

ADVANCE METALS LIMITED

ACN 127 131 604

PROSPECTUS

For the offers of:

- (a) up to 1,000 Shares at an issue price of \$0.05 per Share to raise up to \$50 (before expenses) **(Cleansing Offer)**;
- (b) up to 17,000,000 Listed Options to the Unrelated Placement Participants (or their nominees) **(Placement Options Offer)**;
- (c) 3,500,000 Listed Options to Evolution Capital Pty Ltd (or its nominees) **(Lead Manager Offer)**:
and
- (d) 500,000 Placement Shares and 166,667 Listed Options to Dr Adam McKinnon (or his nominees) **(Director Offer)**.

This Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

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

IMPORTANT NOTICE

This Prospectus is dated 6 May 2025 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No 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 this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

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

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

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

Company, the Directors and the Company's management.

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

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

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

Applicants outside Australia

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

Refer to Section 3.11 for further information with respect to overseas investors.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

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

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

Please refer to Section 7.2 for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.advancemetals.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 2 8964 4373 during office hours or by emailing the Company at info@advancemetals.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.

Company Website

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

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

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

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

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

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be

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

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 9.

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.

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 2 8964 4373.

CORPORATE DIRECTORY

Directors

Adam McKinnon
Managing Director & CEO

Craig Stranger
Non-Executive Chairman

Fadi Diab
Non-Executive Director

Joshua Gordon
Non-Executive Director

Company Secretary

Jay Stephenson

Registered Office

Suite 706, Level 7
89 York Street
SYDNEY NSW 2000

Telephone: +61 2 8964 4373

Email: info@advancemetals.com.au

Website: www.advancemetals.com.au

Share Registry*

Boardroom Pty Limited
Level 8, 210 George Street
SYDNEY NSW 2000

Telephone: 1300 737 760 (in Australia)

+61 2 9290 9600 (International)

Website: www.boardroomlimited.com.au

Legal Advisers

Steinepreis Paganin
Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

Auditor

Hall Chadwick NSW
Level 40, 2 Park Street
SYDNEY NSW 2000

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

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1. INDICATIVE TIMETABLE

ACTION	DATE
Lodgement of Prospectus with the ASIC and ASX	6 May 2025
Opening Date of Offers	7 May 2025
Issue of Placement Shares to the Unrelated Placement Participants under the Placement	8 May 2025
Closing Date of the Offers*	9 May 2025
Issue of Shares under the Cleansing Offer	12 May 2025
Expected date for quotation of Shares issued under the Cleansing Offer on ASX*	13 May 2025
General Meeting	On or about 20 June 2025
Issue of Securities under the Placement Options Offer, the Lead Manager Offer and the Director Offer	On or about 23 June 2025
Expected date for quotation of Securities issued under the Placement Options Offer and the Director Offer on ASX*	On or about 24 June 2025

*These dates are indicative only and may change without notice. The Directors reserve the right to extend the Closing Date at any time after the Opening Date without notice.

2. BACKGROUND TO THE OFFERS

2.1 Cleansing Offer

The Company is not currently able to issue a cleansing notice under section 708A(5) of the Corporations Act due to its Shares having been suspended from trading on ASX for more than 5 trading days within the last 12 months. The primary purpose of the Cleansing Offer is to remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to the date of this Prospectus), in particular, the Placement Shares to the Unrelated Placement Participants (defined below).

2.2 Placement

On 2 May 2025, the Company received firm commitments from institutional and sophisticated investors (**Unrelated Placement Participants**) and Director, Dr Adam McKinnon, to raise up to \$2,575,000 via the issue of 51,500,000 Shares at an issue price of \$0.05 per Share (**Placement Shares**) together with one free-attaching Listed Option for every three Placement Shares subscribed for, exercisable at \$0.05 each on or before 31 May 2029 (**Placement**).

The Placement Shares are proposed to be issued to the Unrelated Placement Participants (or their nominees) on 8 May 2025 pursuant to the Company's available ASX Listing Rule 7.1 and 7.1A capacities and the free-attaching Listed Options will be issued subject to Shareholder approval being obtained at a general meeting of Shareholders to be on or about 20 June 2025 (**General Meeting**).

As noted above, Dr Adam McKinnon, the Company's Managing Director, also intends to participate in the Placement, on the same terms as the Unrelated Placement Participants, to raise \$25,000 which will result in the issue of 500,000 Placement Shares and 166,667 Listed Options, subject to Shareholder approval being obtained at the General Meeting.

The funds raised under the Placement (including the participation of Dr McKinnon) are to be applied towards:

- (a) follow-up diamond drilling at the Happy Valley Prospect;
- (b) further regional exploration and target generation across the Myrtleford and Beaufort Projects;
- (c) extension of the Company's planned programs in Mexico, including the maiden drilling at the Yoquivo Project;
- (d) costs associated with the Placement; and
- (e) general working capital purposes.

2.3 Lead Manager

In conjunction with the Placement, the Company engaged the services of Evolution Capital Pty Ltd (**Evolution Capital**) to act as lead manager to the Placement.

In consideration for lead manager services provided, the Company agreed to:

- (a) pay the Evolution Capital a fee of 6% of the amount raised under the Placement; and
- (b) issue to Evolution Capital (or its nominees) 3,500,000 Listed Options, subject to Shareholder approval being obtained at the General Meeting.

2.4 Shareholder approvals

As noted above, the Company will seek Shareholder approval at the General Meeting for the issue of:

- (a) up to 17,000,000 Listed Options to Unrelated Placement Participants (or their nominees) for the purposes of ASX Listing Rule 7.1;

- (b) 3,500,000 Listed Options to Evolution Capital (or its nominees) for the purposes of ASX Listing Rule 7.1; and
- (c) 500,000 Placement Shares and 166,667 Listed Options to Dr Adam McKinnon (or his nominees) for the purposes of ASX Listing Rule 10.11.

Further details will be provided in the notice convening the General Meeting which shall be dispatched to Shareholders in due course.

3. DETAILS OF THE OFFERS

3.1 The Cleansing Offer

Pursuant to the Cleansing Offer, the Company invites investors identified by the Directors to apply for up to 1,000 Shares at an issue price of \$0.05 per Share, to raise up to \$50 (before expenses).

The Cleansing Offer will only be extended, and Application Forms will only be provided to, specific parties on invitation from the Directors.

All of the Shares offered under the Cleansing Offer will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

3.2 Objective of Cleansing Offer

The objective of the Cleansing Offer is to remove any on-sale restrictions that may affect the Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to the date of this Prospectus), in particular, the Placement Shares to the Unrelated Placement Participants.

Accordingly, the Company is seeking to raise only a nominal amount of \$50 under the Cleansing Offer as the purpose of the Cleansing Offer is not to raise capital.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

3.3 Application under Cleansing Offer

Applications for Shares under the Cleansing Offer must be made by investors at the direction of the Company. Application Forms for the Cleansing Offer will only be provided to specific parties on invitation from the Directors.

Payment for the Shares must be made in full at the issue price of \$0.05 per Share.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than **5:00pm (WST) on the Closing Date**.

3.4 Placement Options Offer

This Prospectus includes an offer of up to 17,000,000 Listed Options to the Unrelated Placement Participants (or their nominees) under the Placement Options Offer.

As set out in Section 2.2, the Listed Options will be offered free attaching (on a one for three basis) with Placement Shares issued to Unrelated Placement Participants (or their nominees). Accordingly, no funds will be raised from the issue of Listed Options under the Placement Options Offer.

The issue of the Listed Options under the Placement is subject to Shareholder approval at the General Meeting.

Only the Unrelated Placement Participants (or their nominees) may accept the Placement Options Offer. Personalised application forms in relation to the Placement Options Offer will be issued to the Placement Participants (or their nominees), together with a copy of this Prospectus.

The Listed Options offered under the Placement Options Offer will be issued on the terms and conditions set out in Section 5.2. All of the Shares issued upon the future exercise of the Listed Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The Company will apply for Official Quotation of the Listed Options issued pursuant to the Placement Options Offer.

3.5 Lead Manager Offer

This Prospectus includes an offer of 3,500,000 Listed Options to Evolution Capital (or its nominees) under the Lead Manager Offer.

As set out in Section 2.3, the Listed Options will be issued to Evolution Capital (or its nominees) in part consideration for lead manager services provided to the Company in respect of the Placement. Accordingly, no funds will be raised from the issue of Listed Options under the Lead Manager Offer.

The issue of the Listed Options to Evolution Capital (or its nominees) is subject to Shareholder approval at the General Meeting.

Only Evolution Capital (or its nominees) may accept the Lead Manager Offer. Personalised application forms in relation to the Lead Manager Offer will be issued to the Evolution Capital (or its nominees), together with a copy of this Prospectus.

The Listed Options offered under the Lead Manager Offer will be issued on the terms and conditions set out in Section 5.2. All of the Shares issued upon the future exercise of the Listed Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The Company will apply for Official Quotation of the Listed Options issued pursuant to the Lead Manager Offer.

3.6 Director Offer

This Prospectus includes an offer of 500,000 Placement Shares and 166,667 Listed Options to Dr Adam McKinnon (or his nominees) under the Director Offer.

As set out in Section 2.1, the Company will raise \$25,000 through the issue of the Placement Shares to Dr McKinnon (or his nominees), while the Listed Options will be offered free attaching (on a one for three basis). Accordingly, no funds will be raised from the issue of Listed Options under the Director Offer.

The issue of the Placement Shares and Listed Options to Dr McKinnon (or his nominees) under the Placement is subject to Shareholder approval at the General Meeting.

Only Dr McKinnon (or his nominees) may accept the Director Offer. Personalised application forms in relation to the Director Offer will be issued to Dr McKinnon (or his nominees), together with a copy of this Prospectus.

The Listed Options offered under the Director Offer will be issued on the terms and conditions set out in Section 5.2. The Placement Shares and all of the Shares issued upon the future exercise of the Listed Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The Company will apply for Official Quotation of the Placement Shares and the Listed Options issued pursuant to the Director Offer.

3.7 Minimum subscription

There is no minimum subscription to the Offers.

3.8 Oversubscriptions

No oversubscriptions will be accepted by the Company.

3.9 Underwriting

The Offers are not underwritten.

3.10 Issue of Securities under Offers

The issue of Securities under the Offers will be issued in accordance with the ASX Listing Rules and will take place as soon as practicable after the Closing Date.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the 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.

Holding statements for Securities issued under the Offers will be mailed as soon as practicable after the issue of Securities occur.

3.11 ASX listing

Application for Official Quotation of the Securities offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Securities offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Securities and will repay all Application monies for the Securities within the time prescribed under the Corporations Act, without interest.

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

For the avoidance of doubt, the Company will apply for Official Quotation of the Listed Options offered pursuant to this Prospectus.

3.12 Applicants outside Australia

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

The distribution of this Prospectus outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia, except to institutional and professional investors in transactions exempt from local prospectus or registration requirements or investors who can participate in compliance with applicable securities laws. Any failure to comply with these restrictions constitutes a violation of those laws.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Securities on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

4. PURPOSE AND EFFECT OF THE OFFERS

4.1 Purpose of the Cleansing Offer

The purpose of the Cleansing Offer is to remove any on-sale restrictions that may affect the Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to the date of this Prospectus), in particular, the Placement Shares.

Under the Cleansing Offer a nominal amount of approximately \$50 may be raised (before expenses). The funds raised from the Cleansing Offer (if any) will be applied towards the expenses of the Offers. Refer to Section 7.8 of this Prospectus for further details relating to the estimated expenses of the Offers.

4.2 Purpose of the Placement Options Offer and the Director Offer

The Placement Options Offer, the Lead Manager Offer, and the Director Offer are being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act, in relation to the Placement Shares and the Listed Options, is available.

Specifically, if the Listed Options are issued with disclosure under this Prospectus, then the Shares issued upon the conversion of any of the Listed Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised from the issue of the Listed Options under the Placement Options Offer, or the Lead Manager Offer.

Through the Director Offer, an amount of \$25,000 will be raised under the Placement (before expenses). The funds raised from the Placement will be applied in the manner set out in Section 2.2 of this Prospectus.

4.3 Effect on capital structure

The effect of the Placement and the Offers on the capital structure of the Company assuming no Securities are issued including on exercise or conversion of other Securities on issue prior to the Closing Date (other than as outlined in the table below), is set out below.

	SHARES ^{1,3}	OPTIONS	PERFORMANCE RIGHTS
Securities currently on issue	214,035,834	168,773,826 ²	25,354,976
Securities to be issued under the Placement prior to the Closing Date	51,000,000	-	-
Securities to be issued under the Cleansing Offer	1,000	-	-
Securities to be issued under the Placement Options Offer	-	17,000,000	-
Securities to be issued under the Lead Manager Offer		3,500,000	
Securities to be issued under the Director Offer	500,000	166,667	-
Securities on issue after completion of the Offers³	265,536,834	189,440,493	25,354,976

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 5.1 of this Prospectus.
2. Comprising:
 - (a) 145,337,297 Listed Options expiring on 31 May 2029, exercisable at \$0.05 each;
 - (b) 19,980,579 Options expiring on 27 March 2028, exercisable at \$0.075 each;
 - (c) 125,000 Options expiring on 31 May 2027, exercisable at \$0.40 each;
 - (d) 500,000 Options expiring on 28 Feb 2027, exercisable at \$0.06 each;

- (e) 450,000 Options expiring on 29 June 2026, exercisable at \$0.60 each; and
 - (f) 2,380,950 Options expiring on 12 November 2025, exercisable at \$0.12 each.
3. As announced on 6 January 2025, the Company entered into a binding agreement with Sailfish Royalty Corp. (TSX-V: FISH, OTCQX: SROYF) (**Sailfish**) to acquire a 100% interest in the high-grade Gavilanes Silver Project in Durango, Mexico (**Gavilanes Project**) (**Sailfish Agreement**). Pursuant to the terms of the Sailfish Agreement, the Company sought and obtained Shareholder approval at a general meeting held on 25 March 2025 to issue 16,800,000 Shares and 33,600,000 Performance Rights to Sailfish (or its nominees) in consideration for the acquisition of the Gavilanes Project (**Sailfish Securities**). The Company expects to issue the Sailfish Securities following the satisfaction of waiver of the due diligence condition, and in any event, no later than three months after the date that Shareholder approval was obtained.

4.4 Effects of the Offers

The expenses of the Offers, being approximately \$21,917, will be met from the Company's existing cash reserves.

On completion of the Offers, the capital structure of the Company will be impacted as follows:

- (a) the Company will increase the number of Shares on issue from 214,035,834 Shares to 265,536,834 Shares; and
- (b) the Company will increase the number of Options on issue from 168,773,826 Options to 189,440,493 Options

4.5 Pro-forma balance sheet

The audited balance sheet as at 31 December 2024 shown below has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position resulting from the Placement and the Offers.

The pro-forma balance sheet has been prepared for illustrative purposes for inclusion in the Prospectus, has been derived from the audited balance sheet as at 31 December 2024, assuming the completion of the pro forma adjustments as set out in the notes to the pro-forma balance sheets as if those adjustments had occurred as at 31 December 2024 and including the effect of the Placement and the expenses of the Offers.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	AUDITED 31 DECEMBER 2024	PROFORMA EFFECT OF THE OFFERS
Current assets		
Cash	922,911	3,322,994
Other current assets	81,482	81,482
Total current assets	1,004,393	3,404,476
Non-current assets		
Deferred exploration and evaluation costs	7,625,313	8,801,313
Security deposits	193,021	193,021
Total non-current assets	7,818,334	8,994,334
Total assets	8,822,727	12,398,810
Current liabilities		
Creditors and borrowings	173,647	173,647
Total current liabilities	173,647	173,647

	AUDITED 31 DECEMBER 2024	PROFORMA EFFECT OF THE OFFERS
Total liabilities	173,647	173,647
Net assets (liabilities)	8,649,080	12,225,163
Equity		
Share capital	21,818,688	24,424,688
Options reserve	1,076,227	2,068,227
Foreign currency exchange reserve	976,257	976,257
Retained loss	(15,222,092)	(15,244,009)
Total equity	8,649,080	12,225,163

Notes to Proforma Adjustments:

1. Issue of 51,500,000 Placement Shares at \$0.05 per Placement Share less fees to Evolution Capital, as lead manager, of the Placement of \$153,000.
2. Costs of the Offers of \$21,917.
3. Issue of 3,500,000 Listed Options to Evolution Capital (or its nominees) with an estimated value of \$0.032 per Listed Option.
4. Issue of 17,166,667 free attaching Listed Options to Placement participants (including Director, Adam McKinnon) with an estimated value of \$0.032 per Listed Option.

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

The following is a summary of the more significant rights and liabilities attaching to Securities 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.

5.1 Rights and liabilities attaching to Shares

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. The Company's constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.

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

(b) Voting rights

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

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

(c) Dividend rights

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

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

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

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

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

(e) **Shareholder liability**

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

(f) **Transfer of shares**

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

(g) **Future increase in capital**

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

(h) **Variation of rights**

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

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

(i) **Alteration of Constitution**

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

5.2 Terms of Listed Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i) the amount payable upon exercise of each Listed Option will be \$0.05 (**Exercise Price**)

(c) **Expiry Date**

Each Listed Option will expire at 5:00pm (WST) on 31 May 2029 (**Expiry Date**). A Listed Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

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

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

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

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Listed 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 a Listed Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

6. RISK FACTORS

6.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors to consider the risk factors set out in this Section 6, together with information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 6, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 6 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

6.2 Company specific

RISK CATEGORY	RISK
Additional requirements for capital	The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing to develop its business in addition to amounts raised under the Placement. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. 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.
Going Concern	<p>The Company's financial year 31 December 2024 report (Financial Report) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' emphasis of matter included in the Financial Report, the Directors believe that upon the successful completion of the Placement, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short-term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long-term working capital costs of the Company.</p> <p>In the event that the Placement is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material adverse effect on the Company's activities.</p>
Exploration and operation	The Company's projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

RISK CATEGORY	RISK
	<p>There can be no assurance that future exploration of any of the projects, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes at any projects prove to be unsuccessful this could lead to a diminution in the value of that project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising that project.</p>
Foreign Resource Estimate – Yoquivo Project	<p>As announced on 28 October 2024, the Company acquired the Yoquivo Project in Mexico which contains a foreign resource estimate has been prepared in accordance with the Canadian National Instrument 43-101 (NI 43-101).</p> <p>The Company is undertaking fieldwork on the Yoquivo Project in order to classify the Foreign Estimate as a Mineral Resource in accordance with the 2012 JORC Code.</p> <p>It is uncertain that following evaluation and/or further exploration work that the foreign resource estimate will be able to be reported as a Mineral Resource in accordance with the JORC Code 2012.</p>
Grant of future authorisations to explore and mine	<p>If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licence and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.</p>
Mine development	<p>Possible future development of mining operations at the projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p>

RISK CATEGORY	RISK
	<p>If the Company commences production on one of the projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of any of the projects.</p> <p>The risks associated with the development of a mine will be considered in full should any of the projects reach that stage and will be managed with ongoing consideration of stakeholder interests.</p>
Renewal and surface access	<p>The Company's claims are subject to periodic renewal. The renewal of the term of the claims is subject to compliance with applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the claims. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.</p> <p>The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Australia, Mexico and the United States and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted mineral claim for reasons beyond the control of the Company could be significant.</p>
Commodity price volatility and exchange rate risk	<p>If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macroeconomic factors. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>Furthermore, international prices of various commodities are denominated in United States dollars, whereas expenditures of the Company are and will be taken into account in Australian and Mexican currency, as well as United States dollars, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and other currencies as determined in international markets. As a result, any significant and/or sustained fluctuations in exchange rates could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board, to mitigate such risks.</p>
Political and economic conditions	<p>A number of the Company's exploration, development and production activities will be conducted in Mexico. As a result, the Companies operations are exposed to various levels of political, economic and other risks and uncertainties. These risks include but are not limited to, the existence or possibility of</p>

RISK CATEGORY	RISK
	political or economic instability, conflict, terrorism, hostage taking and military repression.
Government regulation and political risk in the mining industry	<p>A number of the Company's operating activities are subject to the laws and regulations of Mexico governing expropriation of property, health and worker safety, employment standards, waste disposal, protection of the environment, mine development, land and water use, prospecting, mineral production, exports, taxes, labour standards, occupational health standards, toxic wastes, the protection of endangered and protected species and other matters. Where required, obtaining necessary permits and licences can be a complex, time-consuming process and the Company cannot be sure whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with any future exploration or development of its projects. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities.</p>
Bribery, corruption and other improper acts	<p>The Company may incur fines or penalties, damage to its reputation or suffer other adverse consequences if its Directors, officers, employees, consultants, agents, service providers or business partners violate, or are alleged to have violated, anti-bribery and corruption laws in Australia, Mexico, the United States or any of the jurisdictions in which it operates.</p> <p>The Company cannot guarantee that its internal policies and controls will be effective in each case to ensure that it is protected from reckless or criminal acts committed by its Directors, officers, employees, consultants, agents, service providers or business partners that would violate Australian or Mexican laws or the laws of the United States of America. Any such improper actions could subject the Company to civil or criminal investigations in these countries or any other country that could lead to substantial civil or criminal monetary and non-monetary penalties against the Company and could damage the Company's reputation. Even the allegation or appearance of improper or illegal actions could damage the Company's reputation and result in significant expenditures in investigating and responding to such actions and may in turn have an adverse effect on the Company's future financial performance and position.</p>
Climate Risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry</p>

RISK CATEGORY	RISK
	<p>that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>
Joint venture parties, agents and contractors	There is a risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party, or the insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

6.3 General risks

RISK CATEGORY	RISK
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <p>(a) general economic outlook;</p> <p>(b) introduction of tax reform or other new legislation;</p> <p>(c) interest rates and inflation rates;</p> <p>(d) changes in investor sentiment toward particular market sectors;</p> <p>(e) the demand for, and supply of, capital; and</p> <p>(f) terrorism or other hostilities.</p> <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Litigation risks	The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial

RISK CATEGORY	RISK
	position. The Company is not currently engaged in any litigation.
Dividends	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.
Economic conditions and other global or national issues	<p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p>

6.4 Speculative investment

The risk factors described above, and other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities.

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

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

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

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company and its subsidiaries are not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company or any of its subsidiaries.

7.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

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

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

DATE	DESCRIPTION OF ANNOUNCEMENT
6 May 2025	Update - Proposed issue of securities - AVM
5 May 2025	Notice of cessation of securities
5 May 2025	New Results Highlight Discovery Potential at Myrtleford
5 May 2025	Drilling Program to Commence at Yoquivo this Week
2 May 2025	\$2.55M Placement to Accelerate Myrtleford Exploration
2 May 2025	Proposed issue of securities - AVM
30 April 2025	Notice of Annual General Meeting/Proxy Form
30 April 2025	Annual General Meeting - Letter to Shareholders
30 April 2025	Trading Halt
29 April 2025	Quarterly Activity and Cashflow Report
17 April 2025	Spectacular Myrtleford Results with up to 446g/t Gold

DATE	DESCRIPTION OF ANNOUNCEMENT
14 April 2025	Approvals secured for maiden drilling program at Yoquivo
4 April 2025	Change of Director's Interest Notice x 4
31 March 2025	Exceptionally High Grades To 93.2g/t Gold at Myrtleford
28 March 2025	Appendix 4G
28 March 2025	Corporate Governance Statement

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.advancemetals.com.au.

7.3 Market price of Securities

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares and Listed Options are enhanced disclosure securities quoted on ASX.

The highest, lowest and last closing market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	PRICE	DATE
Highest	\$0.06	28 April 2025
Lowest	\$0.035	7 April 2025
Last	\$0.049	5 May 2025

The highest, lowest and last closing market sale prices of the Listed Options on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	PRICE	DATE
Highest	\$0.035	17 February 2025
Lowest	\$0.02	7 April 2025
Last	\$0.025	5 May 2025

7.4 Details of substantial Shareholders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

SHAREHOLDER	SHARES	%
Chunyan Niu	18,379,154,796,44	7.23%

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

7.5 Directors' interests

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 the ASIC, any interest in:

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

- (ii) the Offers; or
- (c) the Offers,

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

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

Security holdings

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus is set out in the table below.

DIRECTOR	SHARES	OPTIONS	PERFORMANCE RIGHTS
Adam McKinnon ¹	575,000	-	5,054,976
Craig Stranger ¹	1,731,194	1,731,194	5,000,000
Joshua Gordon ¹	3,307,693	3,307,693	7,500,000
Fadi Diab ¹	7,692,307	7,692,307	5,000,000

Notes

1. All Securities are held directly by each Director.

The relevant interest of each of the Directors in the Securities of the Company following completion of the Offers is set out in the table below:

DIRECTOR	SHARES	OPTIONS	PERFORMANCE RIGHTS
Adam McKinnon ^{1,2}	1,075,000	166,667	5,054,976
Craig Stranger ¹	1,731,194	1,731,194	5,000,000
Joshua Gordon ¹	3,307,693	3,307,693	7,500,000
Fadi Diab ¹	7,692,307	7,692,307	5,000,000

Notes

1. All Securities are held directly by each Director.
2. Comprising the issue of 500,000 Placement Shares and 166,667 Listed Options to Dr McKinnon (or his nominees) under the Director Offer.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution, and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$350,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total annual remuneration paid to both executive and non-executive Directors for the financial year ended 31 December 2024 and proposed annual remuneration for the financial year ending 31 December 2025.

DIRECTOR	FY ENDED 31 DECEMBER 2024	FY ENDING 31 DECEMBER 2025
Adam McKinnon ¹	Nil	\$559,875
Craig Stranger ²	\$71,648	\$148,750
Joshua Gordon ³	\$61,858	\$247,500
Fadi Diab ⁴	\$16,634	\$148,750

Notes:

1. Comprising, estimated 2025 Director's fees of \$325,000, superannuation of \$37,375 and share-based payment of \$197,500.
2. Comprising, 2024 Director's fees of \$35,167, Superannuation of \$3,584 and share based payments of \$32,897 and 2025 Director's fees of \$50,000 and share-based payments of \$98,750.
3. Comprising, 2024 Director's fees of \$25,974, Superannuation of \$2,987 and share based payments of 32,897 and 2025 Director's fees of \$50,000 and share-based payment of \$197,500.
4. Comprising, 2024 Director's fees of \$16,634 and 2025 Director's fees of \$50,000, and share-based payments of \$98,750.

7.6 Interests of experts and advisers

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

- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- 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 the ASIC, any interest in:

- the formation or promotion of the Company;
- any property acquired or proposed to be acquired by the Company in connection with:
 - its formation or promotion; or
 - the Offers; or
- 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:

- the formation or promotion of the Company; or
- the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$7,500 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$68,892 (excluding GST and disbursements) for legal services provided to the Company.

7.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, the persons named in the Prospectus with their consent as proposed directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive

statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

Hall Chadwick NSW given its written consent to being named as auditor to the Company in this Prospectus and the inclusion of the 31 December 2024 audited balance sheet of the Company in Section 4.3. Hall Chadwick NSW has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

7.8 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$21,917 (excluding GST) and are expected to be applied towards the items set out in the table below:

EXPENSE	(\$)
ASIC fees	3,206
ASX fees	6,211
Legal fees	7,500
Miscellaneous, printing and other distribution	5,000
TOTAL	21,917

8. DIRECTORS' AUTHORISATION

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

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

9. GLOSSARY

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

Applicant means an investor who applies for Securities pursuant to the Offers.

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

Application means an application for Securities made on an Application Form.

ASIC means the Australian Securities and Investments Commission.

ASX Listing Rules means the listing rules of the ASX.

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

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

Board means the board of Directors unless the context indicates otherwise.

Cleansing Offer means the offer of up to 1,000 Shares at an issue price of \$0.05 per Share, to raise up to \$50 (before expenses).

Closing Date means the date specified in the timetable set out in Section 1 of this Prospectus (unless varied).

Company means Advance Metals Limited (ACN 127 131 604).

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

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

Director Offer means the offer of 500,000 Placement Shares and 166,667 Listed Options to Dr Adam McKinnon (or his nominees) under this Prospectus.

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

Evolution Capital means Evolution Capital Pty Ltd.

General Meeting means the general meeting of Shareholders held on or about 20 June 2025.

Lead Manager Offer means the offer of 3,500,000 Listed Options to Evolution Capital (or its nominees) under this Prospectus.

Listed Options means quoted Options exercisable at \$0.05 each on or before 31 May 2029 on the terms set out in Section 5.2.

Offers means the Cleansing Offer, the Placement Options Offer, the Lead Manager Offer, and the Director Offer, as the context requires.

Official Quotation means official quotation on ASX.

Opening Date means the date specified in the timetable set out in Section 1 of this Prospectus (unless varied).

Option means an option to acquire a Share.

Placement means the placement of 51,500,000 Placement Shares at an issue price of \$0.05 per Share, along with one free attaching Listed Option for every three Placement Shares subscribed for, to raise a total of \$2,575,000 (before costs).

Placement Options Offer means the offer of up to 17,000,000 Listed Options to the Unrelated Placement Participants (or their nominees) under this Prospectus.

Performance Right means a right to acquire a Share subject to the satisfaction of a specific milestone.

Prospectus means this prospectus.

Section means a section of this Prospectus.

Securities means Shares, Options and/or Performance Rights as the context requires.

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

Shareholder means a holder of a Share.

Unrelated Placement Participants means unrelated institutional and sophisticated investors in the Placement.

WST means Western Standard Time as observed in Perth, Western Australia.