licensee provides a copy of the NSHA to the Native Title Agreement Group or Regional Corporation (as the case requires) for the relevant ILUA for execution; if the Native Title Agreement Group or Regional Corporation (as the case requires) does not execute the NSHA and provide a copy of the executed NSHA to the Licensee within 20 Business Days of receipt of the NSHA, the requirements of paragraph (i) do not apply; and
	(c)	(iii) provide to the Department of Mines, Industry Regulation and Safety (DMIRS) a statutory declaration from the Licensee (or if the Licensee is a corporation, from a director of that corporation on its behalf) in the form contained in Annexure U to the Settlement Terms (as defined in the relevant ILUA), as evidence that the Licensee has complied with the requirements of paragraph (i) of this condition or that paragraph (ii) of this condition applies."

Tengraph Interests

	Land Type	Description
1.	**Flora and Fauna Reserve**	Tenement E70/5001 overlaps the following flora and fauna reserve: • R 31030 "C" Class Reserve Conservation of Flora and Fauna (5.59%). Tenement E70/5332 overlaps the following flora and fauna reserve: • R 16683 "A" Class Reserve Conservation of Flora and Fauna (0.4%); • R 17771 "A" Class Reserve Conservation of Flora and Fauna (0.49%); • R 18950 "A" Class Reserve Conservation of Flora and Fauna (0.02%); and • R 19036 "A" Class Reserve Conservation of Flora and Fauna (0.04%). Tenement E70/5333 overlaps the following flora and fauna reserve: • R 14429 "A" Class Reserve Conservation of Flora and Fauna (0.62%). Tenement E70/5334 overlaps the following flora and fauna reserve: • R 20571"A" Class Reserve Conservation of Flora and Fauna (0.18%); and • R 24060 "A" Class Reserve Conservation of Flora and Fauna (0.25%)
2.	**Road Reserve**	Tenement E70/5001 overlaps the following Road Reserves: • Beros Road; and • Rose Thomson Road. Tenement E70/5039 overlaps the following Road Reserves: • Garbin Road; • Gobbart Road; • Huxley Road; • Koorda Bullfinch Road; • No. 6127, and • Surtees Road. Tenement E70/5322 overlaps the following Road Reserves: • Beros Road, and • Coorow Green Head Road. Tenement E70/5324 overlaps the following Road Reserves: • Carnamah Eneabba Road, and • Rose Thomson Road.

	Land Type	Description
3.	**Road Reserve Closed**	Tenement E70/5332 overlaps the following Road Reserve: • Closed Road (0.01%).
4.	**Purchase Lease**	Tenement E70/5324 overlaps the following Purchase Leases: • PU I122083 (368.988HA) (10.34%); • PU I163655 (396.4579HA) (11.1%), and • PU I180822 (529.3932HA) (14.83%).
5.	**General Lease (P)**	Tenement E70/5332 overlaps the following General Lease: • GE K839516 (0.04%). Tenement E70/5334 overlaps the following General Lease: • GE K849499 (0.05%).
6.	**Railway Reserve Unnumbered**	Tenement E70/5039 overlaps the following unnumbered railway reserves: • Abandoned Railway (<0.01%), and • Abandoned Railway (<0.01%). Tenement E70/5332 overlaps the following unnumbered railway reserves: • Abandoned Railway (0.09%); • Abandoned Railway (0.02%); • Abandoned Railway (0.02%); • Abandoned Railway (0.02%); • Abandoned Railway (<0.01%); and • Abandoned Railway (0.05%). Tenement E70/5333 overlaps the following unnumbered railway reserves: • Abandoned Railway (<0.01%); • Abandoned Railway (0.07%); • Abandoned Railway (0.05%); • Abandoned Railway (0.11%); • Abandoned Railway (0.01%); and • Abandoned Railway (0.04%). • Abandoned Railway (0.07%). Tenement E70/5334 overlaps the following unnumbered railway reserves: • Abandoned Railway (0.02%);

	Land Type	Description
		• Abandoned Railway (0.03%); • Abandoned Railway (0.06%); • Abandoned Railway (0.08%); • Abandoned Railway (0.11%); • Abandoned Railway (0.1%); • Abandoned Railway (0.02%); • Abandoned Railway (0.13%); • Abandoned Railway (0.06%); and • Abandoned Railway (0.06%).
7.	**Unallocated Crown Land** (see section 8.1 of this report)	Under Section 41 of the Land Administration Act 1997 (WA) (**LA Act**) the Minister may set aside Crown lands by Ministerial Order in the public interest. Every such reservation has its description and designated purpose registered on a Crown Land Title (**CLT**) and is depicted on an authenticated map held by Landgate. Reservation action is normally initiated by the Department for Planning and Infrastructure following community or Government request, land planning decisions, or as a result of the subdivision of land. The Land Act 1933 (WA) provided for State reserves to be classified as Class A, B or C. There is no provision in the LA Act to create new Class B reserves and there is no longer reference to Class C reserves. Class A affords the greatest degree of protection for reserved lands, requiring approval of Parliament to amend the reserve's purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue, but are no longer created under the LA Act. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session. Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a Management Order registered against the relevant CLT. A Management Order under the LA Act does not convey ownership of the land – only as much control as is essential for the land's management. Tenement E70/5001 overlaps the following unallocated crown land: • Unallocated Crown Land: 1 Land parcel affected (10.76%). Tenement E70/5323 overlaps the following unallocated crown land: • Unallocated Crown Land: 3 Land parcels affected (52.55%). Tenement E70/5332 overlaps the following unallocated crown land: • Unallocated Crown Land: 2 Land parcels affected (<0.01%). Tenement E70/5334 overlaps the following unallocated crown land:

	Land Type	Description
		• Unallocated Crown Land: 12 Land parcels affected (0.14%). Refer to section 8.1 of this Report for further information and details of the Tenements which overlap vacant crown land.
8.	**Crown Reserve** (see section 8.2 of this report)	Under section 41 of the Land Administration Act 1997 the Minister may set aside Crown lands by Ministerial Order in the public interest. Every such reservation has its description and designated purpose registered on a Crown Land Title (CLT) and is depicted on an authenticated map held by Landgate. Reservation action is normally initiated by the Department for Planning and Infrastructure following community or Government request, land planning decisions, or as a result of the subdivision of land. The Land Act 1933 provided for State reserves to be classified as Class A, B or C. There is no provision in the LAA to create new Class B reserves and there is no longer reference to Class C reserves. Class A affords the greatest degree of protection for reserved lands, requiring approval of Parliament to amend the reserve's purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue, but are no longer created under the LAA. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session. Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a Management Order registered against the relevant CLT. A Management Order under the LAA does not convey ownership of the land – only as much control as is essential for the land's management. Tenement E70/5001 overlaps the following crown reserve: • R 35499 "C" Class Reserve Government Requirements (34.36%). Tenement E70/5322 overlaps the following crown reserve: • R 29801 "C" Class Reserve Public Recreation and Camping (3.44%), and • R 35565 "C" Class Reserve Sub Station Site (<0.01%). Tenement E70/5323 overlaps the following crown reserve: • R 35499 "C" Class Reserve Government Requirements (33.01%). • R 38966 "C" Class Reserve Natural Gas Pipeline Purposes (1.05%). • R 38967 "C" Class Reserve Dampier to Bunbury Pipeline Act (0.01%). Tenement E70/5324 overlaps the following crown reserve: • R 35499 "C" Class Reserve Government Requirements (60.95%). Tenement E70/5332 overlaps the following crown reserve: • R 16423 "C" Class Reserve Water (0.02%); • R 19373 "C" Class Reserve Water (0.03%); • R 16990 "C" Class Reserve Fire Station Site (<0.01%);

	Land Type	Description
		• R 16992 "C" Class Reserve Excepted from Sale (<0.01%); • R 17772 "C" Class Reserve Cemetery (0.01%); • R 18192 "C" Class Reserve Methodist Church Site (<0.01%); • R 18561 "C" Class Reserve Recreation (0.04%); • R 23182 "C" Class Reserve Stopping Place for Travellers and Stock and for Protection of Flora (0.02%); • R 33149 "C" Class Reserve Railway Purposes (<0.01%); Tenement E70/5333 overlaps the following crown reserve: • R 21659 "C" Class Reserve Recreation (0.02%); Tenement E70/5334 overlaps the following crown reserve: • R 20123 "C" Class Reserve Excepted from Sale (<0.01%); • R 20181 "C" Class Reserve Recreation (0.36%); • R 20233 "C" Class Reserve Use and requirements of the Shire of Wongan-Ballidu (<0.01%);; • R 20865 "C" Class Reserve Church of England Church Site (<0.01%); • R 21098 "C" Class Reserve for the Purpose of the School Education Act 1999 (0.01%); • R 22496 "C" Class Reserve Saleyards (0.03%); • R 23954 "C" Class Reserve Church Site (<0.01%); • R 23955 "C" Class Reserve Recreation Children's Playground (<0.01%); • R 20865 "C" Class Reserve Roman Catholic Church Site (<0.01%); • R 26071 "C" Class Reserve Pre School Centre and Children's Playground (<0.01%); • R 26539 "C" Class Reserve Water Supply (0.01%); • R 29564 "C" Class Reserve Camping (<0.01%); • R 32966 "C" Class Reserve Railway Purposes (<0.01%); • R 36158 "C" Class Reserve Water Supply (<0.01%); • R 44502 "C" Class Reserve Bush Fire Brigade Depot (<0.01%); and • R 48920 "C" Class Reserve Water Chlorination Plant (<0.01%). Refer to section 8.2 of this Report for further information and details of the Tenements which overlap crown reserves.
9.	**Private Land** (see section 10 of this report)	Private land may only be marked off by virtue of a permit to enter private land issued by a warden. Generally, a mining tenement giving a right to the surface (or to within a depth of 30 metres of the natural surface) may only be granted with the written consent of the owner and occupier of that land. Until compensation has been resolved no mining activities can be commenced on the surface of private land. The term "mining" under the Mining Act 1978 includes fossicking, prospecting and exploring for minerals and mining operations.

	Land Type	Description
		Tenement 70/5001 overlaps the following Private Land: • Freehold Land Act-Regional Western Australia: 4 land parcels affected (33.1%), and • Freehold Land Act-Regional Western Australia: 3 land parcels affected (12.86%). Tenement 70/5039 overlaps the following Private Land: • Freehold Land Act-Regional Western Australia: 32 land parcels affected (88.88%), and • Freehold Land Act-Regional Western Australia: 2 land parcels affected (9.67%). Tenement 70/5322 overlaps the following Private Land: • Freehold Land Act-Regional Western Australia: 6 land parcels affected (75.87%), and • Freehold Land Act-Regional Western Australia: 2 land parcels affected (19.85%). Tenement 70/5323 overlaps the following Private Land: • Freehold Land Act-Regional Western Australia: 1 land parcel affected (0.31%), and • Freehold Land Act-Regional Western Australia: 1 land parcel affected (10.77%). Tenement 70/5324 overlaps the following Private Land: • Freehold Land Act-Regional Western Australia: 1 land parcel affected (0.08%), and • Freehold Land Act-Regional Western Australia: 1 land parcel affected (0.88%). Tenement 70/5332 overlaps the following Private Land: • Freehold Land Act-Regional Western Australia: 115 land parcels affected (97.37%); • Freehold Land Act-Regional Western Australia: 1 land parcel affected (0.14%). Tenement 70/5333 overlaps the following Private Land: • Freehold Land Act-Regional Western Australia: 61 land parcels affected (90.83%); • Freehold Land Act-Regional Western Australia: 2 land parcels affected (7.04%); Tenement 70/5334 overlaps the following Private Land: • Freehold Land Act-Regional Western Australia: 80 land parcels affected (81.68%); and • Freehold Land Act-Regional Western Australia: 13 land parcels affected (15.18%). Refer to section 10 of this Report for further information and details of the Tenements which overlap Private Land.
10.	**Aboriginal Heritage Survey**	Tenement E70/5001 overlaps the following Aboriginal Heritage Survey Areas: • 104086 1 - 0.11%; • 105175 1 - 0.74%; • 106028 1 - 1.14%; • 106136 1 - 1.14%; • 106137 1 - 1.14%;

	Land Type	Description
		• 106213 1 - 1.02%; • 17059 1 - 0.11%; • 19019 1 - 1.05%; • 19023 1 - 1.05%; • 23015 1 - 3.09%; • 23287 1 - 0.66%; • 23495 1 - 0.66%; • 23496 1 - 0.66%; • 23526 1 - <0.01%; • 28646 1 - 0.05%; • 28647 1 - 0.01%, and • 28652 1 - 0.05%. Tenement E70/5322 overlaps with the following Aboriginal Heritage Survey Areas: • 104086 1 - 0.17%; • 104162 1 - 0.09%; • 106028 1 – 0.51%; • 106136 1 – 0.18%; • 106137 1 – 0.18%; • 17059 1 – 0.17%; • 19019 1 – 1.71%; • 19019 1 – 1.71%; • 23015 1 – 1.19%, and • 23017 1 – 0.8%. Tenement E70/5323 overlaps with the following Aboriginal Heritage Survey Areas: • 103274 1 – 0.2% • 104086 1 – 0.09% • 105175 1 – 0.89% • 106028 1 – 0.67% • 106136 1 – 0.35% • 106137 1 – 0.35% • 106213 1 – 0.86%

	Land Type	Description
		• 17059 1 – 0.09% • 19019 1 – 0.89% • 19023 1 – 0.89% • 23526 1 – 32.85% Tenement E70/5324 overlaps with the following Aboriginal Heritage Survey Areas: • 104086 1 – 0.1%; • 105175 1 – 1.03%; • 106213 1 – 0.72%; • 17059 1 – 0.1%; • 19019 1 – 1.03%; • 19023 1 – 1.03%; • 23015 1 – 5.19%; • 23287 1 – 0.99%; • 23495 1 – 0.99%; • 23496 1 – 0.99%; • 28646 1 – 0.13%; • 28647 1 – 0.02%; • 28652 1 – 0.13%
11.	**Dieback Risk Zone**	Dieback is a fungal disease which kills a wide variety of plants in moist parts of Western Australia. The disease is particularly well known for its serious effect on Jarrah forests. However, it seriously affects many plants in a wide range of environments. Mineral exploration, which is mostly a short-term, low-impact, land assessment activity, should not cause long-term detrimental effects. However, without taking the necessary care, exploration activities can spread infection into areas of native vegetation which would not otherwise be contaminated. The Management Authority for the Dieback Risk Zone is the Department of biodiversity, Conservation and Attractions. The Tenement E70/5001 overlaps with the Dieback Risk Zone Area (100%). • See condition 8. The Tenement E70/5322 overlaps with the Dieback Risk Zone Area (100%). The Tenement E70/5323 overlaps with the following Dieback Risk Zone Areas: • Dieback Risk Zone Area (83.25%), and • Dieback Risk Zone Area (16.75%). The Tenement E70/5324 overlaps with the following Dieback Risk Zone Areas: • Dieback Risk Zone Area (50.41%), and

	Land Type	Description
		• Dieback Risk Zone Area (49.59%).
12.	**File Notation Area**	File Notation Areas are an indication of areas where Government has proposed some change of land tenure that is being considered or endorsed by DMP for possible implementation and/or areas of some sensitivity to activities by the mineral resource industry that warrants the application of specific tenement conditions. The following File Notation Areas were identified on E70/5001: • FNA 15090 (2137.3549HA) (40.46%); • FNA 11507 (5283.1896HA) (100%); • FNA 13597 (60.1686HA) (1.14%); • FNA 14543 (3751.9313HA) (71.02%); • FNA 14879 (41.5781HA) (0.79%), and • FNA 3755 (52.1641HA) (0.99%). The following File Notation Areas were identified on Tenement E70/5039: • FNA 11507 (3486.0297HA) (100%). The following File Notation Areas were identified on Tenement E70/5322: • FNA 11507 (6535.3115HA) (100%); • FNA 13597 (112.897HA) (1.73%), and • FNA 3755 (5.1183HA) (0.08%). The following File Notation Areas were identified on Tenement E70/5323: • FNA 15090 (1331.1339HA) (63.95%); • FNA 11057 (2081.5778HA) (100%); • FNA 13597 (39.1028HA) (1.88%); • FNA 14543 (2081.5778HA) (100%), and • FNA 3755 (4.8064HA) (0.23%). The following File Notation Areas were identified on Tenement E70/5324: • FNA 15090 (2175. 9961HA) (60.95%); • FNA 11507 (3570.2565HA) (100%); • FNA 13597 (36.9451HA) (1.03%); • FNA 14543 (3570.2565HA) (100%), and • FNA 3755 (5.5606HA) (0.16%). The following File Notation Areas were identified on Tenement E70/5332: • FNA 11507 (20631.6144HA) (100%).

	Land Type	Description
		The following File Notation Areas were identified on Tenement E70/5333: • FNA 14410 (657.9178HA) (3.84%). The following File Notation Areas were identified on Tenement E70/5334: • FNA 7122 (0.1032HA) (<0.01%).
13.	**Groundwater Area**	Groundwater is a reserve of water beneath the earth's surface in pores and crevices of rocks and soil. Recharge of groundwater aquifers is slow and can take many years. Groundwater often supports wetland and stream ecosystems. Groundwater areas are proclaimed under the Rights in Water and Irrigation Act, 1914. There are 45 proclaimed groundwater areas in Western Australia where licences are required to construct or alter a well and to take groundwater. The Department of Water is responsible for managing proclaimed areas under the Act. The following Ground Water Areas was identified on the Tenement E70/5001: • GWA 2, Arrowsmith (5283.1896HA) (100%). The following Ground Water Areas was identified on the Tenement E70/5322: • GWA 2, Arrowsmith (6535.3115HA) (100%). The following Ground Water Areas was identified on the Tenement E70/5323: • GWA 2, Arrowsmith (2081.57785HA) (100%). The following Ground Water Areas was identified on the Tenement E70/5324: • GWA 2, Arrowsmith (3570.2565HA) (100%).
14.	**Surface Water Area**	The Rights in Water and Irrigation Act 1914 provides the Governor of Western Australia the power to proclaim, or prescribe through regulation, a Surface Water Area. A Surface Water Area is proclaimed for the purposes of regulating the taking of water from watercourses and wetlands. An area is proclaimed, or prescribed through regulations, where there is a need for systematic management of the use of water. The proclamation is made on the recommendation of the Department of Water and must first be tabled before both Houses of Parliament. Proclaiming or prescribing an area has the effect of allowing the use of water for commercial activity under a licence. Where an area has been proclaimed, the provisions of Division 1B of Part III of the Act apply to surface water in that area. The following Surface Water Areas was identified on the Tenement E70/5001: • SWA 21, Hill River and Tributaries Catchment (2616.2835HA) (49.52%). The following Surface Water Areas was identified on the Tenement E70/5039: • SWA 2, Avon River System, (3486.0297HA) (100%). The following Surface Water Areas was identified on the Tenement E70/5322: • SWA 21, Hill River and Tributaries Catchment (6535.3115HA) (100%). The following Surface Water Areas was identified on the Tenement E70/5324:

	Land Type	Description
		• SWA 14, Eneabba Creek and Tributaries (1603.9333HA) (44.92%), and • SWA 21, Hill River and Tributaries Catchment (68.82335HA) (1.93%). The following Surface Water Areas was identified on the Tenement E70/5332: • SWA 2, Avon River System, (17885.5784HA) (86.69%). The following Surface Water Areas was identified on the Tenement E70/5334: • SWA 2, Avon River System, (14433.8875HA) (100%).
15.	**Waterways Management Authority Avon River Management Area**	The Tenement E70/5039 overlaps the Waterways Management Areas (Dept. of Water and Environmental Regulation) (3486.0297HA) (100%). The Tenement E70/5332 overlaps the Waterways Management Areas (Dept. of Water and Environmental Regulation) (14514.5372HA) (70.35%). The Tenement E70/5334 overlaps the Waterways Management Areas (Dept. of Water and Environmental Regulation) (14433.8875HA) (100%).
16.	**Rail Corridor Land**	The Tenement E70/5039 overlaps Rail Corridor Land **Koorda to Mukinbudin** (Public Transport Authority of WA) (0.0028HA) (<0.01%). The Tenement E70/5332 overlaps Rail Corridor Land **Koorda to Mukinbudin** (Public Transport Authority of WA) (43.4802HA) (0.21%). The Tenement E70/5333 overlaps Rail Corridor Land **Burakin to Beacon** (Public Transport Authority of WA) (43.4802HA) (0.34%). The Tenement E70/5334 overlaps Rail Corridor Land **Amery to Cadoux** (Public Transport Authority of WA) (43.4802HA) (0.36%). Tenement E70/5334 overlaps Rail Corridor Land **Cadoux to Kalannie**(Public Transport Authority of WA) (43.4802HA) (0.26%). • See Conditions 17-24

PART II – NATIVE TITLE CLAIMS

TENEMENT AFFECTED	TRIBUNAL NUMBER	FEDERAL COURT NUMBER	APPLICATION NAME	Registered	IN MEDIATION	STATUS
E70/5001	WC1997/071	WAD6192/1998	Yued	Accepted for Registration	YES	Active
	WC2017/002	WAD19/2019	Southern Yamatji	Accepted for Registration	NO	Active
	WC2003/006	WAD6006/2003	Single Noongar Claim (Area 1)	Not Accepted for Registration	YES	Active
	WC2019/008	WAD345/2019	Yamatji Nation Claim	Not Accepted for Registration	NO	Active
	WP2019/001	WAD580/2019	Single Noongar Claim Group Compensation Claim	Pre-notification	NO	Active
E70/5039	WC2000/007	WAD6181/1998	Ballardong People	Accepted for Registration	YES	Active
	WC2003/006	WAD6006/2003	Single Noongar Claim (Area 1)	Not Accepted for Registration	YES	Active
	WP2019/001	WAD580/2019	Single Noongar Claim Group Compensation Claim	Pre-notification	NO	Active
E70/5322	WC1997/071	WAD6192/1998	Yued	Accepted for Registration	YES	Active
	WC2003/006	WAD6006/2003	Single Noongar Claim (Area 1)	Not Accepted for Registration	YES	Active
	WP2019/001	WAD580/2019	Single Noongar Claim Group Compensation Claim	Pre-notification	NO	Active
E70/5323	WC2017/002	WAD19/2019	Southern Yamatji	Accepted for Registration	NO	Active
	WC2019/008	WAD345/2019	Yamatji Nation Claim	Not Accepted for Registration	NO	Active
	WCD2020/001	WAD21/2019, WAD31/2019, WAD27/2019, WAD19/2019	Yamatji Nation	Not Registered	NO	Active
E70/5324	WC2017/002	WAD19/2019	Southern Yamatji	Accepted for Registration	NO	Active
	WC2019/008	WAD345/2019	Yamatji Nation Claim	Not Accepted for Registration	NO	Active
	WCD2020/001	WAD21/2019, WAD31/2019, WAD27/2019, WAD19/2019	Yamatji Nation	Not Registered	NO	Active
E70/5332	WC2003/006	WAD6006/2003	Single Noongar Claim (Area 1)	Not Accepted for Registration	YES	Active
	WC2000/007	WAD6181/1998	Ballardong People	Accepted for Registration	YES	Active

TENEMENT AFFECTED	TRIBUNAL NUMBER	FEDERAL COURT NUMBER	APPLICATION NAME	Registered	IN MEDIATION	STATUS
	WC2017/007 -1	WAD647/2017	Marlinyu Ghoorlie	Accepted for Registration	No	Active
	WC2017/007 -2	WAD647/2017	Marlinyu Ghoorlie	Not Accepted for Registration	S190E - Reconsider ation	Active
	WC2017/007 -3	WAD647/2017	Marlinyu Ghoorlie	Accepted for Registration	No	Active
	WP2019/001	WAD580/2019	Single Noongar Claim Group Compensation Claim	Pre-notification2	NO	Active
E70/5333	WC2017/007 -1	WAD647/2017	Marlinyu Ghoorlie	Accepted for Registration	No	Active
	WC2017/007 -2	WAD647/2017	Marlinyu Ghoorlie	Not Accepted for Registration	S190E - Reconsider ation	Active
	WC2017/007 -3	WAD647/2017	Marlinyu Ghoorlie	Accepted for Registration	No	Active
E70/5334	WC2000/007	WAD6181/1998	Ballardong People	Accepted for Registration	YES	Active
	WC2003/006	WAD6006/2003	Single Noongar Claim (Area 1)	Not Accepted for Registration	YES	Active
	WP2019/001	WAD580/2019	Single Noongar Claim Group Compensation Claim	Pre-notification2	NO	Active

NATIVE TITLE DETERMINATIONS

The land under Tenements E70/5323 and E70/5324 is subject to a Native Title determination (WCD2020/001).

ILUAs

The land under Tenements E70/5001 and E70/5322 is subject to an ILUA designated as Yued Indigenous Land Use Agreement (Area Agreement) that was registered on 17 October 2018. Due to standard confidentiality provisions, the terms and conditions of an ILUA are not available for public access, however an excerpt of an ILUA is obtainable. We have obtained the excerpt from the ILUA and confirm that the applicant is the State of Western Australia.

The ILUA applies to approximately 26,000 km (sq.) of land located approximately 60km north of Perth and extends north of Jurien Bay, east to Dallwallinu and seaward to the 3 nautical mile limit. The ILUA area falls within the Local Government Authorities of the City of Wanneroo, Shire of Chittering, Shire of Coorow, Shire of Dalwallinu, Shire of Dandaragan, Shire of Gingin, Shire of Goomalling, Shire of Moora, Shire of Toodyay, Shire of Victoria Plains and Shire of Wongan-Ballidu

The land under Tenements E70/5039, E705332 and E70/5334 is subject to an ILUA designated as Ballardong People Indigenous Land Use Agreement (Area Agreement) that was registered on 17 October 2018. Due to standard confidentiality provisions, the terms and conditions of an ILUA are not available for public access, however an excerpt

of an ILUA is obtainable. We have obtained the excerpt from the ILUA and confirm that the applicant is the State of Western Australia.

The ILUA applies to approximately 63,000 km (sq) of land located approximately 60km east of Perth and extends north to Dallwallinu, southeast towards Ravensthorpe and west towards Narrogin. The ILUA area falls within the Local Government Authorities of the Shire of Beverley, Shire of Brookton, Shire of Bruce Rock, Shire of Corrigin, Shire of Cunderdin, Shire of Dalwallinu, Shire of Dowerin, Shire of Dumbleyung, Shire of Goomalling, Shire of Kellerberrin, Shire of Kent, Shire of Kondinin, Shire of Koorda, Shire of Kulin, Shire of Lake Grace, Shire of Merredin, Shire of Mount Marshall, Shire of Mukinbudin, Shire of Narembeen, Shire of Narrogin, Shire of Northam, Shire of Nungarin, Shire of Quairading, Shire of Ravensthorpe, Shire of Tammin, Shire of Toodyay, Shire of Trayning, Shire of Victoria Plains, Shire of Wagin, Shire of Westonia, Shire of Wickepin, Shire of Wongan-Ballidu, Shire of Wyalkatchem, Shire of Yilgarn and Shire of York.

The land under Tenements E70/5323 and E70/5324 may be subject to the Yamatji Nation Indigenous Land Use Agreement, however the agreement does not take effect until it is conclusively registered.

ILUA CONDITIONS

The following conditions precedent are imposed on the Company prior to conducting any exploration or mining activity on land the subject of the Yued People Indigenous Land Use Agreement and the Ballardong People Indigenous Land Use Agreement:

(a) Subject to paragraph (ii), execute and enter into in respect of this Exploration Licence an Aboriginal Heritage Agreement (as defined in the relevant ILUA) with the Native Title Agreement Group or Regional Corporation (as the case requires) for the relevant ILUA on terms and conditions agreed by the Licensee and the Native Title Agreement Group or Regional Corporation (as the case may be) for the relevant ILUA (the Parties) or, failing such agreement being reached between the Parties within 20 Business Days of the commencement of negotiations, execute and enter into a NSHA subject only to any necessary modifications in terminology required for the tenure.

(b) Where:

(i) the Parties have been unable to reach agreement on the terms and conditions of an Aboriginal Heritage Agreement under paragraph (i);

(ii) the Licensee executes a NSHA (subject only to any necessary modifications in terminology required for the tenure); and

(iii) the Licensee provides a copy of the NSHA to the Native Title Agreement Group or Regional Corporation (as the case requires) for the relevant ILUA for execution; if the Native Title Agreement Group or Regional Corporation (as the case requires) does not execute the NSHA and provide a copy of the executed NSHA to the Licensee within 20 Business Days of receipt of the NSHA, the requirements of paragraph (i) do not apply.

(c) Provide to the Department of Mines, Industry Regulation and Safety (DMIRS) a statutory declaration from the Licensee (or if the Licensee is a corporation, from a director of that corporation on its behalf) in the form contained in Annexure U to the Settlement Terms (as defined in the relevant ILUA), as evidence that the

Licensee has complied with the requirements of paragraph (i) of this condition or that paragraph (ii) of this condition applies.

HERITAGE & COMPENSATION AGREEMENTS

None.

ABORIGINAL HERITAGE SITES – WESTERN AUSTRALIA

None registered.

PART III – MATERIAL CONTRACT SUMMARIES

1. Access and Exploration Agreement E70/5039

Steinepreis Paganin has reviewed an Access and Exploration Agreement entered into between Mt Marshall Kaolin Pty Ltd (ACN 626 494 399) (**Mt Marshall**) and Kevin John Larkman dated 23 January 2020 (**Access and Exploration Agreement**), provided by Kevin John Larkman.

The purpose of the Access and Exploration Agreement is to provide the terms and conditions by which Mt Marshall, its employees and contractors are allowed to enter upon the Private Land the subject of the Exploration License E70/5039 (the **Tenement**), in order to evaluate, explore and drill as required to properly assess the Tenement for economic resources.

A summary of the key terms of the Access and Exploration Agreement are set out below:

(a) (**Rights to the land**): The Access and Exploration Agreement allows Mt Marshall, its employees and contractors to:

(i) enter upon the land with or without superficial soil sampling equipment and apparatus to undertake sampling and drilling to assess the volume and quality of kaolin deposits beneath the surface;

(ii) enter upon the land with or without survey and superficial engineering equipment and apparatus to survey the land or relevant parts of the lands conduct other engineering assessments of the stability of the land and its topography; and

(iii) generally undertake such other due diligence undertakings and enquiries as shall be reasonable and proper to determine whether the land contains such quality of kaolin deposits or other minerals such as to support the commercialisation of a mining venture upon the land.

(b) (**Exercising such rights to the land**): In exercising the above rights to the land, Mt Marshall, its employees and contractors shall:

(i) not interfere with the current lawful and proper use of the land by the owners and occupiers;

(ii) not bring or permit to be brought upon the land any firearms or dogs or other animals;

(iii) not place any signage upon any gates or fences on the boundaries of the land except as shall be permitted or required undermining legislation or relevant regulations;

(iv) cause all gates on or within paddocks of the land to be kept closed when found closed after traversing from paddock to paddock through such gates and entry ways;

(v) not remove or destroy any fences erected upon or within the land;

(vi) not move or remove any cattle or other stock grazing on or within the land without the prior approval of the owners and the occupiers;

(vii) cause as little excavation and interference with the surface of the land as is practical having regard to the need for some excavation for soil sampling and other exploration activities reasonably contemplated by the granting of these rights; and

(viii) rehabilitate any land surface excavated in the course of such activities by re-instatement of topsoil and contouring as necessary to avoid or diminish the prospect of future erosion.

(c) (**Consideration**): in consideration of the Access and Exploration Agreement, receipt of payment to the owner and occupiers of the sum of one hundred dollars ($100.00) is acknowledged.

(d) (**Compensation**): upon determination by Mt Marshall that a commercial mining venture can be supported upon the land, the owners and occupiers also covenant and agree to negotiate in good faith and in a timely manner each of the following:

(i) a comprehensive access agreement with Mt Marshall or its successors, for mining activities upon the land; and

(ii) a mutually agreed compensation agreement whereby the owner of the land is entitled to receive periodic compensation and royalty payments from kaolin produced from those properties under the title of the owner.

2. CONSENT UNDER SECTION 29 OF THE MINING ACT 1978

Kevin John Larkman, being the owner and occupier of the Private Land the subject of the Exploration License E70/5039, gives his consent pursuant Section 29 of the Mining Act to the grant of E70/5039.

(a) (**Land District**): Avon;

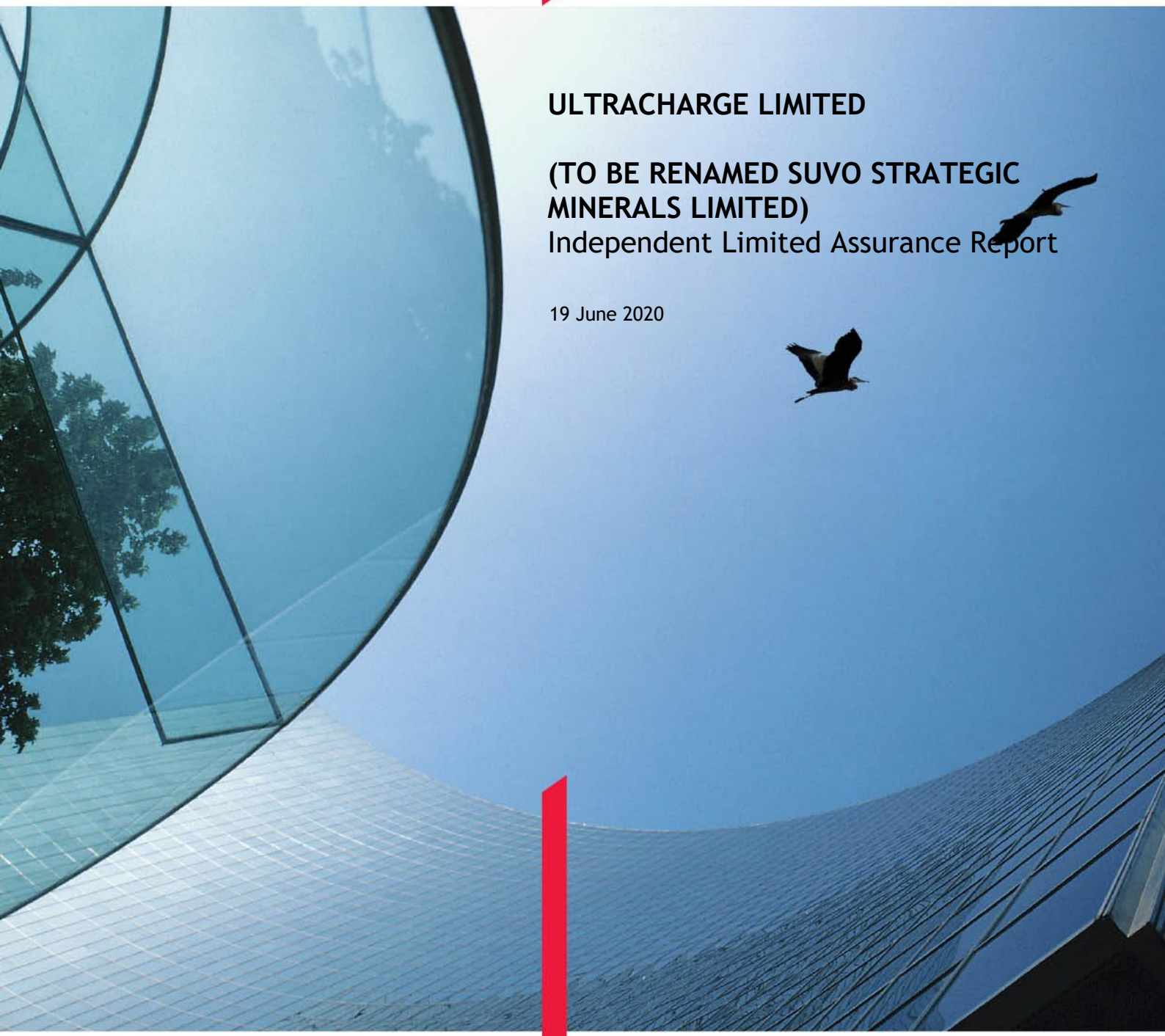
(b) (**Location Numbers**): P229840, 148698, 142897, 148699, 142333;

(c) (**Comprised in Certificate of Titles**):

(i) Volumes: 1319, 1318, 1252, 1132; and

(ii) Folios: 105, 127, 914, 563, 483, 567.

ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT



ULTRACHARGE LIMITED

(TO BE RENAMED SUVO STRATEGIC MINERALS LIMITED)

Independent Limited Assurance Report

19 June 2020

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Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

19 June 2020

The Directors

Ultracharge Limited

Unit 1B, Level 1

205 Johnston Street

FITZROY VIC 3065

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT

1. Introduction

BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) has been engaged by Ultracharge Limited (**'Ultracharge'** or **'the Company'**) to prepare this Independent Limited Assurance Report (**'Report'**) in relation to certain financial information of Ultracharge, for the Public Offer of shares in Ultracharge, for inclusion in the Prospectus. Broadly, the Prospectus will offer 200,000,000 Shares at an issue price of $0.02 each to raise up to $4,000,000 before costs, with oversubscriptions of up to a further 50,000,000 Shares at an issue price of $0.02 to raise up to a further $1,000,000 (**'the Offer'**).

Expressions defined in the Prospectus have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) holds an Australian Financial Services Licence (AFS Licence Number 316158).

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

2. Scope

You have requested BDO to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 AFS Licence No 316158 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Corporate Finance (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

You have requested BDO to review the following historical financial information (together the **'Historical Financial Information'**) of Ultracharge included in the Prospectus:

- the audited historical Statements of Profit or Loss and Other Comprehensive Income for the years ended 30 June 2018, 30 June 2019 and reviewed for the half year ended 31 December 2019;
- the audited historical Statements of Cash Flows for the years ended 30 June 2018, 30 June 2019 and reviewed for the half year ended 31 December 2019; and
- the audited historical Statement of Financial Position as at 30 June 2018, 30 June 2019 and reviewed as at 31 December 2019.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies. The Historical Financial Information has been extracted from the financial reports of Ultracharge for the years ended 30 June 2018 and 2019 and the half year ended 31 December 2019, which was audited in respect of the year ends and reviewed in respect of the half year by BDO Audit (WA) Pty Ltd in accordance with the Australian Auditing Standards. BDO Audit (WA) Pty Ltd issued an unmodified audit opinions with an emphasis of matter relating to material uncertainty in relation to going concern in respect of the year ended 30 June 2018 and half-year ended 31 December 2019.

You have also requested BDO to review the following Reviewed Historical Financial Information included in the Prospectus being:

- the reviewed statement of financial position of Mt Marshall Pty Ltd as at 31 December 2019; and
- the reviewed statement of financial position of Watershed Pty Ltd as at 31 December 2019.

The Reviewed Historical Financial Information has been extracted from the financial reports of Mt Marshall and Watershed for the half year ended 31 December 2019, which was reviewed by BDO Audit (WA) Pty Ltd in accordance with the Australian Auditing Standards. BDO Audit (WA) Pty Ltd issued an unmodified review opinions with an emphasis of matter relating to material uncertainty in relation to going concern in respect of the half year ended 31 December 2019.

Pro Forma Historical Financial Information

You have requested BDO to review the following pro forma historical financial information (the **'Pro Forma Historical Financial Information'**) of Ultracharge included in the Prospectus:

- the pro forma historical Statement of Financial Position as at 31 December 2019.

The Pro Forma Historical Financial Information has been derived from the historical financial information of Ultracharge, after adjusting for the effects of the subsequent events described in Section 6.2.1 of the Prospectus and the pro forma adjustments described in Section 6.2.1 of the Prospectus. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information as set out in Section 6.7 of the Prospectus and the events or transactions to which the pro forma adjustments relate, as described in Section 6.2 of the Prospectus, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information has been compiled by Ultracharge to illustrate the impact of the events or transactions described in Section 6.2 of the Prospectus on Ultracharge's financial position as at 31 December 2019. As part of this process, information about Ultracharge's financial position has been extracted by Ultracharge from Ultracharge, Mt Marshall Pty Ltd and Watershed Pty Ltd's financial statements for the half year ended 31 December 2019.

3. Directors' responsibility

The directors of Ultracharge are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

5. Conclusion

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as set out in the Prospectus, and comprising:

- the audited historical Statements of Profit or Loss and Other Comprehensive Income for the years ended 30 June 2018, 30 June 2019 and reviewed for the half year ended 31 December 2019;
- the audited historical Statements of Cash Flows for the years ended 30 June 2018, 30 June 2019 and reviewed for the half year ended 31 December 2019; and

- the audited historical Statement of Financial Position as at 30 June 2018, 30 June 2019 and reviewed as at 31 December 2019.

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

Reviewed Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Reviewed Historical Financial Information, as set out in the Prospectus , and comprising:

- the reviewed statement of financial position of Mt Marshall Pty Ltd as at 31 December 2019; and
- the reviewed statement of financial position of Watershed Pty Ltd as at 31 December 2019.

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report

Pro Forma Historical Financial information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, and comprising:

- the pro forma historical Statement of Financial Position of Ultracharge as at 31 December 2019,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

6. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the proposed IPO other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received.

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

7. Financial Services Guide

Our Financial Services Guide follows this Report. This guide is designed to assist retail clients in their use of any general financial product advice in our Report.

Yours faithfully

BDO Corporate Finance (WA) Pty Ltd

Adam Myers

Director

APPENDIX 1 — FINANCIAL SERVICES GUIDE

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 (**'we'** or **'us'** or **'ours'** as appropriate) has been engaged by Ultracharge Limited to provide an Independent Limited Assurance Report for inclusion in the Prospectus.

Financial Services Guide
In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide (**'FSG'**). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence, Licence No. 316158;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our internal and external complaints handling procedures and how you may access them.

Information about us
BDO Corporate Finance (WA) Pty Ltd is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our Report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

Financial services we are licensed to provide
We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients.

When we provide the authorised financial services we are engaged to provide expert reports in connection with the financial product of another person. Our reports indicate who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

General Financial Product Advice
We only provide general financial product advice, not personal financial product advice. Our Report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice.

Fees, commissions and other benefits that we may receive
We charge fees for providing reports, including this Report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for this engagement is approximately $8,000 (exclusive of GST).

BDO Audit (WA) Pty Ltd has charged $116,124 in the last two years for providing audit services to Ultracharge and for undertaking review engagements on Mt Marshall & Watershed.

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the Report.

Remuneration or other benefits received by our employees
All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from Ultracharge Limited for our professional services in providing this Report. That fee is not linked in any way with our opinion as expressed in this Report.

Referrals
We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Complaints resolution
Internal complaints resolution process
As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, 38 Station Street, Subiaco, Perth WA 6008.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than **45 days** after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme
A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ('AFCA'). AFCA was established on 1 November 2018 to allow for the amalgamation of all Financial Ombudsman Service schemes into one. AFCA will deal with complaints from consumers in the financial system by providing free, fair and independent financial services complaint resolution. If an issue has not been resolved to your satisfaction you can lodge a complaint with AFCA at any time.

Our AFCA Membership Number is 12561. Further details about AFCA are available on its website www.afca.org.au or by contacting it directly via the details set out below:

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Toll free: 1300 931 678
Website: www.afca.org.au

Contact details
You may contact us using the details set out on page 1 of our Report.