

CARBINE RESOURCES LIMITED

ACN 122 976 818

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata non-renounceable entitlement issue of 2 Shares for every 3 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.003 per Share to raise up to approximately \$1,103,476 (based on the number of Shares on issue as at the Record Date) (**Entitlement Offer**).

This Prospectus also contains the offer of 10,000,000 Broker Options to the Lead Manager (and/or their nominees) (**Broker Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Shares 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 21 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 made by 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 the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

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

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Entitlement Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia, New Zealand, Singapore or China.

For further information on overseas Shareholders please refer to Section 2.9.

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 6.2 for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.carbineresources.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, New Zealand, Singapore or China resident and must only access this Prospectus from within Australia or New Zealand.

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 8 6142 0986 during office hours or by emailing the Company at admin@carbineresources.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.

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.

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 8.

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* (Cth) (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 an Offer please call the Company Secretary on + 61 8 6142 0986.

CORPORATE DIRECTORY

Directors

Brett Grosvenor
Non-Executive Director

James Pearce
Non-Executive Director

Glenn Whiddon
Non-Executive Director

Selvakumar Arunachalam
Non-Executive Director

Company Secretary

Oonagh Malone

Registered Office

Suite 23, 513 Hay Street
SUBIACO WA 6008

Telephone: + 61 8 6142 0986

Email: admin@carbineresources.com.au

Website: <https://carbineresources.com.au/>

Legal Advisers

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

Share Registry*

Automic Group
Level 5, 191 St Georges Terrace
PERTH WA 6000

Telephone:
1300 288 664 (within Australia)
+61 2 9698 5414 (outside Australia)
Email: hello@automic.com.au

Lead Manager

Taylor Collison Limited
(AFSL 247083)
Level 10, 151 Macquarie Street
SYDNEY NSW 2000

Auditor

Stantons International Audit and Consulting Pty Ltd
Level 2, 40 Kings Park Road
WEST PERTH WA 6005

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

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1. KEY OFFER INFORMATION

1.1 Timetable

ACTION	DATE
Lodgement of Prospectus with the ASIC	21 May 2025
Lodgement of Prospectus and Appendix 3B with ASX	21 May 2025
Ex date	26 May 2025
Record Date for determining Entitlements	27 May 2025
Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	30 May 2025
Last day to extend the Closing Date of Entitlement Offer	5 June 2025
Closing Date of Offers	11 June 2025
Shares under Entitlement Offer quoted on a deferred settlement basis	12 June 2025
ASX notified of under subscriptions	18 June 2025
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares issued under the Entitlement Offer	18 June 2025
Quotation of Shares issued under the Entitlement Offer**	19 June 2025

*The Directors may extend the Closing Date of the Entitlement Offer by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Shares are expected to commence trading on ASX may vary.

1.2 Summary of the Entitlement Offer

The Company is offering a pro-rata non-renounceable entitlement issue of 2 Shares for every 3 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.003 per Share to raise up to \$1,103,476 (**Entitlement Offer**).

Full details in respect of the Entitlement Offer are set out in Section 2.1.

Taylor Collison Limited (AFSL 247083) (**Taylor Collison** or the **Lead Manager**) has been appointed as the lead manager of the shortfall under the Entitlement Offer pursuant to a lead manager mandate executed (**Lead Manager Mandate**). In consideration for lead manager services provided in relation to the Shortfall Offer, the Company has agreed to:

- (a) pay the Lead Manager management and selling fees totalling 6.0% (plus GST) of the total gross proceeds raised under the Shortfall Offer by subscriptions made by the Lead Manager's clients;
- (b) a \$10,000 administration fee (plus GST); and
- (c) subject to Shareholder approval under ASX Listing Rule 7.1, issue the Lead Manager (and/or their nominees) 10,000,000 Options exercisable at \$0.006 on or before the date that is three years from the date of issue (**Broker Options**).

Refer to Section 6.4 for further information with respect to the Lead Manager Mandate.

1.3 Broker Offer

The Broker Offer is the offer of 10,000,000 Broker Options to the Lead Manager (and/or their nominees) in accordance with the Lead Manager Mandate. The terms of the Broker Options are set out in Section 4.2.

The Broker Offer is conditional upon Shareholders approving a resolution under ASX Listing Rule 7.1 to issue the Broker Options at a General Meeting. No Broker Options will be issued under the Broker Offer until this condition is satisfied.

1.4 Key statistics of the Entitlement Offer

Shares¹

	FULL SUBSCRIPTION ²
Entitlement Offer Price per Share	\$0.003
Entitlement Ratio (based on existing Shares)	2:3
Shares on issue at Record Date	551,737,756
Shares to be issued under the Entitlement Offer	367,825,171
Gross proceeds of the issue of Shares	\$1,103,476
Shares on issue Post-Entitlement Offer	919,562,927

Notes:

1. Refer to Section 4.1 for the terms of the Shares.
2. Assuming the Entitlement Offer is fully subscribed.

1.5 Key Risk Factors

Prospective investors should be aware that subscribing for Securities involves a number of risks and an investment in the Company should be considered as highly speculative. 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 set out in Section 5.

1.6 Directors' Interests in securities

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement under the Entitlement Offer, is set out in the table below:

DIRECTOR	SHARES	OPTIONS	PERFORMANCE RIGHTS	SHARE ENTITLEMENT	\$	PERCENTAGE (%) FULL SUBSCRIPTION, FULLY DILUTED
Brett Grosvenor	Nil	Nil	10,000,000 ¹	Nil	\$-	0.96%
James Pearce	Nil	Nil	10,000,000 ¹	Nil	\$-	0.96%
Glenn Whiddon	1,000,000	Nil	10,000,000 ¹	666,667	\$2,000	1.12%
Selvakumar Arunachalam	26,666,674	10,000,000	Nil	17,777,783	\$53,333.35	5.24%

Notes:

1. Messrs Grosvenor, Pearce and Whiddon have each indicated that they will not convert any vested Performance Rights into Shares prior to the Record Date.

The Board recommends all Shareholders take up their Entitlements. The Directors reserve the right to take up their respective Entitlement (if any) in whole or in part at their discretion.

In addition to taking up their respective Entitlements (if any), Directors Brett Grosvenor, James Pearce, and Glenn Whiddon each intend to subscribe for Shortfall Shares in the following quantities:

- (a) Glenn Whiddon: \$75,000 (being, 25,000,000 Shortfall Shares);
- (b) James Pearce: \$15,000 (being, 5,000,000 Shortfall Shares); and
- (c) Brett Grosvenor: \$30,000 (being, 10,000,000 Shortfall Shares).

The Directors' participation in the Shortfall Offer remains subject to Shareholder approval under ASX Listing Rule 10.11.

1.7 Details of Substantial Holders

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	%
Robert Jewson	35,982,897	6.52%
Peter Gianni	35,982,897	6.52%

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offers.

1.8 Effect on Control

Based on current shareholding and Entitlements of Shareholders (including substantial Shareholders) as at the date of this Prospectus, regardless of the amount raised under the Entitlement Offer, no Shareholder will increase their holding, to an amount in excess of 19.99% through applying for their Entitlements.

Further as set out in Section 2.6, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Entitlement Offer.

Further there will be no change to any Shareholder's voting power as a result of the issue of the Broker Options. Where Broker Options are exercised into Shares, the voting power of the Shareholders who exercise the Broker Options will increase. The likelihood of Broker Options being exercised is dependent on the price of Shares from time to time until the Broker Options expire.

1.9 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Entitlement Offer (assuming that the Entitlement Offer is fully subscribed), their holdings are likely to be diluted by approximately 40% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

No immediate dilution will occur as a result of the issue of Broker Options under this Prospectus. However subsequent exercise of any or all of the Broker Options will result in dilution.

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

HOLDER	HOLDING AS AT DATE OF PROSPECTUS	% AT DATE OF PROSPECTUS	ENTITLEMENTS UNDER THE ENTITLEMENT OFFER	HOLDINGS IF OFFER NOT TAKEN UP	% POST ENTITLEMENT OFFER
Shareholder 1	10,000,000	1.81%	6,666,667	10,000,000	1.09%
Shareholder 2	5,000,000	0.91%	3,333,333	5,000,000	0.54%
Shareholder 3	1,500,000	0.27%	1,000,000	1,500,000	0.16%
Shareholder 4	400,000	0.07%	266,667	400,000	0.04%
Shareholder 5	50,000	0.01%	33,333	50,000	0.01%

Notes:

- This is based on a share capital of 551,737,756 Shares as at the date of this Prospectus and assumes no Options or Performance Rights currently on issue or other Shares are issued.

2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed by the Company under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2. DETAILS OF THE OFFERS

2.1 The Entitlement Offer

The Entitlement Offer is being made as a pro-rata non-renounceable entitlement issue of 2 Shares for every 3 Shares held by Shareholders registered at the Record Date at an issue price of \$0.003 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no Shares are issued prior to the Record Date including on exercise or conversion of securities on issue) approximately 367,825,171 Shares may be issued under the Entitlement Offer to raise up to approximately \$1,103,476 (before costs).

As at the date of this Prospectus the Company has 75,000,003 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Entitlement Offer.

All of the Shares offered under the Entitlement Offer will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Entitlement Offer, and the intended use of funds raised are set out in Section 3.

2.2 The Broker Offer

The Broker Offer is for 10,000,000 Broker Options and will only be extended to the Lead Manager (or their nominees). Accordingly, Application Forms in relation to the Broker Offer will only be provided by the Company to the Lead Manager (or their nominees).

The Broker Options will be issued on the terms and conditions set out in Section 4.2. Shares on exercise of the Broker Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

No funds will be raised pursuant to the Broker Offer as the Broker Options are being issued in consideration for lead manager services provided by the Lead Manager under the Lead Manager Mandate.

2.3 Minimum subscription

There is no minimum subscription under the Offers.

2.4 Underwriting

The Offers are not underwritten.

2.5 Acceptance and application – Entitlement Offer

2.5.1 Acceptance

The number of Shares to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Eligible Shareholders may choose any of the options set out in the table below.

OPTION	KEY CONSIDERATIONS	FOR MORE INFORMATION
Take up all of your Entitlement	(a) Should you wish to accept all of your Entitlement, then your application for Shares under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully.	Section 2.5.2 and Section 2.5.3.
	(b) Payment can be made by the methods set out in Section 2.5.2. As set out in Section 2.5.2, if you pay by BPAY or EFT,	

OPTION	KEY CONSIDERATIONS	FOR MORE INFORMATION
	you do not need to return the Entitlement and Acceptance Form.	
Take up a proportion of your Entitlement and allow the balance to lapse	If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus for the number of Shares you wish to take up and making payment using the methods set out in Section 2.5.2 below. As set out in Section 2.5.2, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.	Section 2.5.2 and Section 2.5.3
Allow all or part of your Entitlement to lapse	If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Entitlement Offer to you will lapse.	N/A

The Entitlement Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

2.5.2 Payment options

(a) By BPAY®

For payment by BPAY®, please follow the instructions on your personalised Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00pm (WST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your Application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any Application in respect of your remaining Shareholdings will not be valid).

(b) By Electronic Funds Transfer (overseas applicants)

For payment by Electronic Funds Transfer (EFT) for overseas Eligible Shareholders, please follow the instructions on their personalised Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies.

(c) **By Cheque**

Payment by cheque or cash will not be accepted.

2.5.3 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

2.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer (**Shortfall Shares**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.003 being the price at which Shares have been offered under the Entitlement Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Entitlement Offer.

The Board reserves the right to allocate Shortfall Shares at their sole discretion in consultation with the Lead Manager, which may include allocating Shortfall Shares to Eligible Shareholders who have subscribed for their Entitlement in full and expressed interest in subscribing for Shortfall Shares, the Directors (subject to Shareholder approval) or to other parties identified by the Directors in consultation with the Lead Manager, which may include parties who are not currently Shareholders.

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%. Further, the Board will not allocate Shortfall Shares to any person where acceptance may otherwise result in a breach of the Corporations Act, the ASX Listing Rules, or any other law.

All decisions regarding the allocation of Shortfall Shares will be made by the Directors and will be final and binding on all applicants under the Shortfall Offer.

The Company will have no liability to any Applicant who receives less than the number of Shortfall Shares they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Shares under the Shortfall Offer any Application monies will be returned (without interest) as soon as practicable.

2.7 ASX listing

Application for Official Quotation of the Shares 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 Shares 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 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.

The Company will not apply for Official Quotation of the Broker Options issued pursuant to this Prospectus.

2.8 Issue of Securities

Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made, subject to the minimum refund threshold that is referred to below, surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer. To avoid administrative costs and delays associated with processing negligible refunds (e.g. due to rounding discrepancies), a minimum refund amount of \$1.00 will apply. Refunds below this threshold will not be issued.

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 under this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

2.9 Overseas shareholders

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

2.9.1 Entitlement Offer

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Entitlement Offer is not being extended, and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand, Singapore or China (in the case of Singapore and China, permissible institutional investors only).

New Zealand

The Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Singapore

This Prospectus and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document relating to the Shares may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions

in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

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

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

China

This Prospectus has not been approved by, nor registered with, any competent regulatory authority of the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). Accordingly, the Shares may not be offered or sold, nor may any invitation, advertisement or solicitation for Shares be made from, within the PRC. This Prospectus does not constitute an offer of Shares within the PRC.

The Shares may not be offered to legal or natural persons in the PRC other than to: (i) "qualified domestic institutional investors" as approved by a relevant PRC regulatory authority to invest in overseas capital markets; (ii) sovereign wealth funds or quasi-government investment funds that have the authorization to make overseas investments; or (iii) other types of qualified investors that have obtained all necessary PRC governmental approvals, registrations and/or filings (whether statutorily or otherwise).

Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia, New Zealand, Singapore and China without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

2.9.2 Broker Offer

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. 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 Broker Options 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.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers

The purpose of the Entitlement Offer is to raise up to approximately \$1,103,476.

The purpose of the Broker Offer is to make the offer of the Broker Options to the Lead Manager (or their nominees) for the purposes of satisfying the Company's obligations under the Lead Manager Mandate. No funds will be raised under the Broker Offer.

The funds raised from the Entitlement Offer are intended to be applied in accordance with the table set out below:

ITEM	PROCEEDS OF ENTITLEMENT OFFER	FULL SUBSCRIPTION (\$)	%
1.	Muchea Silica Sand Project activities ¹	\$400,000	36.2%
2.	Down South Silica Project activities ²	\$100,000	9.1%
3.	Business development	\$50,000	4.6%
4.	Working capital	\$434,186	39.3%
5.	Expenses of the Offers ^{3,4}	\$119,290	10.8%
TOTAL		\$1,103,476	100.0%

Notes:

1. Comprising on-ground exploration activities including sampling and auger drilling, progressing mining permit approvals, environmental studies and scoping / feasibility studies.
2. Comprising progressing with access activities, field reconnaissance and initial sampling, and maiden auger drilling and related activities.
3. Refer to Section 6.8 for further details relating to the estimated expenses of the Offers.
4. As is further described in Section 6.4, the Company has agreed to pay the Lead Manager management and selling fees equal to 6% of total gross proceeds raised (plus GST) from subscriptions made by the Lead Manager's clients under the Shortfall Offer. The above table has been prepared on the basis that 100% of the Entitlement Offer is taken up by the Lead Manager's clients under the Shortfall Offer (being the maximum amount that the Company may have to pay the Lead Manager in management and selling fees). The Company considers it is unlikely that there will be no take up under the Entitlement Offer by existing Shareholders.

On completion of the Entitlement Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives. In the event that the Entitlement Offer is not fully subscribed, operational objectives are likely to be modified, which may result in delay or substantial changes to the Company's future plans (including with respect to the Company's exploration programs).

In addition, it should be noted that the Company's budgets will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) 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.

3.2 Effect of the Offers

The principal effect of the Offers, assuming all Entitlements under the Entitlement Offer are accepted and no Shares are issued including on exercise or conversion of other securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by \$984,186 (after deducting the estimated expenses of the Offers) immediately after completion of the Offers;
- (b) increase the number of Shares on issue from 551,737,756 Shares as at the date of this Prospectus to 919,562,927 Shares; and
- (c) increase the number of Options on issue from 75,000,003 Options as at the date of this Prospectus to 85,000,003 Options.

3.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Entitlements under the Entitlement Offer are accepted and no Shares are issued including on exercise or conversion of other securities on issue prior to the Record Date, is set out below.

Shares

	NUMBER
Shares currently on issue	551,737,756
Shares offered pursuant to the Entitlement Offer	367,825,171
Total Shares on issue after completion of the Offers	919,562,927

Options

	NUMBER
Options currently on issue ¹	75,000,003
Options offered pursuant to the Broker Offer	10,000,000
Total Options on issue after completion of the Offers	85,000,003

Notes:

- Options exercisable at \$0.06 each on or before 14 July 2026.

Performance Rights

	NUMBER
Performance Rights currently on issue ¹	35,000,000
Performance Rights offered pursuant to the Offers	Nil
Total Performance Rights on issue after completion of the Offers	35,000,000

Notes:

- Comprising:
 - 5,000,000 Performance Rights currently on issue to Mr Peter Batten a former Director; and
 - 30,000,000 Performance Rights issued to Directors Brett Grosvenor, James Pearce and Glenn Whiddon issued on 26 June 2024 following Shareholder approval on 31 May 2024.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 661,737,759 Shares and on completion of the Offers (assuming all Entitlements under the Entitlement Offer are accepted and no Shares are issued including on exercise or conversion of other securities on issue prior to the Record Date) would be 1,039,562,930 Shares.

No Shares, Options or Performance Rights on issue are subject to escrow restrictions, either voluntary or ASX imposed.

3.4 Pro-forma balance sheet

The audited balance sheet as at 31 December 2024 and the unaudited pro-forma balance sheet as at 31 December 2024 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options or convertible securities are exercised prior to the Record Date and including 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.

	PRIOR TO PROPOSED TRANSACTION – POSITION OF GROUP AS STATED IN AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR 31 DEC 2024 (\$)	PROJECTED CHANGE DUE TO PROPOSED TRANSACTIONS (\$)	POST PROPOSED TRANSACTION – PRO FORMA (\$)
CURRENT ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	451,473	978,470	1,429,943
Trade and other receivables	14,606	5,716	20,322
Other current assets	16,970	-	16,970
TOTAL CURRENT ASSETS	483,049	984,186	1,467,235
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	8,421,350	-	8,421,350
Financial assets	50,000	-	50,000
TOTAL NON-CURRENT ASSETS	8,421,350	-	8,471,350
TOTAL ASSETS	8,954,399	984,186	9,938,585
CURRENT LIABILITIES			
Trade and other payables	56,871	-	56,871
TOTAL CURRENT LIABILITIES	56,871	-	56,871
TOTAL LIABILITIES	56,871	-	56,871
NET ASSETS (LIABILITIES)	8,897,528	984,186	9,881,714
EQUITY			
Issued capital	40,929,558	954,786	41,884,344
Reserves	4,982,348	29,400	5,011,748
Accumulated losses	(37,014,378)	-	(37,014,378)
TOTAL EQUITY	8,897,528	984,186	9,881,714

Notes:

1. This pro forma balance sheet is not a full financial report as it only includes the pro forma balance sheet for the Group consisting of the Company and its subsidiaries. Balances shown are based on audited balances presented in the 31 December 2024 annual report. Accounting policies and judgements applied are consistent with accounting policies and judgements used in the 31 December 2024 financial report, but with no reconsideration of the going concern basis and no impairment of capitalised exploration.
2. The 10,000,000 Broker Options have been valued using the Black-Scholes model with an expected term of 3 years, an exercise price of \$0.006, a share price at the valuation date of \$0.004, a risk-free interest rate of 3.36%, an expected volatility of 139%, and no expected dividends, giving a value of \$0.002940 per option or \$29,400 for the 10,000,000 options. Other than being based on information available to the valuation date on 9 May 2025, this valuation is consistent with valuations used in the 31 December 2024 financial report.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the 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. The Company's constitution permits the use of technology at General Meetings (including wholly virtual meetings), to the extent permitted under the Corporations Act, ASX 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 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 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.

4.2 Broker Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.006 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that 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 on or prior to 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 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 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 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 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.

5. RISK FACTORS

5.1 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 consider the risk factors set out in this Section 5, together with all other 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 5, 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 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

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.

5.2 Company specific

RISK CATEGORY	RISK
Potential for dilution	<p>Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 40.00% as a result of the Entitlement Offer (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).</p> <p>It is not possible to predict what the value of the Company, a Share will be following the completion of the Entitlement Offer being implemented and the Directors do not make any representation as to such matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.004 is not a reliable indicator as to the potential trading price of Shares after implementation of the Entitlement Offer.</p>
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Entitlement 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 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.</p>
Going Concern	<p>The Company's annual report for the year ending 31 December 2024 (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>

RISK CATEGORY	RISK
	<p>Notwithstanding the 'going concern' qualification included in the Financial Report, the Directors believe that upon the successful completion of the Entitlement Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements.</p> <p>In the event that the Entitlement Offer 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>
Permits and approvals	<p>The Company's capacity to undertake future mining operations will be affected by various factors such as:</p> <ul style="list-style-type: none"> (a) potential inability to obtain necessary consents and approvals to mine; (b) delay to obtaining necessary consents and approvals to mine; (c) increased costs in obtaining necessary consents and approvals to mine; and (d) limited ground available for mining due to access restrictions and limitations. <p>Among the approvals referred to above, is the Company remaining compliant with the various State and Commonwealth environmental laws that apply to the Company and its operations.</p>
Tenure	<p>Mining and exploration tenements are subject to periodic renewal. There is no guarantee that the Company's current or future Tenements or its future applications for tenements, tenement renewals or mining licences be approved.</p> <p>The Company's tenements are subject to the applicable mining acts and regulations in the jurisdictions in which it operates. The renewal of a granted Tenement is also subject to the discretion of the relevant Minister.</p> <p>Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Company's Tenements. The imposition of any new conditions or the Company's inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.</p> <p>The Company also holds various applications for mining and exploration tenements. There is no guarantee that these applications will proceed to grant, or that such tenements (if granted) will be subject to conditions and endorsements which won't impede or prevent the Company's planned activities.</p>
Access	<p>Land access is critical for exploration and mining operations. Access to land can be affected by land ownership, including private (freehold) land, Crown land, Crown leases, and regulatory requirements. While access issues are faced by many mining exploration companies and are not considered unusual, the ability of the Company to explore its tenements and exploit any deposits that may be discovered, may be affected by any ownership or land usage rights, and regulatory requirements.</p>
Exploration and development risks	<p>Mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of acquired projects or any other exploration properties that may be acquired in the future 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>

RISK CATEGORY	RISK
	<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, 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.</p> <p>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 programs are unsuccessful this could lead to a diminution in the value of its project, a reduction in the cash reserves of the Company and possible relinquishment of part or all of its projects.</p>
Operating risks	<p>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.</p> <p>The Company's future operations may also be curtailed, delayed or cancelled as a result of factors such as adverse external services failure (including access to roads, rail, energy and water supply), difficulties in commissioning, ramp up and operating plant and equipment, finding a market and/or an offtake partner for commodities produced from the Company's projects, limitations on the export of the commodities produced from the Company's projects, IT system failures, and compliance with governmental requirements.</p> <p>No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Unless and until the Company is able to realise value from its project, it is likely to incur ongoing operating losses.</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 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</p>

RISK CATEGORY	RISK
	change may significantly change the industry in which the Company operates.
Contract Risk	<p>The operations of the Company will require the involvement of a number of third parties, including suppliers, contractors and customers. With respect to these third parties, and despite applying best practice in terms of pre-contracting due diligence, the Directors are unable to completely avoid the risk of:</p> <ul style="list-style-type: none"> (a) financial failure or default by a participant in any joint venture to which the Company or its subsidiaries may become a party; (b) insolvency, default on performance or delivery, or any managerial failure by any of the operators and contractors used by the Company or its subsidiaries in its exploration activities; or (c) insolvency, default on performance or delivery, or any managerial failure by any other service providers used by the Company or its subsidiaries or operators for any activity. <p>Financial failure, insolvency, default on performance or delivery, or any managerial failure by such third parties may have a material impact on the Company's operations and performance. Whilst best practice pre-contracting due diligence is undertaken for all third parties engaged by the Company, it is not possible for the Company to predict or protect itself completely against all such contract risks.</p>
Water	<p>The Company's proposed future mining activities will require a reliable water source. The Company may need to secure water licenses for the taking and using of water. There is a risk that the water allocation for a particular area will be exhausted. Where this is the case, the Company will need to consider alternative options for obtaining water such as entering into an arrangement to lease a water entitlement from an existing water license holder.</p>
New projects and acquisitions	<p>The Company may continue to actively pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.</p> <p>The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.</p> <p>If an acquisition is completed, the Board will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.</p>

5.3 Industry specific

RISK CATEGORY	RISK
Commodity price volatility	<p>The Company's ability to undertake exploration and development activities and benefit from any future mining operations will depend on market factors, some of which may be beyond its</p>

RISK CATEGORY	RISK
	<p>control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of silica. Consequently, any future earnings are likely to be closely related to the price of this commodity and the terms of any off-take agreements that the Company enters into.</p> <p>The world market for silica is subject to many variables and may fluctuate markedly. These variables include world demand for silica that may be mined commercially in the future from the Company's project areas, forward selling by producers and production cost levels in major mineral-producing regions. Silica prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. 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. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.</p>
Reliance on key personnel	<p>The Company is reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.</p> <p>It may be particularly difficult for the Company to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants. There is no assurance that the Company will be able to retain the services of these persons.</p>
Resource and reserve estimation risks	<p>At present the Muchea West Project hosts a mineral resource but not a reserve estimate and the Bunbury Silica Project does not host a mineral resource or reserve estimate. Whilst the Company intends to undertake exploration activities with the aim of defining a reserve for the Muchea West Project and a resource for the Bunbury Silica Project, no assurances can be given that the exploration will result in the determination of these. Even if a resource or reserve is identified, no assurance can be provided that this can be economically extracted. The calculation and interpretation of resource and reserve estimates are by their nature expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly through additional fieldwork or when new information or techniques become available.</p> <p>This may result in alterations to development and mining plans, which may in turn adversely affect the Company's operations.</p>
Native title and Aboriginal heritage risks	<p>The Native Title Act 1993 (Cth) 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.</p> <p>Native title is not necessarily extinguished by the grant of mining leases, although a valid mining tenement prevails over native title to the extent of any inconsistency for the duration of the title.</p> <p>Native title can also be surrendered by agreement between the native title holders and the State. Native title in the Muchea West Project area were surrendered by the Whadjuk People on and from 13 April 2021 pursuant to a registered Indigenous Land Use Agreement between the Whadjuk People and the State of Western Australia (Whadjuk People ILUA).</p> <p>In accordance with the terms of the Whadjuk People ILUA, conditions have been imposed on the Muchea West Project, and</p>

RISK CATEGORY	RISK
	<p>will be imposed on any future tenements granted in the Whadjuk People ILUA area, that require the Company (in respect of the Muchea West Project) or any future applicant (in respect of future tenement grants) to enter into a Noongar Standard Heritage Agreement (NSHA) or alternative heritage agreement before exercising any of the rights, powers and duties over the Muchea West Project or future tenements in the area (as the case may be).</p>
Environment risks	<p>The operations and proposed activities of the Company are subject to State and Commonwealth 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 field 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.</p> <p>The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.</p> <p>Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to extensive liability.</p> <p>In addition to the above, Government authorities may, from time to time, review the environmental bonds that are placed on permits. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of the Company.</p> <p>The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.</p>
Results of studies	<p>Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in respect to its projects. These studies may include scoping, pre-feasibility, definitive feasibility and bankable feasibility studies.</p> <p>These studies will be completed within parameters designed to determine the economic feasibility of its projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of these projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).</p> <p>Even if a study confirms the economic viability of a project, there can be no guarantee that this project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (e.g. operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.</p>
Safety	<p>Safety is a material risk for any exploration and production company in regard to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage or destruction of property, regulatory investigation, and</p>

RISK CATEGORY	RISK
	penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company.

5.4 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> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <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> <p>In addition, the extent of the effects of COVID-19 is at this stage uncertain and continuing to evolve. The COVID-19 pandemic is having, and is expected to continue to have, a significant influence on the volatility of equity markets generally and may continue to impact and influence the value of the Company's quoted securities.</p>
Litigation risks	The Company and its subsidiaries are exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company and its subsidiaries are 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.
Competition	The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

RISK CATEGORY	RISK
Changes in legislation or regulations	Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in the jurisdictions in which the Company operates may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.
Taxation	<p>The acquisition and disposal of Securities 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 Securities 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 Securities 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>
Cybersecurity risk	There is a risk that the Company's business could be materially adversely impacted as a result of a cybersecurity attack such as a cryptolocker or denial of service attack. The Company could also experience a data leakage of sensitive client and proprietary information as a result of an attack or due to human error. Such events could result in a financial loss, loss of clients, reputational damage and a loss of funds under management which could materially and adversely impact the value of the Group's business

5.5 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 a 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.

6. ADDITIONAL INFORMATION

6.1 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.

6.2 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
14 May 2025	Muchea Mining Lease Granted
9 May 2025	Projects Update
30 April 2025	Quarterly Activities/Appendix 5B Cash Flow Report
29 April 2025	Letter to Shareholders regarding Notice of AGM
29 April 2025	Notice of Annual General Meeting/Proxy Form
3 April 2025	Annual General Meeting Notification of Dates
31 March 2025	Appendix 4G

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 <https://carbineresources.com.au/>.

6.3 Market price of Shares

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

The highest, lowest and last 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 respective dates of those sales were:

	(\$)	DATE
Highest	\$0.007	14 May 2025
Lowest	\$0.002	8 April 2025 to 11 April 2025 (inclusive)
Last	\$0.004	20 May 2025

6.4 Lead Manager Mandate

The Company entered into the Lead Manager Mandate pursuant to which Taylor Collison has been engaged to act as lead manager of the placement of shortfall under the Entitlement Offer (**Lead Manager Mandate**), the material terms and conditions of which are summarised below:

Fees	<p>Under the terms of this engagement, the Company will pay Taylor Collison:</p> <p>(a) management and selling fees equal to 6.0% of total gross proceeds raised (plus GST) from subscriptions made by the Lead Manager's clients under the Shortfall Offer; and</p> <p>(b) a \$10,000 administration fee (plus GST).</p> <p>The Company will also issue Taylor Collison (or their nominees) 10,000,000 unlisted options exercisable at \$0.006 on or before the date that is 3 years from the date of issue. The issue of these options is subject to the Company obtaining shareholder approval under ASX Listing Rule 7.1.</p>
Termination fee	<p>Other than due to termination by the Company for cause due to the Lead Manager's fraud, misconduct, negligence or recklessness, or its breach of the Lead Manager Mandate, where the Company terminates the Lead Manager Mandate and subsequently announces the Entitlement Offer or a similar equity capital raising within 12 months from the date of the Lead Manager Mandate, the Company must pay the Lead Manager, within 30 days of the settlement date for that capital raising, an amount equal to the fees stated as payable to the Lead Manager under the Lead Manager Mandate.</p>
Right of First Refusal	<p>The Company agrees to offer the Lead Manager the right of first refusal to act as the lead manager in any equity capital raisings undertaken by the Company within 12 months following completion of the Entitlement Offer.</p> <p>In the event the Company decides to appoint a financial advisor for a change of control transaction (or defence) within 12 months following completion of the Entitlement Offer, the Company agrees to offer the Lead Manager the right of first refusal to act as defence advisor to the transaction.</p>

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations, warranties and confidentiality provisions).

6.5 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 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, together with their respective Entitlement, is set in Section 1.6.

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 \$200,000 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 (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2024 Annual Report.

DIRECTOR	FY ENDING 31 DECEMBER 2025	FY ENDING 31 DECEMBER 2024
Brett Grosvenor	\$48,000 ¹	\$103,839 ⁵
James Pearse	\$56,750 ²	\$102,963 ⁶
Glenn Whiddon	\$49,750 ³	\$82,488 ⁷
Selvakumar Arunachalam	\$108,000 ⁴	\$66,430 ⁸

Notes:

1. In directors' fees.
2. Comprising \$48,000 in directors' fees for the financial year and \$8,750 in consulting fees to date.
3. Comprising \$48,000 in directors' fees for the financial year and \$1,750 in consulting fees to date.
4. Comprising \$48,000 in directors' fees and \$60,000 in geological consulting fees for the financial year.

5. Comprising \$48,000 in directors' fees, \$5,839 in non-monetary benefits and \$50,000 in equity-based payments.
6. Comprising \$48,000 in directors' fees, \$22,225 in consulting fees, \$5,839 in non-monetary benefits and \$26,899 in equity-based payments.
7. Comprising \$48,000 in directors' fees, \$1,750 in consulting fees, \$5,839 in non-monetary benefits and \$26,899 in equity-based payments.
8. Comprising \$21,112 in directors' fees, \$35,000 in consulting fees, \$3,430 in non-monetary benefits and \$2,888 in superannuation.

6.6 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 the 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; or
- (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.

Taylor Collison Limited (AFSL 247083) has acted as the lead manager of the placement of shortfall under the Entitlement Offer. The Company estimates it will pay Taylor Collison the fees set out in Section 6.4 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Taylor Collison has not received any fees from the Company for any other services.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services.

6.7 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:

- (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.

Taylor Collison has given its written consent to being named as the lead manager of the placement of shortfall under the Entitlement Offer in this Prospectus.

Stantons International Audit and Consulting Pty Ltd has 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 3.4.

6.8 Expenses of the Offers

In the event that all Entitlements are accepted, the total expenses of the Offers are estimated to be approximately \$119,290 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	6,375
Lead Manager fees	76,209 ¹
Legal fees	15,000
Share registry, printing, distribution, and other expenses	18,500
TOTAL	119,290

Notes:

- As is further described in Section 6.4, the Company has agreed to pay the Lead Manager management and selling fees equal to 6% of total gross proceeds raised (plus GST) from subscriptions made by the Lead Manager's clients under the Shortfall Offer. The above table has been prepared on the basis that 100% of the Entitlement Offer is taken up by the Lead Manager's clients under the Shortfall Offer (being the maximum amount that the Company may have to pay the Lead Manager in management and selling fees). The Company considers it is unlikely that there will be no take up under the Entitlement Offer by existing Shareholders.

7. 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.

8. GLOSSARY

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

Application Form means an application form accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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.

Broker Offer means the offer of 10,000,000 Broker Options to the Lead Manager (or their nominees), the subject of this Prospectus.

Broker Options has the meaning given in Section 1.2.

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.

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means Carbine Resources Limited (ACN 122 976 818).

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

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

CRN means Customer Reference Number in relation to BPAY®.

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

Eligible Shareholder means a Shareholder as at the Record Date who is eligible to participate in the Entitlement Offer.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Entitlement Offer detailed in Section 2.1.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Entitlement Offer means the non-renounceable entitlement issue the subject of this Prospectus.

General Meeting means a general meeting of Shareholders.

Lead Manager or **Taylor Collison** means Taylor Collison Limited (AFSL 247083).

Lead Manager Mandate has the meaning given in Section 1.2.

Offers means the Entitlement Offer and the Broker Offer.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 1.

Section means a section of this Prospectus.

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

Shareholder means a holder of a Share.

Shortfall means the Shares not applied for under the Entitlement Offer (if any).

Shortfall Offer means the offer of the Shortfall Shares on the terms and conditions set out in Section 2.6.

Shortfall Shares means those Shares not applied for under the Entitlement Offer (if any) and offered pursuant to the Shortfall Offer.

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