

ARIZONA LITHIUM LIMITED
ACN 008 720 223

OPTIONS PROSPECTUS

For the offer of one (1) free attaching New Option for every Share for subscribed for by Investors in the Placement (**Options Offer**).

This Prospectus also contains an offer of New Options to the Joint Lead Managers (**Broker Offer**), which is detailed in Section 2.6.

IMPORTANT NOTICE

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

The New Options offered by this Prospectus should be considered highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 8 August 2023 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 New Options 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 New Options offered by this Prospectus should be considered as highly speculative.

Applications for New Options offered pursuant to this Prospectus can only be made by an original Application Form.

The Broker Offer is only available to the Joint Lead Managers. Only the Joint Lead Managers (or their respective nominee/s) will be eligible to apply for the Broker Options under the Broker Offer. Accordingly, the Application Form for the Broker Offer will be provided by the Company to the Joint Lead Managers (or their respective nominee/s) only.

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

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain

matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

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

Forward-looking statements

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

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

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

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

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

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

Overseas shareholders

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

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

Refer to Section 2.15 for further information with respect to overseas Shareholders.

Continuous disclosure obligations

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

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

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.arizonalithium.com. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus, or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 (0) 8 6313 3936 during office hours or by emailing the Company at info@arizonalithium.com.

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 New Options 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.

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 New Options, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 (0) 8 6313 3936.

CORPORATE DIRECTORY

Directors

Mr Barnaby Egerton-Warburton
Non-Executive Chairman

Mr Paul Lloyd
Managing Director

Mr Matthew Blumberg
Executive Director

Mr Zachary Maurer
Executive Director

Company Secretary

Mr Shaun Menezes

Registered Office

Level 2
10 Outram Street
WEST PERTH WA 6005

Telephone: +61 (0) 8 6313 3936

Email: info@arizonalithium.com
Website: www.arizonalithium.com

ASX Code

AZL

Lawyers

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

Share Registry*

Automic Registry Services
Level 5, 126 Phillip Street
SYDNEY NSW 2000

Telephone: 1300 288 664

Joint Lead Managers

PAC Partners Securities Pty Ltd
ACN 623 653 912
Level 10, 330 Collins Street
MELBOURNE VIC 3000

Telephone: (03) 9114 7400

Evolution Capital Pty Ltd
ACN 652 397 263
Suite 1, Level 6/1 Castlereagh St
SYDNEY NSW 2000

Telephone: (02) 8379 2960

Auditors*

Grant Thornton Audit Pty Ltd
Level 43 Central Park
152-158 St Georges Terrace
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.

1. INDICATIVE TIMETABLE

Action	Date*
Issue of Tranche 1 Placement Shares	4 August 2023
Cleansing statement for Tranche 1 Placement Shares	4 August 2023
Lodgement of Prospectus	8 August 2023
Opening Date of the Offers	8 August 2023
T1 Closing Date and application for quotation of Tranche 1 Placement Options	9 August 2023
Issue of Tranche 1 Placement Options and lodgement of Appendix 2A	10 August 2023
Expected date of Official Quotation of Tranche 1 Placement Options	11 August 2023
Dispatch of Notice of Meeting	15 August 2023
Date of General Meeting	14 September 2023
T2 Closing Date and application for quotation of Tranche 2 Placement Options	15 September 2023
Issue of Tranche 2 Placement Options, Broker Options and lodgement of Appendix 2A	18 September 2023
Expected date of Official Quotation of Tranche 2 Placement Options and Broker Options	21 September 2023

*The Directors reserve the right to bring forward or extend the Closing Dates at any time after the Opening Date without notice. As such, the date the New Options are expected to be quoted on ASX may vary with any change in the Closing Dates.

2. DETAILS OF THE OFFERS

2.1 Background

On 28 July 2023, the Company announced that it had received firm commitments from existing and new sophisticated, professional, and institutional investors (**Investors**) to raise a total of \$10,000,000 (before costs) through the issue of a total of 400,000,000 Shares at an issue price of \$0.025 per Share (**Placement**).

The Company is offering Investors the opportunity to apply for one (1) free attaching New Option for every Share subscribed for by Investors under the Placement.

The Placement comprises the following components:

- (a) 400,000,000 Shares (**Tranche 1 Placement Shares**) to be issued to Investors under the Company's existing placement capacity pursuant to ASX Listing Rules 7.1 (400,000,000 Shares and 14,448,024 New Options) and 7.1A (276,298,683 New Options) (together, the **Tranche 1 Placement Options**) (**Tranche 1**); and
- (b) 109,253,293 New Options to be issued to Investors subject to Shareholder approval (**Tranche 2 Placement Options**) (**Tranche 2**).

The Company proposes to obtain Shareholder approval for the issue of Tranche 2 at a General Meeting proposed to be held on or around 14 September 2023 (**General Meeting**) and intends to issue Tranche 2 on or around 18 September 2023 (as set out in the timetable in Section 1).

Settlement of the Tranche 1 Placement Shares occurred on 4 August 2023 and settlement of the Tranche 1 Options is expected to occur on 10 August 2023 (as set out in the timetable in Section 1).

2.2 Use of funds

The proceeds from the Placement will further strengthen the Company's balance sheet, placing the Company in a position to advance the development of the Prairie Project by undertaking a resource upgrade, constructing a pilot plant and completing of a pre-feasibility study. Following this, early works on a definitive feasibility study will commence. The Company will also use the funds to complete construction of the world class Lithium Research Centre which will enable treatment of bulk samples taken from the Big Sandy Lithium Project.

It is noted that no funds will be raised from the Offers made under this Prospectus.

2.3 Joint Lead Managers

PAC Partners Securities Pty Ltd ACN 623 653 912 (**PAC Partners**) and Evolution Capital Pty Ltd ACN 652 397 263 (**Evolution Capital**) (together, the **Joint Lead Managers**) acted as Joint Lead Managers to the Placement pursuant to an agreement dated 26 July 2023 (**Lead Manager Mandate**).

Under the Lead Manager Mandate, the Company agreed to pay the Joint Lead Managers the following fees:

- (a) a combined 2.0% management and 4.0% selling fee (total of 6.0%) of the funds raised under the Placement up to \$8,000,000 (excluding GST) (approximately \$480,000); and

- (b) 16,000,000 New Options on the terms set out in Section 4.1 (**Broker Options**).

(together, the **Lead Manager Fees**).

Under the terms of the Lead Manager Mandate, the Joint Lead Managers agreed to split the Lead Manager Fees equally.

The Lead Manager Mandate is otherwise on terms considered standard for an agreement of its nature.

2.4 Modena

Modena Ventures Pty Ltd ACN 654 005 080 (**Modena**) has agreed to assist the Company with the bookbuild of the Chairman's list with respect to the Placement pursuant to an agreement dated 28 July 2023.

The Company has agreed to pay Modena a management fee of 6% of the funds raised under the Placement up to \$2,000,000 (excluding GST) in consideration for services provided (approximately \$120,000).

Directors, Mr Barnaby Egerton-Warburton and Mr Paul Lloyd are both directors and shareholders of Modena, each holding approximately 28.34% of the issued capital of Modena via Whistler Street Pty Ltd and Coral Brook Pty Ltd respectively.

Entry into the agreement with Modena was negotiated by the Board on arm's length terms and otherwise contains terms considered standard for an agreement of its nature.

2.5 Options Offer

By this Prospectus, the Company invites Investors to apply for one (1) free attaching New Option for every Share subscribed for under the Placement in the following tranches:

- (a) 290,746,707 New Options under Tranche 1 of the Placement to be issued on or around 10 August 2023 (**T1 Options Offer**); and
- (b) 109,253,293 New Options under Tranche 2 of the Placement to be issued subject to Shareholder approval at the General Meeting, on or around 18 September 2023 (**T2 Options Offer**),

(together, the **Options Offer**).

The maximum number of New Options to be issued under the Options Offer is 400,000,000 Options, being the same number of Shares issued under the Placement.

The Options Offer is extended to the Investors only. Accordingly, Application Forms will only be provided by the Company to the Investors. No funds will be raised from the Options Offer as the New Options are being issued for nil consideration.

All New Options offered under the Options Offer will be issued on the terms set out in Section 4.1.

All Shares issued upon the future exercise of the New Options offered under the Options Offer will rank equally with the Shares on issue at the date of this

Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

The Company will apply for Official Quotation of the New Options offered pursuant to the Options Offer.

The purpose of the Options Offer and the intended use of funds raised are set out in Section 3.1.

2.6 Broker Offer

This Prospectus includes an offer of 16,000,000 Broker Options to be issued to the Joint Lead Managers (or their respective nominee/s) (**Broker Offer**). The Broker Options will be issued on the same terms as the New Options issued to Investors under the Placement and otherwise on the terms set out in Section 4.1.

The issue of the Broker Options under the Broker Offer is also conditional on receipt of Shareholder approval for the purposes of ASX Listing Rule 7.1 (to be sought at the General Meeting). Accordingly, if Shareholder approval is not received the Company will not issue the Broker Options and, under the terms of the Lead Manager Mandate, will be required to pay the Joint Lead Managers the cash equivalent (based on the Black Scholes Valuation) of the Broker Options.

No funds will be raised from the issue of the Broker Options (other than funds received on exercise of the Broker Options) pursuant to the Broker Offer as the Broker Options are being issued in part consideration for services provided by under the Lead Manager Mandate. Further details regarding the material terms of the Lead Manager Mandate are set out in Section 2.3.

Only the Joint Lead Managers (or their respective nominee/s) will be eligible to apply for the Broker Options under the Broker Offer. Accordingly, the Application Form for the Broker Offer will be provided by the Company to the Joint Lead Managers (or their respective nominee/s) only.

2.7 Minimum subscription

There is no minimum subscription under the Offers.

2.8 Oversubscriptions

No oversubscriptions will be accepted by the Company.

2.9 Applications

Applications for New Options can only be made by the Investors (or their nominee(s)) at the direction of the Company and must be made using the appropriate Application Form accompanying this Prospectus. Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than the relevant Closing Date. The New Options are being issued for nil cash consideration and therefore the Applicants are not required to pay any funds with their application.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than the relevant Closing Date.

The Company reserves the right to close the Offers early.

2.10 Implications of Completing an Application Form

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

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by no later than:

- (a) in respect of the T1 Options Offer, 5.00pm (AWST) on the T1 Closing Date, which is currently scheduled to occur on 9 August 2023; or
- (b) in respect of the T2 Options Offer, 5.00pm (AWST) on the T2 Closing Date, which is currently scheduled to occur on 15 September 2023.

If you require assistance in completing an Application Form, please contact the Share Registry on 1300 288 664 or the Company Secretary on +61 (0) 8 6313 3936.

2.11 Not underwritten

The Offers are not underwritten.

2.12 ASX Listing

Application for Official Quotation of the Tranche 1 Placement Options will be made within 7 days after the date of this Prospectus.

Application for Official Quotation of the Tranche 2 Placement Options and Broker Options will likewise be made within 7 days after the date of issue of this Prospectus with the Tranche 2 Placement Options and Broker Options to be issued as soon as practicable after receiving Shareholder approval for the issue of Tranche 2 Placement Options and Broker Options at the General Meeting.

If the Tranche 1 Placement Options are not admitted to Official Quotation by ASX before the expiration of three months after the date of this Prospectus, or such period as varied by the ASIC, the issue of the Tranche 1 Placement Options will be void.

If the Tranche 2 Placement Options and Broker Options are not admitted to Official Quotation by ASX before the expiration of three months after the date of this Prospectus, or such period as varied by the ASIC, the issue of the Tranche 1 Placement Options and Broker Options will be void.

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

2.13 Issue of New Options

The New Options offered by this Prospectus will be issued in accordance with the ASX Listing Rules and timetable set out in Section 1 of this Prospectus. Holding statements for New Options issued pursuant to the Options Offer will be mailed in accordance with the ASX Listing Rules and timetable set out in Section 1 of this Prospectus.

2.14 Defects in Applications

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

2.15 Overseas holders

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

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

Shareholders resident in Australia, the UK or Hong Kong holding securities on behalf of persons who are resident overseas are responsible for ensuring that applying for Securities under the Offers does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

Nominees and custodians

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

United Kingdom (UK)

Neither the information in this document nor any other document relating to the Offers have 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 New Options.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Options may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published 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 New Options 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 investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons.

Any person who is not a relevant person should not act or rely on this document or any of its contents.

Hong Kong

WARNING: This document may be distributed in Hong Kong only to existing Shareholders of the Company. This document may not be distributed, published, reproduced or disclosed (in whole or in part) to any other person in Hong Kong or used for any purpose in Hong Kong other than in connection with the recipient's consideration of the Offers.

You are advised to exercise caution in relation to the Offers. If you are in doubt about any contents of this document, you should obtain independent professional advice. This document has not been reviewed by any Hong Kong regulatory authority. In particular, this document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of the Laws of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong under Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong.

2.16 Enquiries

Any questions concerning the Options Offer should be directed to Mr Shaun Menezes, Company Secretary, on +61 (0) 8 6313 3936.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Options Offer and Broker Offer

The purpose of the Options Offer is to offer Investors who participated in the Placement one (1) free New Option for every Share subscribed for under the Placement.

The purpose of the Broker Offer is to satisfy the Company's obligations under the Lead Manager Mandate.

The purpose of the Options Offer and Broker Offer being made under this Prospectus is also to remove any trading restrictions attaching to the New Options and Broker Options and any Shares issued on exercise of those Options. The Company confirms that:

- (a) the New Options and Broker Options offered under this Prospectus are being issued with disclosure under this Prospectus (which is a disclosure document under Part 6D.2 of the Corporations Act); and
- (b) the Options Offer and Broker Offer is being made such that the relief provided under *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80* with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Subject to the New Options and Broker Options being granted Official Quotation on the ASX, holders of the New Options and Broker Options will be able to trade the New Options and Broker Options on the ASX and will be able to exercise the New Options or Broker Options into Shares and trade those Shares without the need for additional disclosure and without any trading restrictions.

No funds will be raised from the Options Offer as the New Options are being issued for nil cash consideration. However, if all New Options are exercised into Shares, the Company will receive approximately \$20,000,000.

With respect to the Broker Offer, no funds will be raised under the Broker Offer (other than funds raised if the Broker Options are subsequently exercised) as the Broker Options are being issued as part consideration for the Joint Lead Managers acting as lead manager of the Placement.

3.2 Effect of the Offers on capital structure

The effect of the Offers on the capital structure of the Company, assuming all New Options are issued, is set out below.

Shares ¹	Number
Shares currently on issue ¹	2,762,986,826
Shares issued under Tranche 1 of the Placement ²	400,000,000
Total Shares on completion of the Offers	3,162,986,826

Notes:

- 1. The rights attaching to the Shares, including the Tranche 1 Placement Shares issued under the Placement, are summarised in Section 4.2 of this Prospectus.
- 2. The Company issued the Tranche 1 Placement Shares on 4 August 2023.

Options	Number
Options currently on issue ¹	344,014,286
New Options offered pursuant to the Options Offer ²	400,000,000
Broker Options offered pursuant to Broker Offer ²	16,000,000
Total Options on completion of the Offers	760,014,286

Notes:

- Comprising:
 - 122,550,000 unquoted Options, comprising:
 - 9,750,000 Options exercisable at \$0.12 each, on or before 19 May 2027;
 - 2,000,000 Options exercisable at \$0.06 each, on or before 11 October 2024;
 - 20,750,000 Options exercisable at \$0.12 on or before 27 March 2027; and
 - 90,000,000 Options exercisable at \$0.06 each, on or before 11 October 2024.
 - 221,514,286 quoted Options exercisable at \$0.18, expiring on 15 August 2024.
- The rights attaching to the Options offered under the Options Offer and Broker Offer, are summarised in Section 4.1 of this Prospectus.

Performance Rights	Number
Performance Rights currently on issue ¹	351,000,000
Performance Rights offered pursuant to the Offers	Nil
Total Performance Rights on completion of the Offers	351,000,000

Notes:

- Comprises various classes of AZLAG Performance Rights with various expiry dates as set out in the Company's Annual Report for the year ended 30 June 2022.

Special Voting Share	Number
Special Voting Shares currently on issue ¹	1
Special Voting Shares offered pursuant to the Offers	Nil
Total Special Voting Shares on completion of the Offers	1

Notes:

- Issued in consideration for the acquisition of Prairie Lithium Corporation that completed on 27 March 2023.

Exchangeable Shares	Number
Special Exchangeable Shares currently on issue ¹	238,228,809
Special Exchangeable Shares offered pursuant to the Offers	Nil
Total Exchangeable Shares on completion of the Offers	238,228,809

Notes:

- Issued in consideration for the acquisition of Prairie Lithium Corporation that completed on 27 March 2023. The Exchangeable Shares are issued in the Company's wholly-owned Canadian subsidiary, 2477955 Alberta Corporation and can be exercised by the holder into ordinary Shares in accordance with their terms.

The number of Shares on a fully diluted basis as at the date of this Prospectus is 3,696,229,922 Shares and on completion of the Offers (assuming all New Options and Broker Options offered under this Prospectus are issued and exercised into Shares) would be 4,512,229,922 Shares.

3.3 Financial effect of the Offers

The New Options to be issued pursuant to the Options Offers will be issued at a nil issue price. Accordingly, there will be no immediate effect on the Company's balance sheet. However, capital will be raised if the New Options are exercised, which will affect the Company's balance sheet.

The Company is unable to specify with any certainty the extent of any change to the balance sheet, given that there is no certainty if or when any of the New Options will be exercised.

The expenses of the Offers are estimated to be approximately \$56,648. The Offers are not expected to have any material financial effect on the Company.

The expenses of the Offers will be met utilising the Company's existing cash reserves.

Accordingly, the financial effect of the Offers will be to reduce the Company's existing cash reserves by \$56,648.

3.4 Substantial Holders

As at the date of this Prospectus, no Shareholders (together with their associates) hold a relevant interest in 5% or more of the Shares on issue.

4. RIGHTS ATTACHING TO SECURITIES

4.1 Terms of the New Options and Broker Options

(a) Entitlement

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

(b) Exercise Price

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

(c) Expiry Date

Each Option will expire at 5:00pm (AWST) on or before the date that is two (2) years from the date of issue of the Option (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

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

(e) Notice of Exercise

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

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(h) Shares issued on exercise

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

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

4.2 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 New Options 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 and Industry specific

Category of Risk	Risk
Foreign Government actions and political risk	<p>The impact of actions by governments may affect the Company's activities including such matters as access to lands and infrastructure, compliance with environmental regulations, taxation and royalties.</p> <p>The Company's assets are located in the USA and Canada. The Directors believe that the Government of the USA and Canada supports the development of natural resources by foreign investors. However, there is no assurance that future political and economic conditions in the USA and Canada will not result in the Government of USA and Canada adapting different policies regarding foreign development and ownership of mineral resources. Any changes in policy may result in legislative changes affecting ownership of assets, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return on capital, all of which may affect the Company's ability to develop its projects.</p>
Exploration and development risk	<p>Mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration of the Company's projects or any other exploration properties that may be acquired in the future will result in the discovery</p>

Category of Risk	Risk
	<p>of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of its projects, a reduction in the cash reserves of the Company and possible relinquishment of part or all of its projects.</p>
Drilling and exploration risks	<p>The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Unless and until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p>
Environmental and other regulatory requirements and approvals	<p>Before exploration and production activity can commence on any property, the Company must obtain environmental and other regulatory approvals and there is no assurance that such approvals will be obtained or granted in a timely manner. Delays in the regulatory process and granting of environmental and other necessary approvals could hinder the Company's ability to pursue operational activities which in some cases could materially impact the outcome.</p> <p>The Company's operations will be subject to environmental laws, including but not limited to, those governing the management of waste, the protection of water and air quality, the discharge of materials into the environment, and the preservation of natural resources which may impact and influence the Company's operations. If the Company fails to comply with environmental laws regarding the discharge of oil, gas, or other materials into the air, soil or water it may be subject to liabilities to the government and third parties, including civil and criminal penalties. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. The Company may from time to time in the</p>

Category of Risk	Risk
	future agree to indemnify sellers or lessors of producing properties against some liabilities for environmental claims associated with these properties.
Land tenure	Exploration licences held by the Company are subject to the approval of the relevant government bodies. Government regulatory authorities generally require the licence holder(s) to undertake certain obligations, including work program commitments, and failure to meet those obligations could result in forfeiture. Exploration licences may also be subject to partial or full relinquishment after certain tenure periods outlined in the licence agreements if no alternative licence arrangements (e.g. production licence after declaration of commerciality) are applied for and approved. In an event of forfeiture or relinquishment, the Company's overall land position would be reduced.
Sovereign risk	The Company has an interest in projects in the USA and Canada. Possible sovereign risks include, without limitation, changes in relevant legislation or government policy, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Further, no assurance can be given regarding the future stability in any country in which the Company has, or may have, an interest. Any of these factors may, in the future, adversely affect the financial performance of the Company.
Foreign exchange risk	<p>The Company is headquartered in Australia and the key projects in which the Company has an interest, are located in the USA and Canada. As a result, revenues, cash flows, expenses, capital expenditure and commitments may be denominated in US dollars.</p> <p>The Company's share price and its consolidated accounts are currently denominated in Australian dollars which results in the Company being exposed to the fluctuations and volatility of these currencies' exchange rates upon translation or repatriation to Australian dollars.</p>
Operating risk	Industry operating risks include the risk of fire, explosions, blow-outs, pipe failure, weather conditions, industrial disputes, unexpected equipment shortages or cost increases, mechanical failure or breakdown, abnormally pressured formations and environmental hazards such as accidental spills or leakage of petroleum liquids, gas leaks, ruptures or discharges of toxic gases. The occurrence of any of these risks could result in substantial losses to the Company due to injury or loss of life, severe damage to or destruction of property, natural resources or equipment, pollution or other environmental damage, cleanup responsibilities, regulatory investigation and penalties and suspension of operations or claims against the Company resulting from damages especially where such risks are not covered or not fully covered by its insurances.
Resource Estimates	Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or

Category of Risk	Risk
	techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.
Labour risk	The Company's operations may be adversely affected by labour disputes or changes in USA and Canadian labour laws. Significant labour disputes, work stoppages, increased employee expenses as a result of collective bargaining and the cost of compliance with labour laws could disrupt operations and affect the profitability of the prospecting rights and any future mining and exploration activities undertaken by the Company.

5.3 General risks

Category of Risk	Risk
Coronavirus (COVID-19)	The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>

Category of Risk	Risk
Competition risk	The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.
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 Placement. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p> <p>Additional funding may be sourced from one or a combination of equity, debt, industry farmin, or other financing methods as determined on a case by case basis when those funds are needed. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its strategy, plans or operations.</p>
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

5.4 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 Notices 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 relevant 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 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
4 August 2023	Cleansing Notice
4 August 2023	Application for quotation of securities – AZL
31 July 2023	Quarterly Activities/Appendix 5B Cash Flow Report
28 July 2023	Proposed issue of securities – AZL

Date	Description of Announcement
28 July 2023	Placement Raises \$10m to Advance Prairie Lithium Project
27 July 2023	Trading Halt
21 July 2023	Cleansing Notice
21 July 2023	Application for quotation of securities – AZL
10 July 2023	Cleansing Notice
10 July 2023	Application for quotation of securities – AZL
23 June 2023	Investor Webinar
22 June 2023	Release from Voluntary Escrow
15 June 2023	Prairie Lithium Brine Project Update
13 June 2023	Change of Director's Interest Notice
13 June 2023	Application for quotation of securities – AZL
8 June 2023	Share Purchase Plan Closes
25 May 2023	Release from Voluntary Escrow
19 May 2023	Notification regarding unquoted securities – AZL
12 May 2023	Update – Proposed issue of securities – AZL
12 May 2023	Security Purchase Plan – Extension of Closing Date
11 May 2023	Roth Appointed as Lead Advisor for NASDAQ Listing
9 May 2023	Investor Presentation
28 April 2023	Notification regarding unquoted securities – AZL
28 April 2023	Quarterly Activities/Appendix 5B Cash Flow Report
24 April 2023	Proposed issue of securities – AZL
24 April 2023	Security Purchase Plan
24 April 2023	Cleansing Notice
20 April 2023	Successful Test Well Results at Prairie Lithium Project
27 March 2023	AZL Completes Acquisition of Prairie Lithium (Amended)
27 March 2023	Change of Director's Interest Notice
27 March 2023	Initial Director's Interest Notice
27 March 2023	Cleansing Notice
27 March 2023	Notification regarding unquoted securities – AZL
27 March 2023	Application for quotation of securities – AZL
27 March 2023	AZL Completes Acquisition of Prairie Lithium
16 March 2023	Prairie Lithium to Receive A\$1.2m Grant Funding (Updated)
15 March 2023	Interim Financial Report 31 December 2022
14 March 2023	Results of Meeting
13 March 2023	Prairie Lithium to Receive A\$1.2 million Grant Funding

Date	Description of Announcement
1 March 2023	Settlement Reached over Big Sandy Lithium Claims Dispute
14 February 2023	Investor Presentation
14 February 2023	Investor Webinar
10 February 2023	Notice of General Meeting/Proxy Form
10 February 2023	Letter to Shareholders
30 January 2023	Quarterly Activities/Appendix 5B Cash Flow Report
20 January 2023	Notice of Change of Auditor
23 December 2022	Notification of cessation of securities – AZL
23 December 2022	Change of Director's Interest Notice
23 December 2022	Cleansing Notice
23 December 2022	Appendix 2A
23 December 2022	Application for quotation of securities – AZL
21 December 2022	Proposed issue of securities – AZL
21 December 2022	Acquisition of Canada's Highest Grade Lithium Brine Resource
19 December 2022	Trading Halt
5 December 2022	Investor Webinar
5 December 2022	Strategic Alliance with Navajo Nation Mining Company
30 November 2022	Results of Meeting
22 November 2022	Commencement of Definitive Feasibility Study at Big Sandy
7 November 2022	Strategic US\$1.25M Investment in US Based Lithium Explorer
3 November 2022	JMM Broker Presentation
31 October 2022	Notice of Annual General Meeting/Proxy Form
31 October 2022	Letter to Shareholders
31 October 2022	Quarterly Activities/Appendix 5B Cash Flow Report
28 October 2022	Strategic Partnership for Lithium Extraction (Revised)
26 October 2022	Strategic Partnership for Lithium Extraction
21 October 2022	Investor Webinar
18 October 2022	Completion of Big Sandy Scoping Study
23 September 2022	Notification regarding unquoted securities – AZL
16 September 2022	Appendix 4G Corporate Governance Key to Disclosures
16 September 2022	Corporate Governance Statement
16 September 2022	Annual Report 30 June 2022

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 at www.arizonalithium.com.

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	\$0.051	15 May 2023
Lowest	\$0.018	7 August 2023
Last	\$0.018	7 August 2023

The highest, lowest and last market sale prices of the Company's quoted Options 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	\$0.01	20 April 2023
Lowest	\$0.001	3 August 2023
Last	\$0.002	7 August 2023

6.4 Interests of Directors

Other than as set out in Section 2.4 or elsewhere in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

and other than as detailed below, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

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

(ii) the Offers.

Security Holdings

Directors are not required under the Constitution to hold any Securities to be eligible to act as a director. The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus is set out in the table below:

Director	Shares	Options	Performance Rights	Exchangeable Shares
Mr Barnaby Egerton-Warburton	12,736,666 ¹	30,000,000 ²	100,000,000 ³	-
Mr Paul Lloyd	44,349,355 ⁴	40,000,000 ⁵	145,000,000 ⁶	-
Mr Matthew Blumberg	6,966,666 ⁷	20,000,000 ⁸	78,000,000 ⁹	-
Mr Zachary Maurer	-	11,000,000 ¹⁰		51,099,591

Notes:

1. Comprising 8,100,000 held indirectly via Whistler Street Pty Ltd <Warburton Discretionary A/C> and 4,636,666 held indirectly via Whistler Street Pty Ltd <E-W Superannuation Fund A/C>.
2. Unquoted Options exercisable at \$0.06 each and expiring on 11 October 2024.
3. Comprising:
 - (a) 5,000,000 Class A Performance Rights expiring 15/08/2025
 - (b) 7,500,000 Class C Performance Rights expiring 15/08/2026
 - (c) 7,500,000 Class D Performance Rights expiring 15/08/2027
 - (d) 28,000,000 Class A Performance Rights expiring 27/03/2026
 - (e) 12,000,000 Class B Performance Rights expiring 27/03/2026
 - (f) 20,000,000 Class C Performance Rights expiring 27/03/2027
 - (g) 20,000,000 Class D Performance Rights expiring 27/03/2028
4. Held indirectly via Coral Brook Pty Ltd ATF The Lloyd Superannuation Fund of which Mr Lloyd is sole director and shareholder.
5. Unquoted Options exercisable at \$0.06 each and expiring on 11 October 2024.
6. Comprising:
 - (a) 15,000,000 Class A Performance Rights expiring 15/08/2025
 - (b) 15,000,000 Class C Performance Rights expiring 15/08/2026
 - (c) 15,000,000 Class D Performance Rights expiring 15/08/2027
 - (d) 35,000,000 Class A Performance Rights expiring 27/03/2026
 - (e) 15,000,000 Class B Performance Rights expiring 27/03/2026
 - (f) 25,000,000 Class C Performance Rights expiring 27/03/2027
 - (g) 25,000,000 Class D Performance Rights expiring 27/03/2028
7. Held directly.
8. Unquoted Options exercisable at \$0.06 each and expiring on 11 October 2024 (ASX: AZLAE).
9. Comprising:
 - (a) 6,000,000 Class A Performance Rights expiring 15/08/2025
 - (b) 6,000,000 Class C Performance Rights expiring 15/08/2026
 - (c) 6,000,000 Class D Performance Rights expiring 15/08/2027

- (d) 21,000,000 Class A Performance Rights expiring 27/03/2026
- (e) 9,000,000 Class B Performance Rights expiring 27/03/2026
- (f) 15,000,000 Class C Performance Rights expiring 27/03/2027
- (g) 15,000,000 Class D Performance Rights expiring 27/03/2028

10. 11,000,000 unquoted Options exercisable at \$0.12 each expiring 27 March 2027.

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 \$500,000 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 the Directors as disclosed in the Company's 2022 Annual Report and the remuneration for the financial year ended 30 June 2023 and proposed remuneration for the current financial year.

Director	FY ended 30 June 2024 (Proposed)	FY ended 30 June 2023	FY ended 30 June 2022
Mr Barnaby Egerton-Warburton	\$84,000	\$84,000	\$84,000
Mr Paul Lloyd	\$300,000	\$300,000	\$300,000
Mr Matthew Blumberg	\$60,000	\$62,419	\$46,394
Mr Zachary Maurer ¹	\$340,909 ²	\$83,604	-

Notes:

1. Appointed 24 March 2023.
2. Base salary of CAD300,000 per annum, converted at AUD:CAD exchange rate of 0.88.

In addition to the cash Directors' fees disclosed above, the value of share-based payments received during the year is as follows:

Director	FY ended 30 June 2022
Mr Barnaby Egerton-Warburton	\$2,484,134
Mr Paul Lloyd	\$3,304,674

Director	FY ended 30 June 2022
Mr Matthew Blumberg	\$458,400
Mr Zachary Maurer	Nil

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 Offers; or
- (f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Steinepreis Paganin has acted as the Australian solicitors to the Company in respect of the Prospectus. The Company estimates it will pay Steinepreis Paganin \$5,000 (excluding GST and disbursements) for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

PAC Partners and Evolution Capital have acted as Joint Lead Managers to the Placement. Refer to Section 2.3 of this Prospectus for the fees to be paid to the Joint Lead Managers.

Modena has agreed to assist the Company with the bookbuild of the Chairman's list with respect to the Placement pursuant to an agreement dated 28 July 2023. Refer to Section 2.4 of this Prospectus with respect to the fees to be paid to Modena.

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; and
- (b) in light of the above, 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.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

PAC Partners and Evolution Capital have given their written consent to being named as the Joint Lead Managers to the Company in this Prospectus. Neither PAC Partners nor Evolution Capital has withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Modena has given its written consent to being named in this Prospectus. Modena has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

6.7 Estimated Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$56,648 (excluding GST) and are expected to be applied towards the items set out in the table below:

Item	Amount
ASIC fees	\$3,206
ASX fees	\$33,442
Legal fees	\$5,000
Share registry fees	\$5,000
Printing and distribution	\$5,000
Miscellaneous	\$5,000
Total	\$56,648

7. DIRECTORS' AUTHORISATION

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

In accordance with section 720 of the Corporations Act, each Director and Proposed Director has consented, and as at the date of this Prospectus has not withdrawn his consent, to the lodgement of this Prospectus with the ASIC.

Mr Barnaby Egerton-Warburton
Non-Executive Chair
For and on behalf of
ARIZONA LITHIUM LIMITED

GLOSSARY

\$ means an Australian dollar.

Applicant means an investor that applies for New Options pursuant to the Options Offer.

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

ASIC means Australian Securities & Investments Commission.

ASX Listing Rules means the official listing rules of ASX.

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

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

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Black Scholes Valuation means the amount determined in accordance with the Black Scholes valuation model using the following parameters:

- (a) 80% volatility;
- (b) Risk free rate of 4.00%;
- (c) no dividends;
- (d) issue date equal to the date of issue of the Shares issued under Tranche 1 of the Placement; and
- (e) exercise at any time for two years (American Style).

Board means the board of Directors as constituted from time to time.

Broker Offer means the broker offer set out in Section 2.6.

Broker Option means an Option issued under the Broker Offer on the terms set out in Section 4.1.

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.

CAD means Canadian dollars.

CHESS means the Clearing House Electronic Subregister System.

Closing Dates mean the T1 Closing Date and T2 Closing Date.

Company means Arizona Lithium Limited ACN 008 720 223.

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

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

Director Shares has the meaning given to it in Section 2.1.

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

Evolution Capital means Evolution Capital Pty Ltd ACN 652 397 263.

Exchangeable Shares has the meaning given to it in Section 3.2.

General Meeting means the Company's General Meeting proposed to be held on or around 14 September 2023.

Investors has the meaning given to it in Section 2.1.

Joint Lead Manager means PAC Partners and Evolution Capital.

Lead Manager Mandate has the meaning given to it in Section 2.3.

Modena means Modena Ventures Pty Ltd (ACN 654 005 080).

New Option means an Option issued on the terms set out in Section 4.1.

Offers means the Options Offer and Broker Offer the subject of this Prospectus.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Opening Date means the opening date of the Offers as set out in the indicative timetable in Section 1.

Option means an option to acquire a Share, including where the context requires, New Options.

Optionholder means a holder of an Option.

Options Offer means the offer of New Options to Investors as set out in Section 2.5.

PAC Partners means PAC Partners Securities Pty Ltd ACN 623 653 912.

Performance Rights means a performance right convertible into a Share upon the satisfaction of the relevant performance criteria.

Placement has the meaning given to it in Section 2.1.

Prospectus means this prospectus.

Section means a section of this Prospectus.

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

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

Shareholder means a holder of Shares in the Company.

Special Voting Share has the meaning given to it in Section 3.2.

T1 Closing Date means the date specified in the timetable in the Section 1 (unless extended or closed earlier).

T2 Closing Date means the date specified in the timetable in the Section 1 (unless extended or closed earlier).

Tranche 1 has the meaning given to it in Section 2.1.

Tranche 1 Placemen Options has the meaning given to it in Section 2.1.

Tranche 1 Placement Shares has the meaning given to it in Section 2.1.

Tranche 2 has the meaning given to it in Section 2.1.

Tranche 2 Placement Options has the meaning given to it in Section 2.1.