



**Caprice Resources Ltd**  
**ACN 624 970 725**

## **Prospectus**

This Prospectus is being issued for a total of 6,250,000 Unquoted Options each exercisable at \$0.30 each and expiring 2 years from the date of issue.

The Offers under this Prospectus close at 5:00pm on Friday, 1 April 2022 (AWST)\*

\*The Company reserves the right, subject to the Corporations Act and Listing Rules to extend the Closing Date for the Offers.

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR SUITABLY QUALIFIED PROFESSIONAL ADVISER WITHOUT DELAY.**

**THE OPTIONS OFFERED UNDER THIS PROSPECTUS ARE OF A SPECULATIVE NATURE**

# Table of Contents

<b>Important information</b>	<b>2</b>
<b>Corporate directory</b>	<b>3</b>
<b>Indicative timetable</b>	<b>4</b>
<b>Investment overview</b>	<b>5</b>
<b>1. Details of the Offers</b>	<b>9</b>
<b>2. Action required by Eligible Shareholders</b>	<b>13</b>
<b>3. Effect of the Offers</b>	<b>15</b>
<b>4. Risk factors</b>	<b>18</b>
<b>5. Additional information</b>	<b>26</b>
<b>6. Directors' statement and consent</b>	<b>36</b>
<b>7. Definitions</b>	<b>37</b>

## Important information

This Prospectus is dated Thursday, 24 March 2022 and was lodged with ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Unquoted Options will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 3, 10 Outram Street, West Perth, WA 6005, during normal business hours.

The Prospectus will be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's registered office by contacting the Company. The Offers contemplated by this Prospectus is only available in electronic form to persons receiving an electronic version of this Prospectus within Australia and subject to the restrictions set out in Section 1.6, certain investors in Germany.

The Unquoted Options offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

Applications for Unquoted Options will only be accepted on an Application Form attached to or provided by the Company with a copy of this Prospectus either in paper or electronic form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offers 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 the Offers.

No action has been taken to permit the public offer of Unquoted Options under this Prospectus in any jurisdiction other than Australia. Subject to the restrictions set out in Section 1.6, certain investors in Germany are eligible to participate in the Offers.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should observe any such restrictions, including those in Section 1.6. In particular, this Prospectus may not be distributed in the United States and the Unquoted Options may not be issued to persons in the United States. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Unquoted Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This document is important and should be read in its entirety before deciding to participate in the Offers. This does not take into account the investment objectives, financial or taxation, or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to their particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay.

Some of the risk factors that should be considered by potential investors are outlined in Section 4. Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to the time in Perth, Western Australia, unless otherwise indicated.

## Corporate directory

### Directors

David Church	Non-Executive Chairman
Andrew Muir	Managing Director
Michael Caruso	Non-Executive Director
Adam Miethke	Non-Executive Director

### Company Secretary

Oonagh Malone

### Registered and Principal Office

Level 3, 10 Outram Street  
West Perth, WA 6005

Telephone: +61 8 6365 5200

Website: [www.capriceresources.com](http://www.capriceresources.com)

### Share Registry\*

Automatic Registry Services  
126 Phillip Street  
Sydney, New South Wales 2000

Telephone: 1300 288 664 (within Australia)  
+61 2 9698 5414 (outside Australia)

### Auditor\*

RSM Australia Partners  
Level 32, Exchange Tower  
2 The Esplanade  
Perth, WA 6000

### Solicitors

Hamilton Locke  
Level 27, 152/158 St Georges Terrace  
Perth WA 6000

### ASX Code: CRS

\* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

## Indicative timetable

Event	Date
Lodgement of Prospectus with ASIC and ASX	Thursday, 24 March 2022 (After-market)
Opening Date of Offers	Friday, 25 March 2022
General Meeting	Tuesday, 29 March 2022
Intended date of issue of Placement Options and Director Placement Options Lodgement of Appendix 3G notifying issue of Placement Options and Director Placement Options	Thursday, 31 March 2022
Closing Date of Offers*	Friday, 1 April 2022

*\*The dates and times noted above are indicative only and subject to change. Any material changes will be notified by the Company to ASX. The Company reserves the right to amend any or all of these dates and times without prior notice subject to the Corporations Act, the Listing Rules and other applicable laws.*

## Investment overview

This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Unquoted Options.

Key information	Further information
<p><b>Transaction specific prospectus</b></p> <p>This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act.</p> <p>It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	Section 5.4
<p><b>Risk factors</b></p> <p>Potential investors should be aware that subscribing for Unquoted Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> <li>• <b>Limited history</b> <p>The Company was incorporated on 20 March 2018 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of its existing projects or the new projects. Until the Company is able to realise value from these projects, it is likely to incur operational losses.</p> </li> <li>• <b>Exploration costs</b> <p>The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.</p> </li> <li>• <b>Funding</b> <p>As at the date of this Prospectus, the Company has no income producing assets and will generate losses for the foreseeable future. Until it is able to develop a project and generate appropriate cash flow, it is dependent upon being able to obtain future equity funding to support long term exploration, after the expenditure of the net proceeds raised under the Offers.</p> <p>Neither the Company nor any of the Directors or any other party can provide any guarantee or assurance that if further funding is required,</p> </li> </ul>	Section 4

Key information	Further information
<p>such funding can be raised on terms favourable to the Company. Any additional equity funding will dilute existing Shareholders. Also, no guarantee or assurance can be given as to when a project can be developed to the stage where it will generate cash flow. As such, a project would be dependent on many factors, for example exploration success, subsequent mine development, commissioning and operational performance. The Company may require further financing in the future to progress its projects.</p> <ul style="list-style-type: none"> <li> <p>• <b>Private land</b></p> <p>The Company's project at Northampton is subject to protected private land. The Company has no rights to explore or mine on the surface, and for the 30 metres below the surface, of any part of the Western Australia tenements covered by protected private land. At present, the Company is in the process of negotiating land access agreements with private land-owners which would (amongst other things) grant the Company access to the protected private land. The access agreements will include appropriate compensation to the private land-owners.</p> <p>Shareholders should be aware that the existence of protected private lands within the boundaries of the Northampton tenements, and/or any delay in obtaining the necessary consents in respect of the grant of tenure over such areas, may preclude, limit or delay the Company undertaking its exploration activities in certain areas of the Northampton project and that compensation may need to be agreed with the relevant owner and occupier or paid in accordance with the Mining Act 1978 (WA) prior to further works being undertaken.</p> </li> <li> <p>• <b>Complex underlying land usage</b></p> <p>Some of the Company's Western Australian tenements are located over and in the vicinity of the town of Northampton, being an inhabited area of relatively intense land use. As a consequence, the tenements are subject to various endorsements and conditions relating to competing land uses, for example "C" class reserves, highways, geodetic survey equipment and water reserves. Some conditions preclude exploration activities in certain areas of the tenements and/or require the Company to obtain prior consents or additional approvals prior to commencing activities. The existence of such restrictions may preclude, limit or delay exploration and mining activities in certain areas of the tenements. The Directors consider the above risks to be low due to the location of the Company's proposed activities, the previous exploration activities in the areas and the low impact on the proposed exploration works.</p> </li> <li> <p>• <b>Exploration and development risks</b></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 deposit. Even if an apparently viable deposit is identified there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to 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. The success of the Company will also depend upon the Company having access to</p> </li> </ul>	

Key information	Further information																
<p>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><b>The Offers</b></p> <p>The Company is offering pursuant to this Prospectus, up to a total of 6,250,000 Unquoted Options each exercisable at \$0.30 each and expiring 2 years from the date of issue.</p> <p>The Offers will only be extended to specific parties at the invitation of the Directors.</p> <p>The issue of the Unquoted Options are subject to and conditional on the prior receipt of Shareholder approval. Shareholder approval is being sought at a general meeting of the Company to be held on Tuesday, 29 March 2022.</p>	Section 1.1																
<p><b>Use of funds</b></p> <p>No funds will be raised as a result of the issue of the Unquoted Options as the Unquoted Options are offered on a free-attaching basis to the Shares issued under the Placement.</p>	Section 1.2																
<p><b>Effect on control of the Company</b></p> <p>The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers or exercise of the Unquoted Options.</p> <p>See Section 3.6 for the reviewed statement of financial position of the Company and the unaudited pro forma statement of financial position, both as at 31 December 2021 showing the effects of the Offers.</p>	Section 3																
<p><b>Indicative capital structure</b></p> <p>The indicative capital structure upon completion of the Offers is set out below:</p> <table border="1" data-bbox="204 1339 1129 1798"> <thead> <tr> <th data-bbox="204 1339 437 1422"></th> <th data-bbox="437 1339 668 1422">Shares</th> <th data-bbox="668 1339 900 1422">Options</th> <th data-bbox="900 1339 1129 1422">Performance Rights</th> </tr> </thead> <tbody> <tr> <td data-bbox="204 1422 437 1536">Existing Securities on issue</td> <td data-bbox="437 1422 668 1536">81,379,723</td> <td data-bbox="668 1422 900 1536">7,583,333</td> <td data-bbox="900 1422 1129 1536">5,500,000</td> </tr> <tr> <td data-bbox="204 1536 437 1742">Maximum number of Unquoted Options to be issued under the Offers</td> <td data-bbox="437 1536 668 1742">Nil</td> <td data-bbox="668 1536 900 1742">6,250,000</td> <td data-bbox="900 1536 1129 1742">Nil</td> </tr> <tr> <td data-bbox="204 1742 437 1798"><b>Total</b></td> <td data-bbox="437 1742 668 1798"><b>81,379,723</b></td> <td data-bbox="668 1742 900 1798"><b>13,833,333</b></td> <td data-bbox="900 1742 1129 1798"><b>5,500,000</b></td> </tr> </tbody> </table>		Shares	Options	Performance Rights	Existing Securities on issue	81,379,723	7,583,333	5,500,000	Maximum number of Unquoted Options to be issued under the Offers	Nil	6,250,000	Nil	<b>Total</b>	<b>81,379,723</b>	<b>13,833,333</b>	<b>5,500,000</b>	Section 3
	Shares	Options	Performance Rights														
Existing Securities on issue	81,379,723	7,583,333	5,500,000														
Maximum number of Unquoted Options to be issued under the Offers	Nil	6,250,000	Nil														
<b>Total</b>	<b>81,379,723</b>	<b>13,833,333</b>	<b>5,500,000</b>														
<p><b>Forward looking statements</b></p> <p>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.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future</p>	N/A																

Key information	Further information
<p>events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do 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.</p> <p>The Directors have 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.</p> <p>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 4.</p>	

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## 1. Details of the Offers

### 1.1 Background to the Offers

On 4 February 2022, the Company announced a capital raising of \$2,000,000 (before costs) (**Placement**). The Placement is comprised of the following two tranches:

- (a) the issue of 11,656,250 Shares to unrelated parties at an issue price of \$0.16 per Share, with one free-attaching Option for every two Shares issued (**Placement Options**); and
- (b) the issue of 843,750 Shares to David Church (Non-Executive Chairman) and Andrew Muir (Managing Director) (or their respective nominees) at an issue price of \$0.16 per Share, with one free-attaching Option for every two Shares issued (**Director Placement Options**).

### 1.2 The Offers

The Company is offering pursuant to this Prospectus, up to a total of 6,250,000 Unquoted Options each exercisable at \$0.30 each and expiring 2 years from the date of issue as follows:

- (a) 5,828,125 Placement Options to unrelated participants in the Placement; and
- (b) 421,875 Director Placement Options to David Church (Non-Executive Chairman) and Andrew Muir (Managing Director) (or their respective nominees),

(together, the **Offers**).

The Offers will only be extended to specific parties at the invitation of the Directors. Application Forms will only be provided by the Company to eligible parties entitled to receive Unquoted Options, together with a copy of this Prospectus.

The issue of the Unquoted Options is subject to and conditional on the prior receipt of Shareholder approval. Shareholder approval is being sought at a general meeting of the Company to be held on Tuesday, 29 March 2022 (**General Meeting**). If Shareholder approval is not obtained at the General Meeting for the issue of the Unquoted Options, then the Offers will not proceed.

No funds will be raised as a result of the issue of the Unquoted Options as the Placement Options and the Director Placement Options are offered on a free-attaching basis to the Shares issued under the Placement.

A summary of the rights and liabilities attaching to the Unquoted Options offered under this Prospectus is in Section 5.1. All Shares issued upon the exercise of the Unquoted Options will rank equally in all respects with the Company's existing Shares, as summarised in Section 5.2.

The Company will not apply for quotation of the Unquoted Options.

### 1.3 Opening and Closing Dates

The Closing Date for the Offers is Friday, 1 April 2022. All Applications must be received by the Company by no later than 5:00pm (AWST) on the Closing Date.

The Company reserves the right, subject to the Corporations Act and the Listing Rules to vary the Closing Date without prior notice.

#### **1.4 Minimum subscription**

There is no minimum subscription for the Offers.

#### **1.5 Issue date**

All Unquoted Options under the Offers are expected to be issued on or before the relevant date specified in the indicative timetable on page 4 of this Prospectus.

However, the issue of the Unquoted Options is subject to and conditional on the prior receipt of Shareholder approval at the General Meeting.

No Unquoted Options will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

#### **1.6 Overseas Shareholders**

This Prospectus does not constitute an offer of Unquoted Options in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the Unquoted Options may not be offered or sold, in any country outside Australia except to the extent permitted below.

##### **(a) Germany**

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in Germany or elsewhere in the European Union. Accordingly, this Prospectus may not be made available, nor may the Unquoted Options or underlying ordinary shares be offered for sale, in Germany except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Unquoted Options in Germany is limited to persons (i) who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation) and (ii) in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

#### **1.7 CHESS**

The Company participates in the Clearing House Electronic Sub-Register System, known as CHESS. All trading on the ASX will be settled through CHESS. ASX Settlement, a wholly-owned subsidiary of the ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry will operate an electronic issuer sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of securities.

Under CHESS, the Company will not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be sent to Shareholders as soon as practicable after allotment of the Unquoted Options. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Securities on the CHESS sub-register) or by the Company's Share Registry (for Shareholders who elect to hold their Securities on the issuer sponsored sub-register). The statements will set out the number of existing Securities held (where applicable) and the number of new Unquoted Options allotted under this Prospectus and provide details of a Shareholder's holder identification number (for Shareholders who elect to hold Securities on the CHESS sub-register) or Shareholder reference number (for Shareholders who elect to hold their Securities on the issuer sponsored sub-register).

Updated holding statements will also be sent to each Shareholder at the end of each month in which there is a transaction on their holding, as required by the Listing Rules.

## 1.8 Risk factors

An investment in the Unquoted Options should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 4.

## 1.9 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Unquoted Options.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Unquoted Options.

## 1.10 Major activities and financial information

A summary of the major activities and financial information relating to the Company, for the financial year ended 30 June 2021, can be found in the Company's Annual Report announced on ASX on 29 October 2021 (**Annual Report**) and, for the half-year ended 31 December 2021, the half year accounts announced on ASX on 14 March 2022 (**Half Yearly Report**). The Company has made continuous disclosure notices (i.e. ASX announcements) since the balance date for its Annual Report, being 30 June 2021. These continuous disclosure notices are listed in Section 5.5.

Copies of the Half Yearly Report, Annual Report and continuous disclosure notices are available free of charge from the Company. The Directors strongly recommend that Applicants review these documents and all other announcements prior to deciding whether or not to participate in the Offers.

## 1.11 Privacy

Applicants will be providing personal information to the Company (directly or by the Company's share registry) on the Application Form. The Company collects, holds and will use that information to assess the Application, service Shareholders' needs, facilitate distribution payments and corporate communications to Shareholders and carry out administration.

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

Shareholders can access, correct and update the personal information the Company holds about them by contacting the Company or its share registry at the relevant contact numbers set out in this Prospectus. A fee may be charged for access. Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

Applicants should note that if they do not provide the information required on the Application Form, the Company may not be able to accept or process their Application.

## 1.12 Enquiries concerning Prospectus

Enquiries relating to this Prospectus should be directed to the Company Secretary by email at [omalone@konkera.com.au](mailto:omalone@konkera.com.au).

For general shareholder enquiries, please contact the Share Registry on [hello@automic.com.au](mailto:hello@automic.com.au).

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## 2. Action required by Eligible Shareholders

### 2.1 Application Form

Eligible Shareholders entitled to apply for Unquoted Options under the Offers should complete and submit an Application Form, in accordance with the instructions on the Application Form. Please read the instructions carefully.

Completed Application Forms must be lodged at any time after the issue of this Prospectus and on or before the Closing Date.

### 2.2 How to apply

#### (a) Online (recommended)

Investors having received a copy of this Prospectus and an Application Form should apply online in accordance with the instructions on the Application Form.

To apply online:

- (i) visit <https://investor.automic.com.au>;
- (ii) login with your existing username and password; and
- (iii) once you are logged in, select "Offers" from the left-hand vertical menu and follow the prompts.

If you have not yet established an online account and wish to apply online:

- (i) visit <https://investor.automic.com.au/#/signup>;
- (ii) select "Caprice Resources Ltd" from the dropdown list in the Issuer Name Field;
- (iii) enter your Holder Reference (SRN/HIN) as shown on the top of the Application Form;
- (iv) enter your postcode or country of residence (only if outside Australia);
- (v) tick the box "I'm not a robot" and then select "Next";
- (vi) complete the prompts to set up your username and password details; and
- (vii) once you are logged in, select "Offers" from the left-hand vertical menu and follow the prompts.

#### (b) By mail or in-person

Investors having received a copy of this Prospectus and an Application Form may also submit an Application Form as follows:

- (i) By mail: Caprice Resources Ltd  
C/- Automic Group, GPO  
Box 5193, Sydney NSW 2001
- (ii) In-person: Automic Group  
Level 5, 126 Phillip Street  
Sydney NSW 2000

## 2.3 Acceptance of Application

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Unquoted Options accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of Unquoted Options.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the Application as valid and how to construe, amend or complete the Application Form is final.

The Company will send this Prospectus, together with an Application Form, to all Eligible Shareholders as well as persons entitled to apply for Unquoted Options under the Offers.

By completing and returning an Application Form, you will be deemed to have represented that you are an Eligible Shareholder or are otherwise entitled to apply for Unquoted Options under the Offers. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the Offers;
- (b) declare that all details and statements in the Application Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the Unquoted Options to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Application Form;
- (e) declare that you are an Eligible Shareholder and have a registered address in Australia, or another country which permits the Company to make the Offers to you without the requirement to lodge any documents with your local regulatory authority;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Unquoted Options are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the Unquoted Options have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia.

### 3. Effect of the Offers

#### 3.1 Capital structure on completion of the Offers

	Shares	Options	Performance Rights
Existing Securities on issue	81,379,723	7,583,333	5,500,000
Maximum number of Unquoted Options to be issued under the Offers	Nil	6,250,000 <sup>(3)</sup>	Nil
<b>Total<sup>(1)</sup></b>	<b>81,379,723<sup>(2)</sup></b>	<b>13,833,333<sup>(4)</sup></b>	<b>5,500,000</b>

**Notes:**

1. Assumes that no further Shares are issued or existing Options and Performance Rights vest, are exercised and converted into Shares.
2. In addition to the above, it is proposed that a further 843,750 Shares will be issued to David Church (Non-Executive Chairman) and Andrew Muir (Managing Director) (or their respective nominees), subject to the prior receipt of Shareholder approval at the General Meeting.
3. The terms and conditions of the Unquoted Options are set out in Section 5.1.
4. Assumes that Shareholder approval is received for the issue of the Unquoted Options at the General Meeting and that all Unquoted Options offered under the Offers are issued. The actual number of Unquoted Options issued will vary based on the Unquoted Options subscribed for and issued pursuant to the Offers.

Refer to the notice of general meeting announced on the ASX market announcements platform on 24 February 2022 for further details.

#### 3.2 Effect on control of the Company

The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers or exercise of the Unquoted Options.

#### 3.3 Substantial Shareholders

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

Substantial Shareholder	Number of Shares	Voting power
Michael Caruso <sup>(1)</sup>	11,557,543	14.20%

**Note:**

1. Mr Caruso also has a contractual right to 3,464,492 deferred "milestone shares" issued as part of the acquisition of Goldview Metals Pty Ltd.

The Offers will not have an effect on the quantity of Shares held by existing Shareholders as only Unquoted Options are being offered under this Prospectus.

### 3.4 Diluting effect of the Offers

Assuming that all of the Unquoted Options are issued and exercised into Shares, and no other Securities are issued or exercised, the potential diluting effect on the percentage interest of existing Shareholders' would be 7.13%. This figure assumes the current Share capital structure as at the date of this Prospectus. It does not include the Shares to be issued to David Church (Non-Executive Chairman) and Andrew Muir (Managing Director) (or their respective nominees), which is subject to Shareholder approval at the General Meeting.

### 3.5 Use of funds from exercise of Unquoted Options

No funds will be raised as a result of the Offers.

The Company will receive \$0.30 for each Unquoted Option exercised. If all Unquoted Options are issued and exercised, the Company will receive approximately \$1,875,000 (before costs). There is no certainty that any of the Unquoted Options will be exercised and the proportion exercised will depend on the Share price relative to the exercise price during the exercise period.

It is currently intended that any funds raised by the exercise of the Unquoted Options will be used towards funding exploration activities on the Company's projects and to provide general working capital. Working capital includes, but is not limited to, corporate administration and operating costs and may be applied to additional Directors' fees or executive fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs and payment of creditors or other liabilities.

The application of funds will depend upon when the Unquoted Options are exercised and the status of the Company's projects and requirements at the relevant time.

The above is a statement of current intentions as at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way in which the funds are applied on this basis.

### 3.6 Pro forma statement of consolidated financial position

To illustrate the effect of the Offers on the financial position of the Company, set out below is the reviewed statement of financial position of the Company and the unaudited pro forma statement of financial position, both as at 31 December 2021 (**Balance Date**).

	Reviewed Statement of Financial Position as at 31/12/21 (\$'000)	Post Reporting Date Transactions (\$'000)	Effect of the Offers (\$'000)	Unaudited Pro Forma Statement of Financial Position Post Offers (\$'000)
<b>Current Assets</b>				
Cash & cash equivalents	1,351	1,879	(16)	3,214
Trade & other receivables	43	-	-	43
Other current assets	82	-	-	82
<b>Non Current Assets</b>				

Exploration & evaluation expenditure assets	10,578	-	-	10,578
Property, plant and equipment	21	-	-	21
Right of use asset	89	-	-	89
<b>TOTAL ASSETS</b>	<b>12,164</b>	<b>1,879</b>	<b>(16)</b>	<b>14,027</b>
Trade & other payables	143	-	-	143
Provisions	22	-	-	22
Lease liability	34	-	-	34
<b>Non Current Liabilities</b>				
Lease liability	57	-	-	57
<b>TOTAL LIABILITIES</b>	<b>256</b>	<b>-</b>	<b>-</b>	<b>256</b>
<b>NET ASSETS</b>	<b>11,908</b>	<b>1,879</b>	<b>(16)</b>	<b>13,771</b>
<b>EQUITY</b>				
Issued capital	14,624	1,879	(16)	16,487
Reserves	1,742	-	-	1,742
Accumulated Losses	(4,458)	-	-	(4,458)
<b>TOTAL EQUITY</b>	<b>11,908</b>	<b>1,879</b>	<b>(16)</b>	<b>13,771</b>

#### Basis of Preparation and Assumptions

The reviewed pro forma statement of financial position has been prepared in accordance with the Corporations Act and the Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The unaudited pro forma statement of financial position has been prepared on the basis of the following assumptions:

- (a) the Offers were effective at the Balance Date;
- (b) no further Shares are issued;
- (c) the Offers are fully subscribed;
- (d) the costs of the Placement are approximately \$121,250;
- (e) the costs of the Offers are approximately \$15,706 (see Section 5.12); and
- (f) completion of the Placement.

The unaudited pro forma statement of financial position has been prepared on the basis that the assets and liabilities of the Company have not been subject to any material change between 31 December 2021 and the completion of the Offers except for movements in working capital resulting from transactions and expenditures incurred in the normal course of business including corporate costs and exploration activities.

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## 4. Risk factors

As with any investment in Securities, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company but should not be taken as an exhaustive list of the potential risk factors to which the Company and its security holders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Unquoted Options.

The Directors consider that the following summary represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

### 4.1 Risks specific to the Company

#### (a) Limited history

The Company was incorporated on 20 March 2018 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of its existing projects or the new projects. Until the Company is able to realise value from these projects, it is likely to incur operational losses.

#### (b) Exploration costs

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

#### (c) Funding

As at the date of this Prospectus, the Company has no income producing assets and will generate losses for the foreseeable future. Until it is able to develop a project and generate appropriate cash flow, it is dependent upon being able to obtain future equity funding to support long term exploration, after the expenditure of the net proceeds raised under the Offers.

Neither the Company nor any of the Directors or any other party can provide any guarantee or assurance that if further funding is required, such funding can be raised on terms favourable to the Company. Any additional equity funding will dilute existing Shareholders. Also, no guarantee or assurance can be given as to when a project can be developed to the stage where it will generate cash flow. As such, a project would be dependent on many factors, for example exploration success, subsequent mine development, commissioning and operational performance. The Company may require further financing in the future to progress its projects.

(d) **Private land**

The Company's project at Northampton is subject to protected private land. The Company has no rights to explore or mine on the surface, and for the 30 metres below the surface, of any part of the Western Australia tenements covered by protected private land. At present, the Company is in the process of negotiating land access agreements with private land-owners which would (amongst other things) grant the Company access to the protected private land. The access agreements will include appropriate compensation to the private land-owners.

Shareholders should be aware that the existence of protected private lands within the boundaries of the Northampton tenements, and/or any delay in obtaining the necessary consents in respect of the grant of tenure over such areas, may preclude, limit or delay the Company undertaking its exploration activities in certain areas of the Northampton project and that compensation may need to be agreed with the relevant owner and occupier or paid in accordance with the *Mining Act 1978* (WA) prior to further works being undertaken.

(e) **Complex underlying land usage**

The Company's project at Northampton is located over and in the vicinity of the town of Northampton, being an inhabited area of relatively intense land use. As a consequence, the tenements are subject to various endorsements and conditions relating to competing land uses, for example "C" class reserves, highways, geodetic survey equipment and water reserves. Some conditions preclude exploration activities in certain areas of the tenements and/or require the Company to obtain prior consents or additional approvals prior to commencing activities. The existence of such restrictions may preclude, limit or delay exploration and mining activities in certain areas of the tenements. The Directors consider the above risks to be low due to the location of the Company's proposed activities, the previous exploration activities in the areas and the low impact on the proposed exploration works.

## 4.2 Risks specific to the Company

(a) **Title**

Interests in exploration and mining tenements in both Western Australia and the Northern Territory are evidenced by the granting of licences, leases, permits or authorities. Each of the Company's tenements has been granted for a specific term and carries rental, annual expenditure and reporting commitments, as well as other conditions imposed under the relevant regulations. The Company could face penalties, lose title to or its interest in the Company's tenements, or any other tenements that may be acquired by the Company in the future, if such conditions are not met or if insufficient funds are available to meet expenditure commitments. The Company's exploration tenements allow its holders to carry out particular authorised activities to determine the existence, quality, and quantity of minerals on, in, or under land through various methods. The Company's exploration tenements do not permit mining activities. A mining lease is required before mining and production may occur. There is no guarantee that a mining lease will be obtained, and in turn, no guarantee that the holders of the tenements will be able to proceed to production even if a viable resource is discovered.

(b) **Exploration and development risks**

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 deposit. Even if an apparently viable deposit is identified there is no

guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to 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. 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.

(c) **Operating risk**

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 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.

(d) **Payment obligations**

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.

(e) **Metals and currency price volatility**

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. 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. 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.

(f) **Competition risk**

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.

(g) **Land access**

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. The Company currently has a focus on various exploration tenements located in Western Australia and the Northern Territory. Both Western Australia and the Northern Territory have implemented restrictions affecting land access in areas deemed to be subject to certain protective overlays and zoning classifications, including areas containing sites of indigenous cultural heritage significance and areas of urban development. In some instances the protective overlays and zoning classifications may restrict mining and exploration activities completely. However, more commonly they will affect the procedure required for access and may impose obligations in respect of compensation, land rehabilitation and/or land impact management. This may, for example, necessitate the completion of impact assessment studies and/or require the negotiation of access or compensation arrangements with landowners and indigenous groups. Inability to access, or delays experienced in accessing, the land and unforeseen expenses associated therewith may impact on the Company's activities. Any future changes in legislation and regulations, whether in response to this increased political and media attention or otherwise, may impose significant obligations or restrictions on the Company which cannot be predicted.

(h) **Native title**

Access to land for exploration purposes can be adversely affected by land ownership, including private (freehold) land, pastoral lease and native title land or claims under the *Native Title Act 1993* (Cth) (**NTA**) (or similar legislation in the jurisdiction where the Company operates).

The effect of the NTA is that existing and new tenements held by the Company may be affected by native title claims and procedures. There is a risk that a determination could be made that native title exists in relation to land the subject of a tenement held or to be held by the Company which may affect the operation of the Company's business and development activities. In the event that it is determined that native title does exist or a native title claim has been registered, the Company may need to comply with procedures under the NTA in order to carry out its operations or to be granted any additional rights required. Such procedures may take considerable time, involve the negotiation of significant agreements, may involve access rights, and require the payment of compensation to those persons holding or claiming native title in the land the subject of a tenement. The involvement in the administration and determination of native title issues may have a material adverse impact on the position of the Company in terms of cash flows, financial performance, business development, and the Share price.

(i) **Third party risks**

Under Northern Territory, Western Australian and Commonwealth legislation, the Company may be required to obtain the consent of and/or pay compensation to the holders of third party interests which overlay areas within the tenements which the Company has an interest in, including private land, native title claims, pastoral leases and/or petroleum tenure, in respect of exploration or mining activities on the tenements. 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.

(j) **Environmental risk**

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. 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. 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. Environmental issues may compromise the exploration and development of the Company's tenements.

(k) **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.

#### **4.3 General risks**

(a) **Securities investments**

There are risks associated with any securities investment. The prices at which the securities of the Company trade may fluctuate in response to a number of factors. Furthermore, the stock market, and in particular the market for mining and exploration companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the securities of the Company regardless of its operational performance.

(b) **Economic risks**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities and potential exploration and development programs, as well as on its ability to fund those activities. As with any exploration or mining project, the economics are sensitive to metal and commodity prices. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for minerals, technological advances, forward selling activities and other macro-economic factors. These prices may fluctuate to a level where the proposed mining operations are not profitable. Should the Company achieve success leading to mineral production, the revenue it will derive through the sale of commodities also exposes potential income of the Company to commodity price and exchange rate risks.

(c) **Force majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(d) **Market conditions**

The market price of the Shares 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. Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) currency fluctuations;
- (v) changes in investor sentiment toward particular market sectors;
- (vi) the demand for, and supply of, capital; and
- (vii) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resources stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return to Shareholders.

(e) **Option risk and dilution**

Options are, by their nature, only of value at times when the exercise price is lower than the price of the underlying Shares. There is no guarantee that the Unquoted Options offered under this Prospectus will, at any particular time, have an exercise price which is lower than the price of the Shares.

There is a risk that the Unquoted Options may expire at a time when they have little or no value.

On completion of the Offers, assuming all of the Unquoted Options available under the Offers are subscribed for, there will be up to an additional 6,250,000 Unquoted Options on issue. If exercised, these Unquoted Options will be converted into Shares, thereby causing the shareholdings of Shareholders to be diluted by up to 7.13% (on the basis that the Offers are fully subscribed and no other Securities are issued or exercised at the date of this Prospectus). However, each Unquoted Option has an exercise price of \$0.30 which means that the Company will receive additional funds of up to \$1,875,000 (before costs) upon exercise of the Unquoted Options, assuming all Unquoted Options the subject of the Offers are issued and subsequently exercised.

(f) **Litigation risks**

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

(g) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(h) **Unforeseen expenditure risks**

Expenditure may need to be incurred which has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently required or incurred, this may adversely impact budgeted expenditure proposals by the Company.

(i) **Climate change risk**

Climate change is a risk the Company has considered, particularly relating to its operations in the oil and gas industry. The climate change risks particularly attributable to the Company include:

- (i) 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
- (ii) 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.

(j) **Coronavirus disease (COVID-19)**

The global economic outlook is facing uncertainty due to the current COVID-19 pandemic, which has been having, and will likely continue to have, a significant impact on global capital markets, commodity prices and foreign exchange.

To date, the COVID-19 pandemic has not had any material impact on the Company's operations, however, any infections occurring on site at the Company's projects could result in the Company's operations being suspended and otherwise disrupted for an unknown period of time, which may have an adverse impact on the Company's operations as well as adverse implications on the Company's future cash flows, profitability and financial condition. Supply chain disruptions resulting from the COVID-19 pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by the COVID-19 pandemic, also adversely impact the Company's operations, financial position and prospects.

**4.4 Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Unquoted Options offered under this Prospectus.

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

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

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## 5. Additional information

### 5.1 Terms and conditions of Unquoted Options

The terms and conditions of the Unquoted Options are as follows:

- (a) **(Entitlement)**: Each Unquoted Option entitles the holder to subscribe for one Share upon exercise of the Unquoted Option.
- (b) **(Expiry Date)**: Each Unquoted Option will expire at 5:00pm (WST) on the date that is two years from the date of issue (**Expiry Date**). An Unquoted Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) **(Exercise Period)**: The Unquoted Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (d) **(Exercise Price)**: Subject to paragraph (k), the amount payable upon exercise of each Unquoted Option will be \$0.30 (**Exercise Price**).
- (e) **(Notice of Exercise)**: The holder may exercise their Unquoted Options by lodging with the Company, on or prior to the Expiry Date:
  - (i) in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion;
  - (ii) a written notice of exercise of Unquoted Options specifying the number of Unquoted Options being exercised (**Exercise Notice**); and
  - (iii) a cheque or electronic funds transfer for the Exercise Price for the number of Unquoted Options being exercised. Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (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 Unquoted Option being exercised in cleared funds (**Exercise Date**).
- (g) **(Timing of issue of Shares on exercise)**: Within 5 Business Days after the Exercise Date, the Company will:
  - (i) issue the number of Shares required under these terms and conditions in respect of the number of Unquoted Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
  - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
  - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Unquoted Options.

If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the

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

- (h) **(Shares issued on exercise):** Shares issued on exercise of the Unquoted 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 Unquoted Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Unquoted Options without exercising the Unquoted Options.
- (k) **(Change in exercise price):** An Unquoted Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Unquoted Option can be exercised.
- (l) **(Transferability):** The Unquoted Option may only be transferred with the prior written approval of the Company's board of directors.

## 5.2 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

### (a) General meeting and notices

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Constitution, the Corporations Act or the Listing Rules.

### (b) Voting rights

Subject to any rights or restrictions attached to any class or classes of Shares, at a general meeting of the Company every holder of fully paid Shares present in person or by an attorney, representative or proxy has one vote on a show of hands (unless a member has appointed 2 proxies) and one vote per Share on a poll.

A person who holds a Share which is not fully paid is entitled to, on a poll, a fraction of a vote equal to the proportion which the amount paid up on that Share (excluding amounts credited) is to the total amounts paid up and payable (excluding amounts credited) on that Share.

### (c) Issues of further Shares

Subject to the Corporations Act and the Constitution, the Board may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any

person on the terms, with the rights, and at the times that the Board decides. The Company must not issue shares or grant options if the issue or grant would result in a breach of the Listing Rules.

(d) **Variation of rights**

Unless otherwise provided by the Constitution or by the terms of issue of a class of Shares, the rights attached to the Shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued Shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued Shares of the affected class.

(e) **Transfer of Shares**

Subject to the Constitution, a member may transfer a share as provided by a proper ASX Settlement transfer, an instrument of transfer in compliance with the Constitution or any other method permitted by the Applicable Law.

(f) **Dividends**

Subject to the Corporations Act, the Listing Rules, the Constitution and the rights attaching to Shares issued on special conditions, the Directors may from time to time declare that a dividend is payable to the holders of ordinary Shares and fix the time for payment.

(g) **Winding up**

Subject to the Constitution, the Corporations Act and the rights of holders of Shares with special rights, on a winding up of the Company, the liquidator may, with the sanction of a special resolution of the Company, divide among the Members in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the Members or different classes of Members.

(h) **Dividend reinvestment and share plans**

The Directors may establish a dividend reinvestment plan on any terms, under which participants may elect in respect of all or part of their Shares to apply the whole or any part of a dividend from the Company in subscribing for Securities of the Company.

(i) **Directors**

The Company must have not less than 3 Directors.

(j) **Powers of the Board**

Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Constitution, the Directors may exercise all the powers of the Company except any powers that the Corporations Act or the Constitution requires the Company to exercise in general meeting.

(k) **Capitalisation of profits**

The Directors may capitalise any profits of the Company and distribute that capital to the members, in the same proportions as the members are entitled to a distribution by dividend.

### 5.3 Dividend policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

### 5.4 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC (see Section 5.5 below). Copies of all documents announced to the ASX can be found on the Company's website.

### 5.5 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offers a copy of:

- (a) the Annual Report for the period ending 30 June 2021 lodged with ASX on 29 October 2021;
- (b) the Half Yearly Report for the period ending 31 December 2021 lodged with ASX on 14 March 2022; and
- (c) the continuous disclosure notices given by the Company to notify ASX of information relating to the Company since the balance date for the Company's Annual Report being 30 June 2021 and before the date of issue of this Prospectus which are as follows:

Date lodged	Subject of announcement
24/03/2022	Solis Aircore Resamples Enhance Gold Prospectivity
16/03/2022	Aircore Drilling Identifies Over 1km Gold Anomaly At Solis
14/03/2022	Half Year Accounts
8/03/2022	Lake Austin Maiden Aircore Completed
24/02/2022	Update - Proposed issue of securities - CRS
24/02/2022	Letter to Shareholders regarding Notice of Meeting
24/02/2022	Notice of Extraordinary General Meeting/Proxy Form

Date lodged	Subject of announcement
17/02/2022	Last RC Results Received, Lake Austin Aircore Underway
11/02/2022	Cleansing Notice
11/02/2022	Application for quotation of securities - CRS
4/02/2022	Caprice Resources Investor Presentation
4/02/2022	Proposed issue of securities - CRS
4/02/2022	Proposed issue of securities - CRS
4/02/2022	Caprice Raises \$2 Million In Strongly Supported Placement
2/02/2022	Trading Halt
2/02/2022	Pause in Trading
31/01/2022	Quarterly Activities/Appendix 5B Cash Flow Report
31/01/2022	More Outstanding Drilling Results from The Island
20/12/2021	Notification of cessation of securities - CRS
20/12/2021	Notification regarding unquoted securities - CRS
20/12/2021	Change of Registry Address
13/12/2021	Cleansing Statement
13/12/2021	Application for quotation of securities - CRS
6/12/2021	Proposed issue of securities - CRS
6/12/2021	Significant Expansion of the Northampton Project
3/12/2021	Caprice Resources Investor Presentation
30/11/2021	Results of Annual General Meeting
8/11/2021	CRS Releases Excellent Initial Drill Results from The Island
29/10/2021	Letter to Shareholders regarding Notice of AGM
29/10/2021	Notice of Annual General Meeting/Proxy Form
29/10/2021	Appendix 4G
29/10/2021	Corporate Governance Statement FY2021
29/10/2021	Annual Report to shareholders
30/09/2021	Annual Financial Statement
30/09/2021	Second RC rig on site, outstanding Vadrians North samples
20/08/2021	Updated trading policy
11/08/2021	Final director's interest notice

Date lodged	Subject of announcement
11/08/2021	Resignation of director and change of office address
02/08/2021	Notification regarding unquoted securities
02/08/2021	Cleansing statement and material terms of options
02/08/2021	Application for quotation of securities
30/07/2021	Quarterly activities/Appendix 5B Cash Flow Report
27/07/2021	Proposed issue of securities
27/07/2021	Cuddingwarra and Big Bell South Joint Venture
27/07/2021	Caprice expands Murchison presence with acquisition
26/07/2021	Trading Halt
12/07/2021	Caprice to commence major expansionary RC drill program

The following documents are available for inspection throughout the period of the Offers during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.13 and the consents provided by the Directors to the issue of this Prospectus.

## 5.6 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

## 5.7 Determination by ASIC

As at the date of this Prospectus, ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Unquoted Options or the Shares upon exercise of the Unquoted Options under this Prospectus.

## 5.8 Market price of Shares

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

Lowest: \$0.12 on 11 March 2022.

Highest: \$0.19 on 18 January 2022.

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.13 on 24 March 2022.

## 5.9 Interests of Directors

### (a) Information disclosed in this Prospectus

Other than as set out in this Prospectus, no Director (or entity in which they are a partner or director) holds or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

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

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

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

### (b) Security holdings

The relevant interests of each of the Directors in Securities as at the date of this Prospectus (assuming no Options or Performance Rights are converted into Shares), is set out below.

Director	Shares	Options	Performance Rights
David Church <sup>(1)</sup>	662,267	1,325,000	Nil
Andrew Muir <sup>(4)</sup>	Nil	Nil	3,750,000
Michael Caruso <sup>(3)</sup>	11,557,543	1,325,000	Nil
Adam Miethke <sup>(2)</sup>	1,894,445	1,000,000	Nil

#### Notes:

1. Securities are held indirectly via Highland Company Pty Ltd <Highland A/C>, an entity of which David Church is a director and shareholder.
2. Securities are held indirectly via Horizon Investment Services Pty Ltd, an entity of which Adam Miethke is a director.
3. Securities are held directly by Michael Caruso. Mr Caruso also has a contractual right to 3,464,492 deferred "milestone shares" issued as part of the acquisition of Goldview Metals Pty Ltd.
4. Securities are held directly by Andrew Muir.
5. In addition to the above, Andrew Muir and David Church will also be issued Shares and Unquoted Options under the Placement, subject to the prior receipt of Shareholder approval at the General Meeting, as follows:
  - (a) 468,750 Shares and 234,375 Unquoted Options to David Church (or his nominees); and

- (b) 375,000 Shares and 187,500 Unquoted Options to Andrew Muir (or his nominees).

(c) **Remuneration of Directors**

The Constitution of the Company provides that the non-executive directors are entitled to be paid a maximum total amount of director's fees, determined by the Company in general meeting, or until so determined, as the Directors resolve. The Directors may determine the manner in which all or part of the amount of director's fees is to be divided between the non-executive directors, or until so determined, the amount of director's fees must be divided equally between the non-executive directors. No non-executive director shall be paid as part or whole of his remuneration a commission on or a percentage of profits or operating revenue.

The remuneration of executive directors must, subject to the provisions of any contract between each of the executive directors and the Company, be fixed by the Directors and must not be calculated as a commission on, or percentage of, operating revenue.

The Constitution also provides that:

- (i) the Company must pay a Director (in addition to any remuneration) all reasonable expenses (including travelling and accommodation expenses) incurred by the director in or about the performance of their duties as a Director; and
- (ii) if a Director, at the request of the Board and for the purposes of the Company, performs extra services or makes special exertions (including being a member on a committee of Directors or the chairperson of Directors or deputy chairperson of Directors), the Company may pay additional remuneration or provide benefits to that Director as the Directors resolve.

The table below sets out the remuneration provided to the Directors (and/or their associated companies) since the balance date of the Company's Annual Report being 30 June 2021:

Director	Salary	Superannuation benefits	Non-cash benefits
David Church	\$45,000.00	\$4,500.00	\$0.00
Andrew Muir <sup>(3)</sup>	\$187,500.00	\$18,750.00	\$150,829.00
Michael Caruso <sup>(1)</sup>	\$30,000.00	\$3,000.00	\$0.00
Adam Miethke <sup>(2)</sup>	\$30,000.00	\$3,000.00	\$0.00

**Notes:**

1. Civil and Mining Earthmoving received \$38,160 (2021: \$32,380) for excavator hire and \$1,980 (2021: \$12,300) for labour in relation to exploration activities at the Island Gold Project. Civil and Mining Earthmoving is an entity associated with Non-Executive Director, Michael Caruso.
2. Discovery Capital Partners received \$90,000 (2021: \$110,000) for corporate advisory services, \$2,761 (2021: \$36,039) for office rent and \$30,000 (2021: \$109,619) for capital

raising fees. Discovery Capital Partners is an entity associated with Non-Executive Director, Adam Miethke.

3. Andrew Muir received \$150,829 of non-cash benefits in the form of pro-rata performance rights.

#### 5.10 Related party transactions

At the date of this Prospectus, no material transactions with related parties and Directors interests exist that the Directors are aware of, other than those disclosed in this Prospectus.

#### 5.11 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Unquoted Options offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Unquoted Options offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Unquoted Options offered under this Prospectus.

#### 5.12 Expenses of the Offers

The estimated expenses of the Offers are as follows:

Estimated expenses of the Offers	\$
ASIC lodgement fee	\$3,206
ASX quotation fee	Nil
Legal and preparation expenses	\$12,500
<b>Total</b>	<b>\$15,706</b>

#### 5.13 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any 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, 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.

Hamilton Locke has given its written consent to being named as the solicitors to the Company in this Prospectus in the form and context in which it is named. Hamilton Locke has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Automic Registry Services has given its written consent to being named as the share registry to the Company in this Prospectus in the form and context in which it is named. Automic Registry Services has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

#### **5.14 Electronic Prospectus**

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Shares in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

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. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

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## 6. Directors' statement and consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:



**David Church**  
**Non-Executive Chairman**

Dated: 24 March 2022

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## 7. Definitions

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**\$** means Australian dollars.

**Annual Report** means the Company's most recent Annual Report announced on ASX on 29 October 2021.

**Applicant** means a person who submits an Application Form.

**Application** means a valid application for Unquoted Options made on an Application Form.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**ASX Settlement** means ASX Settlement Pty Limited ACN 008 504 532.

**ASX Settlement Operating Rules** means ASX Settlement Operating Rules of ASX Settlement.

**AWST** means Australian Western Standard Time.

**Balance Date** has the meaning in Section 3.6.

**Board** means the Directors meeting as a board.

**Business Day** means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

**CHESS** means ASX Clearing House Electronic Subregistry System.

**Company** means Caprice Resources Ltd (ACN 624 970 725).

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

**Corporations Act** means *Corporations Act 2001* (Cth), as amended or modified from time to time.

**Directors** mean the directors of the Company as at the date of this Prospectus.

**Director Placement Options** means the offer of up to 421,875 Unquoted Options to David Church and Andrew Muir (or their respective nominees) under this Prospectus, subject to the prior receipt of Shareholder approval at the General Meeting.

**Eligible Shareholder** means a person who is eligible to participate in the Offers.

**General Meeting** means a general meeting of the Company to be held on Tuesday, 29 March 2022.

**Half Yearly Report** means the Company's most recent half-year report for the half-year ended 31 December 2021, announced on ASX on 14 March 2022.

**Issuer Sponsored** means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**Listing Rules** means the listing rules of ASX.

**NTA** means the *Native Title Act 1993* (Cth).

**Official List** means the official list of ASX.

**Offers** means the issue of up to 6,250,000 Unquoted Options under this Prospectus, comprising the Placement Options and the Director Placement Options.

**Option** means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.

**Performance Right** means a right to be issued a Share, subject to the satisfaction or waiver of specified vesting conditions.

**Placement** has the meaning in Section 1.1.

**Placement Options** means the offer of up to 5,828,125 Unquoted Options under this Prospectus, subject to the prior receipt of Shareholder approval at the General Meeting.

**Prospectus** means this prospectus dated Thursday, 24 March 2022.

**Section** means a section of this Prospectus.

**Securities** mean any securities including Shares, Options or Performance Rights issued or granted by the Company.

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

**Shareholder** means a holder of Shares.

**Unquoted Options** means the Placement Options and the Director Placement Options.