



Mr Hayden Leary
Non-Executive Chairman
Carawine Resources Limited

CARAWINE RESOURCES LIMITED

ACN 611 352 348

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata renounceable entitlement issue of 1 Share for every 2 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.08 per Share to raise up to \$5,513,374 (based on the number of Shares on issue as at the date of this Prospectus) (**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 Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

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



IMPORTANT NOTICE

This Prospectus is dated 25 October 2022 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 Entitlement and Acceptance 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

This Offer does 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.

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.carawine.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be a resident of Australia, New Zealand, Singapore, or the United Kingdom and must only access this Prospectus from within Australia, New Zealand, Singapore, or the United Kingdom.

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 9209 2703 during office hours or by emailing the Company at info@carawine.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 7.

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

Privacy statement

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

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

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

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

Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offer or how to accept the Offer please call the Company Secretary on +61 8 9209 2703.

CORPORATE DIRECTORY

Directors

Mr Hayden Leary
(Non-Executive Chairman)

Mr David Boyd
(Managing Director)

Mr David Archer
(Non-Executive Director)

Mr Martin Lackner
(Non-Executive Director)

Company Secretary

Mr Martin Lackner

Registered Office

Unit 3, 38 Industry Street
MALAGA WA 6090

Telephone: + 61 8 9209 2703

Email: info@carawine.com.au

Website: www.carawine.com.au

Share Registry*

Link Market Services
178 St Georges Tce
PERTH WA 6000

Telephone: +61 8 9211 6670

Legal advisers

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

Auditor

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
PERTH WA 6000

*These entities are 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

| | |
|---|-----------------------------|
| Lodgement of Prospectus with the ASIC | Tuesday, 25 October 2022 |
| Lodgement of Prospectus and Appendix 3B with ASX | Tuesday, 25 October 2022 |
| Ex date | Thursday, 27 October 2022 |
| Rights start trading | Thursday, 27 October 2022 |
| Record Date for determining Entitlements | Friday, 28 October 2022 |
| Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed | Wednesday, 2 November 2022 |
| Rights stop trading | Friday, 4 November 2022 |
| Securities quoted on a deferred settlement basis | Monday, 7 November 2022 |
| Last day to extend the Closing Date | Tuesday, 8 November 2022 |
| Closing Date as at 5:00pm* | Friday, 11 November 2022 |
| ASX notified of under subscriptions | Wednesday, 16 November 2022 |
| Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares | Friday, 18 November 2022 |
| Quotation of Shares issued under the Offer** | Monday, 21 November 2022 |

*The Directors may extend the Closing Date 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 Key statistics of the Offer

Shares

| | Minimum Subscription (\$4,000,000) ¹ | Maximum Subscription (\$5,513,374) ² |
|--|--|--|
| Offer Price per Share | \$0.08 | \$0.08 |
| Entitlement Ratio (based on existing Shares) | 1:2 | 1:2 |
| Shares currently on issue | 137,834,347 | 137,834,347 |
| Shares to be issued under the Offer | 50,000,000 | 68,917,174 |
| Gross proceeds of the issue of Shares | \$4,000,000 | \$5,513,374 |
| Shares on issue Post-Offer | 187,834,347 | 206,751,521 |

Notes:

1. Assuming the Minimum Subscription of \$4,000,000 is achieved under the Offer.
2. Assuming the Maximum Subscription of \$5,513,374 is achieved under the Offer.
3. Refer to Section 4.1 for the terms of the Shares.

1.3 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.

1.4 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, is set out in the table below:

| Director | Shares | Options | Performance Rights | Share Entitlement | \$ |
|-------------------|--------|------------------------|--------------------|-------------------|-----|
| Mr Hayden Leary | Nil | Nil | Nil | Nil | Nil |
| Mr David Boyd | Nil | 3,250,000 ¹ | Nil | Nil | Nil |
| Mr David Archer | Nil | Nil | Nil | Nil | Nil |
| Mr Martin Lackner | Nil | Nil | Nil | Nil | Nil |

Notes:

1. Comprising:

- (i) 1,250,000 unlisted Options each exercisable at \$0.40 on or before 23 December 2025;
- (ii) 1,250,000 unlisted Options each exercisable at \$0.60 on or before 23 December 2025; and
- (iii) 750,000 unlisted employee Options held indirectly through DKMASAH Nominees Pty Ltd ATF DKMASAH Super Fund A/C (an entity controlled by Mr Boyd) each exercisable at \$0.26 on or before 15 November 2023.

The Board recommends all Shareholders take up their Entitlements.

1.5 Effect on Control and Voting Power in the Company

Based on publicly available information as at 24 October 2022, 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 | Voting Power (%) | Entitlement | \$ |
|----------------------------|-------------|------------------|-------------|-----------|
| QGold Pty Ltd ¹ | 113,896,929 | 82.63% | 56,948,465 | 4,555,877 |

Notes:

1. QGold Pty Ltd (ACN 149 659 950) (QGold) is a private Company that undertook an on-market unsolicited bid as announced on 22 February 2022. Following completion of the takeover bid, on 5 May 2022.
2. The voting power in the table is prior to completion of the Offer.
3. The above table is based on publicly available information and otherwise as disclosed in the most recent substantial holder notices released by these entities. The Company notes the voting power disclosure set out above may not be current and accurate.

The potential effect that the issue of the Shares under the Offer will have on the control of the Company is as follows:

- (a) if all Eligible Shareholders take up their Entitlements under the Offer, the issue of Shares under the Offer will have no effect on the control of the Company and all Shareholders will hold the same percentage interest in the Company; and
- (b) in the more likely event that not all Eligible Shareholders take up their Entitlements under the Offer, Eligible Shareholders who do not subscribe for their full entitlement of Shares under the Offer will be diluted relative to those Shareholders who subscribe for some or all of their Entitlement as shown by the table in Section 1.6.

As set out above, the Company's majority Shareholder, QGold, holds 113,896,929 Shares equivalent to a voting power of approximately 82.63% in the Company as at the date of this Prospectus.

If the Offer is fully subscribed, QGold's voting power in the Company on completion of the Offer will remain at 82.63%. Refer to Section 1.7 for more information on the potential changes to QGold's voting power as a result of the Offer.

1.6 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 Offer, their holdings are likely to be diluted by approximately 33% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

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

| Holder | Holding as at Record date | % at Record Date | Entitlements under the Offer | Holdings if Offer not taken Up | % post Offer |
|---------------|---------------------------|------------------|------------------------------|--------------------------------|--------------|
| Shareholder 1 | 10,000,000 | 7.26% | 5,000,000 | 10,000,000 | 4.84% |
| Shareholder 2 | 5,000,000 | 3.63% | 2,500,000 | 5,000,000 | 2.42% |
| Shareholder 3 | 1,500,000 | 1.09% | 750,000 | 1,500,000 | 0.73% |
| Shareholder 4 | 400,000 | 0.29% | 200,000 | 400,000 | 0.19% |
| Shareholder 5 | 50,000 | 0.04% | 25,000 | 50,000 | 0.02% |

Notes:

1. Assumes the Maximum Subscription of 68,917,174 Shares.

2. This is based on a share capital of 137,834,347 Shares as at the date of the Prospectus and assumes no other Shares are issued including as a result of Options exercised.
3. The dilutionary effect shown in the table is the maximum percentage on the assumption that all Entitlements are accepted by Eligible Shareholders. In the event all Entitlements are not accepted, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

1.7 Effect of the Offer on Voting Power in and Control of the Company

Given that QGold will take up its full entitlement under the Offer, if some or all Shareholders do not take up some or all of their Entitlements under the Offer, then QGold's voting power and control position in the Company will increase as permitted by section 611 (item 10) of the Corporations Act. It is noted that the Company's Board currently comprises four Directors, two of whom (Mr Hayden Leary and Mr Martin Lackner) were appointed to the Board as nominees of QGold.

As there may be a potential change in the level of control of the Company, there is a requirement to disclose the effect on the Company which may result from the Offer. It is noted that there will be no change where 100% of Shareholders take up their Entitlements. If Eligible Shareholders apply for all their Entitlements, this will reduce the change in the percentage holding of QGold. An analysis of the changes in the voting power in the Company for QGold under various scenarios has been undertaken to indicate its potential effect on the Company.

QGold and its associates' voting power and changes under several scenarios are set out in the table below.

| Event | Number of Shares held by QGold | Voting Power of QGold in the Company |
|---|--------------------------------|--------------------------------------|
| As on the date of the Prospectus | 113,896,929 | 82.63% |
| After issue of Shares to QGold and assuming 100% of Shareholders take up their Entitlement | 170,845,394 | 82.63% |
| After issue of Shares to QGold and assuming 90% of Shareholders take up their Entitlement | 170,845,394 | 83.11% |
| After issue of Shares to QGold and assuming 80% of Shareholders take up their Entitlement | 170,845,394 | 83.60% |
| After issue of Shares to QGold and assuming 70% of Shareholders take up their Entitlement | 170,845,394 | 84.09% |
| After issue of Shares to QGold and assuming 60% of Shareholders take up their Entitlement | 170,845,394 | 84.59% |
| After issue of Shares to QGold and assuming 50% of Shareholders take up their Entitlement | 170,845,394 | 85.10% |
| After issue of Shares to QGold and assuming no other Shareholders take up their Entitlement | 170,845,394 | 87.71% |

Note for each scenario, the assumption has been made that the Company's current capital structure does not change.

The shareholding and voting power details of the QGold under the various scenarios in the table above show the potential for QGold to increase its level of control by participating in the Offer.

The percentage interests of any Shareholders that do not take up some or all of their entitlement under the Offer will decrease.

The maximum level of voting power in the Company of QGold following the Offer is 87.71%. This will only occur if no other Shareholders take up their entitlement under Offer and the Directors consider this outcome to be unlikely.

The Directors of the Company note that there is a risk for significant dilution should Eligible Shareholders not take up their Entitlements. The Directors formed a funding committee to consider various capital raising alternatives including the Offer and formed the view that proceeding with this form of capital raising was in the best interests of Shareholders, given the Company's urgent requirement for capital.

1.8 Intentions of QGold

Given the potential increase in the voting power in the Company of QGold, there is also a requirement to provide details of QGold's current intentions for the Company.

QGold has informed the Company that, as the largest and controlling shareholder, it is presently supportive of the Company's current direction, it does not have any current intention to make any major changes to the direction, activities or objectives of the Company.

Any future decisions by QGold will be based on all material information and circumstances at the relevant time. Accordingly, if circumstances change or new information becomes available in the future, QGold's intentions could change.

QGold has informed the Company that on the facts and circumstances presently known to it, it is supportive of the Company's proposed use of funds raised under the Offer. QGold has indicated that it is presently willing to consider any proposals the Company's Board and management may put forward as to how QGold could support and assist the Company towards reaching its objectives.

The intentions and statements of future conduct set out above must also be read as being subject to the legal obligations of the Directors at the time, including any nominees of QGold, to act in good faith in the best interest of the Company and for proper purposes and to have regard to the interests of all Shareholders.

The implementation of the QGold's current intentions of its ownership of the Company will be subject to the law (including the Corporations Act) and the Company's Constitution. In particular, the requirements of the Corporations Act in relation to conflicts of interest and "related party" transactions will apply as QGold is a related party of the Company.

2. DETAILS OF THE OFFER

2.1 The Offer

The Offer is being made as a pro-rata renounceable entitlement issue of one (1) Share for every two (2) Shares held by Shareholders registered at the Record Date at an issue price of \$0.08 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Shareholders will be able to participate in the Offer if they have a registered address as at the Record Date in Australia, New Zealand, Singapore and the United Kingdom (subject to the 'Important Notice' Section of this prospectus (**Eligible Shareholders**)). The Company notes that the Offer has been extended to all jurisdictions in which Shareholders of the Company reside and as such there are no Shareholders who are ineligible to participate in the Offer.

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 68,917,174 Shares may be issued under the Offer to raise up to \$5,513,374.

As at the date of this Prospectus the Company has 7,750,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 3.3 for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus 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 Offer and the intended use of funds raised are set out in Section 3.

2.2 What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form. 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 | <ul style="list-style-type: none">Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form. Please read the instructions carefully.Payment can be made by the methods set out in Section 2.3. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. | Section 2.3 and Section 2.4. |
| Sell all of your Entitlement on ASX | <ul style="list-style-type: none">The Entitlements under the Offer are renounceable which means that all or part of an Eligible Shareholder's rights to | N/A |

| Option | Key Considerations | For more information |
|--|---|-----------------------------|
| | <p>subscribe for Securities under the Offer may be traded on ASX.</p> <ul style="list-style-type: none"> If you wish to sell all of your Entitlement on ASX, provide instructions to your stockbroker regarding the Entitlement you wish to sell on ASX. Trading of Entitlements will commence on ASX on Thursday, 27 October 2022 and will cease on Friday, 4 November 2022. There is no guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on ASX or that any particular price will be paid for the Entitlements sold on ASX. | |
| Take up a proportion of your Entitlement and sell the balance on ASX | <ul style="list-style-type: none"> If you wish to take up only part of your Entitlement, your application must be made by completing the personalised Entitlement and Acceptance Form for the number of Securities you wish to take up and making payment using the methods set out in Section 2.3 below. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. Subsequently, provide instructions to your stockbroker regarding the proportion of your Entitlement you wish to sell on ASX. | Section 2.3 and Section 2.4 |
| Take up a proportion of your Entitlement and allow the balance to lapse | <ul style="list-style-type: none"> 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 for the number of Securities you wish to take up and making payment using the methods set out in Section 2.3 below. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. | Section 2.3 and Section 2.4 |
| Sell all or a proportion of your Entitlement other than on ASX | <ul style="list-style-type: none"> You may elect to transfer all or a proportion of your Entitlement to another person other than on ASX. If the purchaser of your Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to take up the Entitlement they have purchased. If you are a Shareholder on the issuer sponsored subregister and you wish to | N/A |

| Option | Key Considerations | For more information |
|---|---|----------------------|
| | <p>transfer all or a proportion of your Entitlement to another person other than on ASX, forward a completed standard renunciation and transfer form (obtainable from the Share Registry) and the applicable transferee's cheque for the Shares they wish to subscribe for payable to "Carawine Resources Limited" and crossed "Not Negotiable" to the Share Registry by post at any time after the issue of this Prospectus and on or before the Closing Date at the following address:</p> <p>By Post PO Box 2205 MALAGA WA 6944 AUSTRALIA</p> <ul style="list-style-type: none"> If you wish to transfer all or a proportion of your Entitlement to or from another person on the CHESS subregister you must engage your CHESS controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf. The Application Monies for Shares the transferee of the Entitlement wants to acquire must be received by Share Registry. | |
| Allow all or part of your Entitlement to lapse | <ul style="list-style-type: none"> Shareholders should be aware that their Entitlement may have value. Entitlements are renounceable, which enable Eligible Shareholders who do not wish to take up part or all of their Entitlement to seek to sell or trade all or some of their Entitlement on ASX or otherwise. If you do not wish to accept or trade any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement or dispose of your Entitlement by the Closing Date, the Offer to you will lapse. | N/A |

2.3 Payment options

(a) By BPAY®

For payment by BPAY®, please follow the instructions on the 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 the 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.

2.4 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; and

- (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.

2.5 Minimum subscription

The minimum subscription in respect of the Offer is \$4,000,000.

No Securities will be issued until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

2.6 Shortfall Offer

The Company will not place any Entitlements not taken up pursuant to the Offer via a shortfall offer. Accordingly Eligible Shareholders cannot subscribe for Shares in excess of their Entitlement.

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.

2.8 Issue of Securities

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

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 Offer will be mailed as soon as practicable after the issue of Securities.

2.9 Overseas shareholders

This Offer does 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.

The Offer is being extended to Shareholders with a registered address within Australia, New Zealand, Singapore, and the United Kingdom, which are all of the

jurisdictions in which Shareholders of the Company reside and as such there are no Shareholders who are ineligible to participate in the Offer.

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 Shares 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 document and any other materials relating to the rights and 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 document and any other document relating to the rights and the Shares may not be issued, circulated or distributed, nor may these 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 Shares and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

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

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

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Shares.

The Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing shareholders of the Company. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

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 the United Kingdom 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.

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the offer

The purpose of the Offer is to raise up to \$5,513,374 before costs.

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

| Item | Proceeds of the Offer | Minimum Subscription (\$) | Full Subscription (\$) | % |
|------|--|---------------------------|------------------------|-------------|
| 1. | Tropicana North Gold Project: Geophysical surveys and drilling (initially regional-scale and then drill testing of targets, as well as follow-up drilling at Hercules and Big Freeze prospects, as part of the Thunderstruck Joint Venture ¹ . | 1,100,000 | 1,800,000 | 33% |
| 2. | Fraser Range Nickel Project: Ground geophysical (moving loop electromagnetic "MLEM") surveys, and follow-up drill testing. | 400,000 | 740,000 | 13% |
| 3. | Paterson Project: Airborne and/or ground geophysical surveys and initial drilling programs. | 360,000 | 780,000 | 14% |
| 4. | Oakover Project: Detailed geological mapping and follow-up drill program design. | 20,000 | 60,000 | 1% |
| 5. | Jamieson Project: Target review and tenement maintenance. | 20,000 | 30,000 | 1% |
| 6. | Fraser Range Joint Venture: contribution to work program and budget to maintain JV interest. ² | 140,000 | 140,000 | 3% |
| 7. | Carawine Joint Venture, Oakover Project: provision to contribute to work program and budget post Black Canyon Ltd 75% earn-in ³ | 1,000,000 | 1,000,000 | 18% |
| 8. | Working capital | 900,000 | 903,374 | 16% |
| 9. | Expenses of the Offer ⁴ | 60,000 | 60,000 | 1% |
| | Total | 4,000,000 | 5,513,374 | 100% |

Notes:

1. Based on reasonable expectation that exploration will continue at the Thunderstruck Joint Venture, if not funds will be used for follow-up drilling of additional targets within the

Tropicana North Gold Project.

2. Based on the current approved work program and budget to 30 June 2023. The Company's share is approximately \$34,000 per quarter, with the amount annualised to include Q1FY24.
3. It is expected that Black Canyon will reach its 75% earn-in milestone within the next 1 to 3 months, at which stage the Company will have the opportunity to contribute to further expenditure and maintain its interest.

Based on an assumption by the Company that any proposed budget will be in the order of approx. \$4,000,000, and the Company elects to contribute according to its interest, the Company contribution will be \$1,000,000. It is therefore considered prudent to include this as a potential use of funds, despite the incomplete/uncertain nature of any proposed budget and election by the Company to contribute.

If it eventuates that the Company elects not to contribute to JV expenditure, or its contributions are less than \$1,000,000, funds will be deployed pro-rata to exploration activities on other projects to advance the current or additional work programs.

4. Refer to Section 6.8 for further details relating to the estimated expenses of the Offer.

If only the Minimum Subscription (\$4,000,000) is raised under the Offer, then operational objectives are likely to be modified, which may result in delays or substantial changes to the Company's future plans. In this event (and after accounting for associated Offer costs) the Company will prioritise funds available for its Tropicana, Fraser Range and Paterson Projects and its joint venture obligations.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives. In the event the 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.

In addition, it should be noted that the Company's budgets and forecasts 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 Offer

The principal effect of the Offer, assuming all Entitlements 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 \$5,453,374 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (a) increase the number of Shares on issue from 137,834,347 as at the date of this Prospectus to 206,751,521 Shares.

3.3 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements 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.

Shares¹

| | Number |
|--|--------------------|
| Shares currently on issue | 137,834,347 |
| Shares offered pursuant to the Offer | 68,917,174 |
| Total Shares on issue after completion of the Offer | 206,751,521 |

Notes:

1. Refer to Section 4.1 for the terms of the Shares.
2. Assuming the Maximum Subscription is achieved under the Offer.

Options

| | Number |
|--|------------------|
| Options currently on issue | |
| Unquoted Options exercisable at \$0.40 on or before 14 December 2023 | 750,000 |
| Unquoted Options exercisable at \$0.18 on or before 26 August 2023 | 1,000,000 |
| Unquoted Options exercisable at \$0.26 on or before 15 November 2023 | 750,000 |
| Unquoted Options exercisable at \$0.40 on or before 23 December 2025 | 3,000,000 |
| Unquoted Options exercisable at \$0.60 on or before 23 December 2025 | 2,250,000 |
| Total Options on issue as at the date of this Prospectus | 7,750,000 |
| Total Options on issue after completion of the Offer | 7,750,000 |

The capital structure on a fully diluted basis as at the date of this Prospectus would be 145,584,347 Shares and on completion of the Offer (assuming all Entitlements are accepted, and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 214,501,521 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 30 June 2022 and the unaudited pro-forma balance sheet as at 30 June 2022 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 Offer.

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

| | AUDITED 30 June 2022 \$ | PROFORMA Maximum Raise \$ | PROFORMA Minimum Raise \$ |
|----------------------------------|-------------------------------|---------------------------------|---------------------------------|
| CURRENT ASSETS | | | |
| Cash | 2,957,471 | 8,410,845 | 6,897,471 |
| Other current assets | 169,665 | 169,665 | 169,665 |
| TOTAL CURRENT ASSETS | 3,127,136 | 8,580,510 | 7,067,136 |
| | | | |
| NON-CURRENT ASSETS | | | |
| Plant and equipment | 94,286 | 94,286 | 94,286 |
| Intangibles | 15,527,079 | 15,527,079 | 15,527,079 |
| TOTAL NON-CURRENT ASSETS | 15,621,365 | 15,621,365 | 15,621,365 |
| | | | |
| TOTAL ASSETS | 18,748,501 | 24,201,875 | 22,688,501 |
| | | | |
| CURRENT LIABILITIES | | | |
| Creditors and borrowings | 449,040 | 449,040 | 449,040 |
| TOTAL CURRENT LIABILITIES | 449,040 | 449,040 | 449,040 |
| | | | |
| TOTAL LIABILITIES | 709,040 | 709,040 | 709,040 |
| | | | |
| NET ASSETS (LIABILITIES) | 18,039,461 | 23,492,835 | 21,979,461 |
| | | | |
| EQUITY | | | |
| Share capital | 23,276,753 | 28,730,127 | 27,216,753 |
| Options Reserve | 725,966 | 725,966 | 725,966 |
| Retained loss | (5,963,258) | (5,963,258) | (5,963,258) |
| TOTAL EQUITY | 18,039,461 | 23,492,835 | 21,979,461 |

Notes:

1. The Statement of Financial Position at 30 June 2022 has been extracted from the audited financial statements of the Company for the financial year ended 30 June 2022 as released on the ASX on 21 September 2022.
2. The Pro Forma for the maximum raise reflects the proposed Offer assuming full take up of the offer, being the issue of 68,917,174 Shares at \$0.08 per share, less costs of \$60,000.
3. The Pro Forma for the minimum raise reflects the proposed Offer assuming the issue of 50,000,000 Shares at \$0.08 per Share, less costs of \$60,000.

4. RIGHTS AND LIABILITIES ATTACHING TO SHARES

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 of the Company.

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

(b) Voting rights

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

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

(c) Dividend rights

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

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

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

5. RISK FACTORS

5.1 Introduction

The Shares 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 Shares 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 Shares. 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>In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 33% (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 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 \$0.086 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.</p> |
| Control risk | <p>QGold is currently the largest Shareholder of the Company and has a relevant interest in approximately 82.63% of the Shares in the Company. Assuming QGold takes up its full Entitlement and no other Shareholders accept their entitlements, QGold's voting power in the Company could be as high as 87.71%.</p> <p>QGold's significant interest in the capital of the Company means that it is in a position to potentially influence the financial decisions of the Company, and its interests may not align with those of all other Shareholders.</p> <p>QGold holds a relevant interest in more than 25% of the Company which means that it has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution). Special resolutions are required in relation to approve certain Company matters including potentially seeking the delisting of the Company, amending the Constitution, approving the voluntary winding up of the Company and, if at any time the share capital of the Company is divided into different classes of Shares, approving the variation of the rights attached to any such class.</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 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> |

| Risk Category | Risk |
|-------------------------------|---|
| Going Concern | <p>The Company's 2022 Annual Report to Shareholders (Financial Report) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' qualification included in the Financial Report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements. In the event that the 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> |
| 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> <ul style="list-style-type: none"> (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 (b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates. |
| Coronavirus (COVID-19) | <p>The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>The COVID-19 pandemic may also give rise to issues, delays</p> |

| Risk Category | Risk |
|---------------------------|--|
| | <p>or restrictions in product processing and packaging and the Company's ability to deliver products to customers, which may result in cost increases or adverse impacts on sales. In addition, the effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders or the COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects may cause delays or cost increases. The effects of COVID - 19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.</p> <p>The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.</p> |
| Related party risk | <p>The Company has a number of key contractual relationships with related parties, including non-executive Director appointment arrangements with Mr Hayden Leary and Mr Martin Lackner, who are nominees of QGold. If these relationships break down and the related party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement.</p> <p>Further, the operations of the Company will require involvement of related parties and other third parties. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:</p> <ul style="list-style-type: none"> (a) financial failure or default by a participant in any agreement to which the Company may become a party; and/or (b) insolvency, default on performance or delivery by any operators, contractors or service providers. <p>There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor and the impact the Company's position, performance and reputation.</p> |
| Joint Venture | <p>The Company is subject to the risk that changes in the status of any of the Company's joint ventures may adversely affect the operations and performance of the Company.</p> |

| Risk Category | Risk |
|---------------|---|
| | <p>There is also a risk of financial failure or default under the joint venture arrangements by a participant in any joint venture to which the Company is, or may become, a party. Any withdrawal by a joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have a material adverse impact on the financial position of the Company. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in the Company's proposed development activities or financial loss.</p> <p>As set out in the Company's announcement dated 18 October 2022, Thunderstruck Investments Pty Ltd (Thunderstruck), the Company's Joint Venture Partner, has purported to exercise a power under the Thunderstruck Joint Venture to elect to purchase Carawine's 90% interest in the Thunderstruck Joint Venture. An election under the Thunderstruck Joint Venture must be an election at fair market value to be agreed between the parties, or by an independent expert. On the assumption that Thunderstruck had an entitlement to exercise the election, the Company has concerns as to the validity of the purported election.</p> <p>Further, The Company considers that since the purported exercise of the election, Thunderstruck has demonstrated that it does not intend to comply with the terms of any election that arose under the Thunderstruck Joint Venture and that Thunderstruck does not have the funds available to it to ensure any purchase would be completed.</p> <p>The Company is corresponding with Thunderstruck in relation to these matters. The Company has paused on-ground work on the Thunderstruck Joint Venture in the meantime, and will provide further updates on the matter in due course.</p> |

5.3 Mining industry specific

| Risk Category | Risk |
|---------------|--|
| Title | <p>The exploration licences in which the Company has now, or may, in the future, acquire an interest, including its applications for permits, are subject to the applicable local laws and regulations. The ownership of mineral exploration licences in Côte d'Ivoire and Mali are governed primarily by the relevant Mining Codes. Although the Company has taken steps to verify the title to the resource properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title. Title to resource properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or other stakeholder rights.</p> <p>All of the tenements in which the Company has an interest will be subject to application for licences renewal from time to time. Renewal of the term of each licence is subject to</p> |

| Risk Category | Risk |
|---|--|
| | <p>applicable legislation. There is no guarantee that any licences, applications or conversions in which the Company has a current or potential interest will be granted. If the licence is not renewed for any reason, the Company may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that licence.</p> |
| <p>Exploration and development risks</p> | <p>Mineral exploration and development are high-risk undertakings, and there is no assurance that exploration of the Company's tenements will result in the discovery of an economic resource deposit. Even if an apparently viable deposit is identified there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to permitting requirements, availability of appropriate exploration equipment, exploration costs, seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents 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 tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the tenements, a reduction in the case reserves of the Company and possible relinquishment of the tenements.</p> |
| <p>Operating risk</p> | <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>No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenements, or any other tenements that may be acquired by the Company in the future. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p> |
| <p>Metallurgy</p> | <p>Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:</p> <ul style="list-style-type: none"> (a) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate; (b) developing an economic process route to produce a |

| Risk Category | Risk |
|---|---|
| | <p>metal and/or concentrate; and</p> <p>(c) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.</p> |
| Payment obligations | <p>The Company will become subject to payment and other obligations. In particular, holders are required to expend the funds necessary to meet the minimum work commitments attaching to the Projects. Failure to meet these work commitments may render the Projects subject to forfeiture or result in the holders being liable for fees. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of the Company's interest in the Projects.</p> |
| Metals and currency price volatility | <p>The Company's ability to proceed with the development of its projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of gold and base metals. 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 minerals is subject to many variables and may fluctuate markedly. These variables include world demand for gold and base metals 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. Mineral 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.</p> <p>Metals are principally sold throughout the world in US dollars. The Company's cost base will be payable in various currencies including Australian dollars and US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.</p> |

| Risk Category | Risk |
|---------------------------|--|
| Competition risk | <p>The industry in which the Company will be involved is subject to domestic and global competition, including major mineral exploration and production companies. 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.</p> |
| Land access risk | <p>Land access is critical for exploration and evaluation to succeed. In all cases the acquisition of prospective mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential.</p> <p>Access to land for exploration purposes can be affected by small non-mechanised mining operations or land ownership, including registered and unregistered land interests and regulatory requirements within the jurisdiction where the Company operates.</p> |
| Third party risks | <p>The Company acknowledges that exploration success may result in extended work programs on the Tenements that may require further third party consents and/or compliance with compensation obligations with respect to the private landholders, underlying petroleum tenure, native title processes and pastoralist activities. As part of the process of submitting a program of works for any ground disturbing activities, pastoralists and other third parties will be notified and the Company will work to minimise disturbance in relation to the proposed activities in accordance with applicable law. The Directors acknowledge that delays may be caused to commencement of exploration programs.</p> |
| Environmental risk | <p>As with all exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if mine development proceeds.</p> <p>The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws. The costs 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>Activities on the Company's tenements must comply with the conditions of their respective environmental authorities. The Company may be required to obtain further approvals from the relevant authorities before it can undertake particular activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities.</p> <p>Environmental issues may compromise the exploration and development of the Company's tenements.</p> |

| Risk Category | Risk |
|--|--|
| Licences, permits and approvals | The Company holds all material authorisations required to undertake the current exploration programs of the Company. However, many of the mineral rights and interests to be held by the Company are subject to the need for ongoing or new government approvals, licences and permits. These requirements, including work permits and environmental approvals, will change as the Company's operations develop. Delays in obtaining, or the inability to obtain, required authorisations may significantly impact on the Company's operations. |
| Reliance on key management | 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. |
| Conflicts of interest | Certain Directors are also directors and officers of other companies engaged in mineral exploration and development and mineral property acquisitions. Accordingly, mineral exploration opportunities or prospects of which these Directors become aware may not necessarily be made available to the Company. Although these Directors have been advised of their fiduciary duties to the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in, other companies could detract from their efforts on behalf of 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</p> |

| Risk Category | Risk |
|----------------------------------|--|
| | <p>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 | <p>The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.</p> |
| Dividends | <p>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.</p> |
| Taxation | <p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p> |
| Reliance on key personnel | <p>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.</p> |
| Ukraine conflict | <p>The current conflict between Ukraine and Russia (Ukraine Conflict) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict and the wider effect the conflict has on global economies and</p> |

| Risk Category | Risk |
|---------------|---|
| | <p>financial markets.</p> <p>The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the Ukraine Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> |

5.5 Speculative investment

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

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

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

Before deciding whether to subscribe for Shares 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 is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

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 |
|-------------------|--|
| 21 September 2022 | Appendix 4G and Corporate Governance Statement |
| 27 September 2022 | Listing Rule 3.13.1 Disclosure |

| Date | Description of Announcement |
|-----------------|---|
| 11 October 2022 | Successful manganese extraction from initial leaching tests |
| 12 October 2022 | Manganese extraction from initial leaching tests – Amended |
| 17 October 2022 | Letter to Shareholders – Annual General Meeting |
| 17 October 2022 | Notice of Annual General Meeting/Proxy Form |
| 18 October 2022 | New Copper, Gold and Manganese Targets in the East Pilbara |
| 19 October 2022 | High Grade Gold Mineral Resource for Hercules |
| 24 October 2022 | Quarterly Activities/Appendix 5B Cash Flow Report |

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

The announcements are also available through the Company's website www.carawine.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 | \$0.115 | 3 August 2022 18 August 2022 23 August 2022 |
| Lowest | \$0.086 | 19 October 2022 20 October 2022 21 October 2022 24 October 2022 |
| Last | \$0.086 | 24 October 2022 |

6.4 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 Offer; or
 - (c) the Offer,
- 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
 - (i) the Offer.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 1.4.

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 \$250,000 per annum.

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

The following table shows the total annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2022 Annual Report and proposed remuneration for 2023.

| Director | FY ended 2022 | FY ending 2023 |
|-------------------|---------------|------------------------|
| Mr David Boyd | \$561,360 | \$298,350 ¹ |
| Mr David Archer | \$78,650 | \$60,775 ² |
| Mr Hayden Leary | \$9,716 | \$68,510 ³ |
| Mr Martin Lackner | \$8,620 | \$60,775 ⁴ |

Note:

1. FY 23 remuneration to Mr David Boyd set out above constitutes his base salary of \$270,000 and superannuation of \$28,350. Mr Boyd is also entitled to a short term incentive bonus of \$25,000 subject to being employed continuously by the Company on 30 November 2022.
2. FY 23 remuneration to Mr David Archer set out above constitutes salary and fees of \$55,000 and superannuation of \$5,775.
3. FY 23 remuneration to Mr Hayden Leary set out above constitutes salary and fees of \$62,000 and superannuation of \$6,510.
4. FY 23 remuneration to Mr Martin Lackner set out above constitutes salary and fees of \$55,000 and superannuation of \$5,775.

6.5 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 Offer,

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:

- (f) the formation or promotion of the Company; or
- (g) the Offer.

Steinepreis Paganin has acted as the legal advisers to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$20,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$180,373.03 (excluding GST and disbursements) for legal services provided to the Company.

HLB Mann Judd has been paid \$20,000 (excluding GST) for auditing the Company's 30 June 2022 balance sheet. During the 24 months preceding lodgement of this Prospectus with the ASIC, HLB Mann Judd has received \$60,850.00 (excluding GST) in fees from the Company.

6.6 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 legal advisers to the Company in this Prospectus.

HLB Mann Judd has given its written consent to being named as the auditor to the Company in this Prospectus.

6.7 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$60,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

| | \$ |
|---------------------------|---------------|
| ASIC fees | 3,206 |
| ASX fees | 15,333 |
| Legal fees | 22,000 |
| Share Registry fees | 17,000 |
| Printing and distribution | 1,400 |
| Miscellaneous | 1,061 |
| Total | 60,000 |

6.8 Directors' Authorisation

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

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



Mr Hayden Leary
Non-Executive Chairman
Carawine Resources Limited

7. GLOSSARY

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

Application Form means an Entitlement and Acceptance Form.

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 CHESS.

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

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 Carawine Resources Limited (ACN 611 352 348).

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 Offer.

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

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

Ineligible Shareholder means a Shareholder as at the Record Date whose registered address is not situated in Australia, New Zealand, Singapore, or the United Kingdom.

Offer means the renounceable entitlement issue the subject of this Prospectus.

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.

QGold means QGold Pty Ltd (ACN 149 659 950).

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

Section means a section of this Prospectus.

Securities means Shares as the context requires.

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

Shareholder means a holder of a Share.

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