



**Aurumin Limited**  
**ACN 639 427 099**

**ENTITLEMENT OFFER PROSPECTUS**

This Prospectus is being issued for:

- (a) a non-renounceable pro-rata offer to Eligible Shareholders of up to approximately 19,891,489 Shares on the basis of 1 new Share for every 7 Shares held on the Record Date at an issue price of \$0.15 each to raise up to approximately \$3,000,000 (before costs) (the **Entitlement Offer**);
- (b) an offer to Eligible Shareholders to subscribe for Shares (in excess of their Entitlements) not subscribed for by other Eligible Shareholders pursuant to the Entitlement Offer (**Shortfall Offer**); and
- (c) an offer to Eligible Shareholders of 19,891,489 Quoted Options on the basis of 1 free attaching option exercisable at \$0.25 each and expiring 18 August 2024 (**Quoted Options**) for every 1 Share subscribed for under the Entitlement Offer and Shortfall Offer (**Quoted Option Offer**).

The Entitlement Offer, Shortfall Offer, Quoted Option Offer and Underwriter Option Offer (collectively, **Offers**) close at 5.00pm (AWST) on 11 August 2022 (**Closing Date**).<sup>\*</sup> The Entitlement Offer, the Shortfall Offer and Quoted Option Offer are partially underwritten by Lazarus Corporate Finance Pty Ltd (**Lazarus or Underwriter**) for up to 13,333,333 Shares (and 13,333,333 Quoted Options). Refer to Section 5.3 for a summary of the terms and conditions of the Underwriting Agreement.

This Prospectus also incorporates a secondary offer of 2,000,000 Quoted Options to be issued to Lazarus (or its nominees) (**Underwriter Options**) as part consideration for underwriting services pursuant to the Underwriting Agreement (**Underwriter Option Offer**).

**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 PROFESSIONAL ADVISER WITHOUT DELAY.**

**THE SECURITIES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.**

<sup>\*</sup>The Company reserves the right, subject to the Corporations Act and Listing Rules to extend or shorten the Closing Date for the Offers.

## Important information

This Prospectus is dated 19 July 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 Securities 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 C/- SmallCap Corporate, Suite 1, 295 Rokeby Rd Subiaco, WA 6008 during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.6).

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

This Prospectus may be made available in electronic form. Persons having received a copy of the Prospectus in electronic form, or other prospective investors may obtain a paper copy of this Prospectus and the relevant Entitlement Form free of charge from the offices of the Company for the duration of the offer period by contacting the Company. Contact details for the Company are detailed in the Corporate Directory.

By paying for your Securities by BPAY® in accordance with the instructions at <https://aun2022entoffer.thereachagency.com>, in Section 2 and on the Entitlement Form you acknowledge that you have read this Prospectus and you have acted in accordance with and agree to the terms of the Offers detailed in 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 offer of Securities under this Prospectus in any jurisdiction other than Australia, New Zealand, Hong Kong, Malaysia, Singapore, the United Kingdom, Germany and Luxembourg.

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

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

### **European Union (Germany, Luxembourg)**

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Prospectus may not be made available, nor may the Securities be offered for sale, in the European Union 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) of the Prospectus Regulation, an offer of Securities in the European Union is limited:

- (a) to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation);
- (b) to fewer than 150 natural or legal persons (other than qualified investors); or
- (c) in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

## Hong Kong

WARNING: The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

## Malaysia

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to the offer of Securities. The Securities under the Offers may not be offered, sold or issued in Malaysia except to existing Shareholders. Any Securities not taken up under the Offers may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, pursuant to Part I of Schedule 6 and Schedule 7 of the Malaysian Capital Markets and Services Act 2007.

## New Zealand

The Securities are not being offered to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This Prospectus is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

## Singapore

This Prospectus and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document relating to the Securities may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the **SFA**) or another exemption under the SFA.

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

this Prospectus to any other person in Singapore.

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

## United Kingdom

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

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

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

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

This Prospectus 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 his/her 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.

This Prospectus includes forward looking statements that have been based on current expectations about future acts, events and circumstances. These forward looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in the forward looking statements.

Definitions of certain terms used in this Prospectus are contained in Section 8. All references to currency are to Australian dollars and all references to time are to WST unless otherwise indicated.

## Corporate directory

### Directors

Piers Lewis	Non-Executive Chairman
Bradley Valiukas	Managing Director
Shaun Day	Non-Executive Director
Darren Holden	Non-Executive Director

### Officers

Victor Goh	Chief Financial Officer & Joint Company Secretary
Arron Canicais	Joint Company Secretary

### Registered Office

C/- SmallCap Corporate, Suite 1, 295 Rokeby Rd  
Subiaco, WA 6008

Telephone: +61 8 6555 2950  
Email: [admin@aurumin.com.au](mailto:admin@aurumin.com.au)  
Website: [www.aurumin.com.au](http://www.aurumin.com.au)

### ASX Code: AUN

### Share Registry\*

Computershare Investor Services Pty Limited  
Level 11, 172 St Georges Terrace  
Perth WA 6000

Tel (within Aus): 1300 850 505  
Tel (outside Aus): +61 (03) 9415 4000

### Lawyers

Hamilton Locke Pty Ltd  
Level 27, 152-158 St Georges Terrace  
Perth, WA 6000

### Underwriter

Lazarus Corporate Finance Pty Ltd  
Level 32, 152 St Georges Terrace  
Perth, WA 6000

### Auditors\*

BDO Audit (WA) Pty Ltd  
Level 9  
Mia Yellagonga Tower 2  
5 Spring Street  
Perth, WA 6000

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

## Proposed timetable for the Offers

Event	Date
Lodgement of Appendix 3B with ASX	19 July 2022 (after market)
Lodgement of Prospectus with the ASIC and ASX	19 July 2022 (after market)
Ex-date	22 July 2022
Record Date for determining Entitlements	25 July 2022
Despatch of Prospectus and Entitlement Form	28 July 2022
Opening date for Offers	28 July 2022
Last day to extend the Closing Date of the Offers	Before noon (Sydney time) on 8 August 2022
Closing Date of Offers as at 5.00pm (AWST)*	11 August 2022
Computershare to provide interim result of Entitlement Offer and Shortfall Offer	15 August 2022
ASX and Underwriter notified of under subscriptions pursuant to the Offers and announcement of results of Entitlement Offer	17 August 2022
Issue Date and lodgement of Appendix 2A with ASX applying for quotation of Shares and Quoted Options subscribed for under the Offers	18 August 2022
Quotation of Securities issued under the Offers*	19 August 2022
Underwriter subscribes for up to 13,333,333 Shares and 13,333,333 Quoted Options (comprising the shortfall of Securities remaining after the Closing Date of the Entitlement Offer and Shortfall Offer) and 2,000,000 Underwriter Options under the Underwriting Agreement	24 August 2022
Issue Date and lodgement of Appendix 2A with ASX applying for quotation of Shares and Quoted Options (including Underwriter Options) subscribed for by the Underwriter pursuant the Underwriting Agreement	25 August 2022
Quotation of Securities issued to the Underwriter under the Underwriting Agreement*	26 August 2022
Issue of Remaining Shortfall Securities	By no later than 11 November 2022

\* All dates (other than the date of the Prospectus and the date of lodgement of the Prospectus with ASIC and ASX) are indicative only. The Directors may extend the Closing Date in respect of the Entitlement Offer and Shortfall Offer by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares issued under the Offers are expected to commence trading on ASX may vary.

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# Letter from the Chairperson

Dear Shareholder

On behalf of your Directors, I am pleased to invite you to participate in this non-renounceable pro-rata 1-for-7 entitlement offer at an issue price of \$0.15 per share to raise up to \$3,000,000 (before costs) (**Entitlement Offer**). The Directors intend to take up all or part of their Entitlement pursuant to the Entitlement Offer.

Proceeds from the Offers will be principally applied towards funding exploration and development on the Company's projects, general working capital and to pay the costs of the Offers (further details in respect of which are set out in Section 1.6).

## Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders are entitled to subscribe for 1 new Share for every 7 existing Shares in the Company held on the Record Date, being 5.00pm (AWST) on 25 July 2022 (**Record Date**). Shares issued under the Entitlement Offer will rank equally with existing Shares. The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX or otherwise transferable. Further details in respect of how Eligible Shareholders can participate in the Entitlement Offer are set out in Sections 2.2 and 2.3.

## Shortfall Offer

Eligible Shareholders may also apply (in excess of their Entitlement) for Shares not subscribed for by other Eligible Shareholders pursuant to the Entitlement Offer at the same issue price as the Entitlement Offer (subject to the allocation policy set out in Section 1.2) (**Shortfall Offer**). Further details in respect of how Shareholders can participate in the Shortfall Offer are set out in Section 2.4.

## Quoted Option Offer

Eligible Shareholders who apply for Shares under the Entitlement Offer and Shortfall Offer will be issued 1 free attaching option exercisable at \$0.25 each and expiring 18 August 2024 (**Quoted Options**) for every 1 Share subscribed for under the Entitlement Offer and Shortfall Offer (**Quoted Option Offer**).

The Company will apply for quotation of the Quoted Options subject to compliance with the requirements of ASX and the ASX Listing Rules, however, the Quoted Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules). To the extent the ASX conditions are not satisfied, the Quoted Options will not be quoted. Further details in respect to the Quoted Options are set out in Section 1.3.

The Quoted Options are issued for no additional consideration and Eligible Shareholders subscribing for their Entitlement and receiving the Quoted Options are not required to do anything to be issued their Quoted Options.

## Partial Underwriting

The Entitlement Offer, the Shortfall Offer and Quoted Option Offer are partially underwritten by Lazarus for up to \$2,000,000 (**Underwritten Amount**), being 13,333,333 Shares (and 13,333,333 Quoted Options). Accordingly, to the extent there remains any shortfall of Shares (and Quoted Options) not taken up by Eligible Shareholders pursuant to the Entitlement Offer or the Shortfall Offer (**Shortfall Securities**), these Securities will be taken up by the Underwriter (or its nominees) up to the Underwritten Amount and any Shortfall Securities remaining thereafter may be placed by the Company in consultation with the Underwriter within three months of the Closing Date (refer Section 5.3).



## Payment Via BPAY®

The Entitlement Offer and the Shortfall Offer are scheduled to close at 5.00pm (AWST) on 11 August 2022.

Eligible Shareholders wishing to participate in the Entitlement Offer and the Shortfall Offer must ensure that they have completed their Application by paying Application Monies via BPAY® before this time in accordance with the instructions set out at <https://aun2022entoffer.thereachagency.com>, on the Entitlement Form and Section 2 of this Prospectus.

**The global pandemic of COVID-19 has resulted in government restrictions, and mandated or voluntary closures of certain services, which may restrict or delay postal and delivery services. As such, the Company has determined to limit the payment method in connection with the Offers to BPAY® only.**

The Prospectus includes further details of the Offers and the effect of the Entitlement Offer and Shortfall Offer on the Company, and a statement of the risks associated with investing in the Company. This is an important document and should be read in its entirety. If you have any doubts or questions in relation to the Prospectus you should consult your stockbroker, accountant, solicitor or other independent professional adviser to evaluate whether or not to participate in the Offers.

On behalf of the Board, I look forward to your continued support and on updating you on the Company's progress.

Yours faithfully



Piers Lewis  
Non-Executive Chairman  
**Aurumin Limited**

## 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 Shares.

Key Information	Further Information
<p><b>Transaction specific prospectus</b></p> <p>This Prospectus is a transaction specific prospectus for offers of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. 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 Shares 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> <p>(a) <b>Resource Risk:</b> There is inherent uncertainty with mineral resource estimates. In addition, there is no guarantee that inferred mineral resource estimates can successfully be converted to indicated or measured mineral resource estimates to allow potential reserve estimates. There remains risk, regardless of JORC Code or other status, with actual mining performance against any resource or reserve estimate.</p> <p>(b) <b>Exploration &amp; Development Risks:</b> Mineral exploration and development are high-risk undertakings. There can be no assurance that exploration and development will result in the discovery of further mineral deposits. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The future exploration and development activities of the Company may be affected by a range of factors, including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.</p> <p>(c) <b>Underwriting Risk:</b> The Company has entered into the Underwriting Agreement under which the Underwriter has agreed to partially underwrite the Entitlement Offer, the Shortfall Offer and Quoted Option Offer, subject to the terms and conditions of the Underwriting Agreement. If certain conditions are not satisfied or certain events occur, the Underwriter may terminate the Underwriting Agreement. Termination of the Underwriting Agreement may have a material adverse impact on the proceeds raised under the Offers. Termination of the Underwriting Agreement could materially adversely affect the Company's business, cash flow, financial condition and results.</p> <p>(d) <b>Financing Risk:</b> If the Company fails to repay amounts when due or otherwise breaches any of its obligations under the Convertible Note Agreement (or any other financing arrangement to which it is party) and is</p>	Section 4

Key Information	Further Information
<p>unable to negotiate a variation with the relevant counterparty, there is a risk that the counterparty may seek to enforce any security interests or mortgages in its favour over the Company's assets and may seek to commence proceedings against the Company in respect of the breach seeking monetary compensation or other remedies.</p> <p>(e) <b>Future capital and funding requirements:</b> The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds of the Offers should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Prospectus. However, the Company may require additional funding in the future in order to fund its business development activities, exploration program and other Company objectives.</p> <p>(f) <b>Environmental Risk:</b> Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or noncompliance with environmental laws or regulation.</p>	

Key Information	Further Information
<p><b>Entitlement Offer</b></p> <p>The Entitlement Offer is a non-renounceable entitlement issue of 1 new Share for every 7 existing Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.15 per new Share to raise up to approximately \$3,000,000 (before costs).</p> <p>Eligible Shareholders may apply for Shares under the Entitlement Offer subject to such applications being received by the Closing Date.</p> <p>The issue price for each Share to be issued under the Entitlement Offer shall be \$0.15.</p>	Section 1.1
<p><b>Shortfall Offer</b></p> <p>The Shortfall Offer is an offer to Eligible Shareholders to subscribe for Shares (in excess of their Entitlements) not subscribed for by other Eligible Shareholders pursuant to the Entitlement Offer.</p> <p>Eligible Shareholders who have applied for their full Entitlement, may apply for further Shares under the Shortfall Offer subject to such applications being received by the Closing Date.</p> <p>The issue price for each Share to be issued under the Shortfall Offer shall be \$0.15, being the price at which Shares are being offered under the Entitlement Offer.</p> <p>Any Shares to be issued pursuant to the Shortfall Offer will be allocated at the discretion of the Directors, pursuant to the allocation policy outlined in Section 1.2. Accordingly, there is no guarantee that Eligible Shareholders who apply for Shares in excess of the Entitlement pursuant to the Shortfall Offer will receive such Shares.</p>	Section 1.2
<p><b>Quoted Options Offer</b></p> <p>The Quoted Options Offer is an offer to Eligible Shareholders who apply for Shares under the Entitlement Offer and Shortfall Offer who will be issued 1 free attaching option exercisable at \$0.25 each and expiring 18 August 2024 for every 1 Share subscribed for under the Entitlement Offer and Shortfall Offer.</p> <p>No funds are payable under the Quoted Options Offer.</p> <p>Where the determination of the entitlement of any Eligible Shareholder results in a fraction of a Quoted Option, such fraction will be rounded down to the nearest whole Quoted Option. As a result of this rounding policy, Shareholders holding less than 2 Shares will not receive a Quoted Option.</p> <p>Refer to Section 5.2 for a summary of the terms and conditions of the Quoted Options under the Offers. Shares issued upon exercise of the Quoted Options will be fully paid and will rank equally with the Company's existing Shares on issue at the date of this Prospectus.</p> <p>The Company will apply for quotation of the Quoted Options subject to compliance with the requirements of ASX and the ASX Listing Rules, however, if these requirements are not met, the Quoted Options will be unquoted Options.</p>	Section 1.3

Key Information	Further Information
<p><b>Eligible Shareholders</b></p> <p>The Entitlement Offer and the Shortfall Offer are made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who:</p> <p>(a) are the registered holder of Shares on the Record Date; and</p> <p>(b) have a registered address in Australia, or subject to the offer restrictions in Section 1.19 to 1.24 (inclusive), New Zealand, Hong Kong, Malaysia, Singapore, the United Kingdom, Germany and Luxembourg.</p>	<p>Sections 1.17 and 1.19 to 1.24 (inclusive)</p>
<p><b>Partial Underwriting</b></p> <p>The Entitlement Offer, the Shortfall Offer and Quoted Option Offer are partially underwritten by Lazarus Corporate Finance Pty Ltd (<b>Lazarus</b> or <b>Underwriter</b>) up to a value of \$2,000,000. Accordingly, to the extent there remains any shortfall of Shares (or Quoted Options) not taken up by Eligible Shareholders pursuant to the Entitlement Offer or Shortfall Offer (<b>Shortfall Securities</b>), these Shortfall Securities will be subscribed for by Lazarus (or nominees) up to 13,333,333 Shares (and 13,333,333 Quoted Options) (collectively, <b>Underwritten Securities</b>) and any Shortfall Securities remaining thereafter may be placed by the Company in consultation with the Underwriter within three months of the Closing Date.</p> <p>See Sections 1.4 and 5.3 for further details.</p>	<p>Sections 1.4 and 5.3</p>
<p><b>Underwriter Option Offer</b></p> <p>The Prospectus also includes a separate offer of 2,000,000 Underwriter Options to be issued to the Underwriter (or its nominees) as part consideration for underwriting services pursuant to the Underwriting Agreement.</p>	<p>Sections 1.5 and 5.3</p>
<p><b>Use of funds</b></p> <p>The proceeds of from the Offers (and any funds raised on exercise of the Quoted Options) will be used to fund exploration on the Company's projects, general working capital and to pay the costs of the Offers.</p>	<p>Section 1.6</p>
<p><b>Effect on control of the Company</b></p> <p>As at the date of this Prospectus, Middle Island (who currently hold 25% of the Company's existing Shares), have indicated they will not take up all or any of their Entitlement under the Entitlement Offer. In any event, the Company's allocation policy (further details in respect of which are set out in Section 1.2) provides that Middle Island shall not be allocated any new Shares pursuant to the Shortfall Offer to mitigate the effect of any increase in Middle Island's control as a result of the Offers.</p> <p>Pursuant to section 615 of the Corporations Act, the Company has appointed the Underwriter as its nominee to sell the new Shares and Quoted Options that might have otherwise been issued to Ineligible Foreign Shareholders, if they were eligible to participate in the Offers. The nominee will subscribe for the Securities which Ineligible Foreign Shareholders would be entitled to if they were eligible to participate in the Offers (<b>Nominee Securities</b>). The nominee will then sell the Nominee Securities and remit the net proceeds from the sale of the Nominee Securities (if any) to the Ineligible Foreign Shareholders in proportion to their respective shareholdings.</p>	<p>Sections 1.2, 1.9 1.10, 1.11 and 1.18</p>

Key Information						Further Information																														
<p>The Company is of the view that the Offers will otherwise not affect the control of the Company as no investor or existing Shareholder will increase its voting power from below 20% to over 20% as a result of the Offers.</p> <p>Shareholders should note that if they do not participate in the Entitlement Offer, their holdings will be diluted. Examples of how the dilution may impact Shareholders are set out in Section 1.11.</p>																																				
<p><b>Indicative capital structure and pro-forma balance sheet</b></p> <p>The indicative capital structure upon completion of the Offers (assuming the Entitlement Offer is fully subscribed) is set out below:</p> <table border="1"> <thead> <tr> <th>Securities</th> <th>Shares</th> <th>%</th> <th>Quoted Options</th> <th>Unquoted Options</th> <th>Convertible Notes</th> </tr> </thead> <tbody> <tr> <td>Existing Securities</td> <td>139,240,423</td> <td>87.5</td> <td>-</td> <td>34,515,036</td> <td>21,378,263</td> </tr> <tr> <td>Shares and Quoted Options to be issued under the Offers</td> <td>19,891,489</td> <td>12.5</td> <td>19,891,489</td> <td>-</td> <td>-</td> </tr> <tr> <td>Underwriter Options to be issued under the Underwriter Option Offer</td> <td>-</td> <td>-</td> <td>2,000,000</td> <td>-</td> <td>-</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>159,131,912</b></td> <td><b>100</b></td> <td><b>21,891,489</b></td> <td><b>34,515,036</b></td> <td><b>21,378,263</b></td> </tr> </tbody> </table> <p>Further details in respect of the Company's capital structure are set out in Section 3.</p> <p>The indicative pro-forma balance sheet showing the effect of the Offers is in Section 7.</p>						Securities	Shares	%	Quoted Options	Unquoted Options	Convertible Notes	Existing Securities	139,240,423	87.5	-	34,515,036	21,378,263	Shares and Quoted Options to be issued under the Offers	19,891,489	12.5	19,891,489	-	-	Underwriter Options to be issued under the Underwriter Option Offer	-	-	2,000,000	-	-	<b>TOTAL</b>	<b>159,131,912</b>	<b>100</b>	<b>21,891,489</b>	<b>34,515,036</b>	<b>21,378,263</b>	Sections 3.1 and 7
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<p><b>Directors' interests in Shares and Entitlements</b></p> <p>The relevant interest of each of the Directors in Shares as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:</p> <table border="1"> <thead> <tr> <th>Director</th> <th>Shares</th> <th>Voting power (%)</th> <th>Unquoted Options</th> <th>Entitlement (Shares)</th> <th>Entitlement (Quoted Options)</th> </tr> </thead> <tbody> <tr> <td>Bradley Valiukas</td> <td>6,284,642</td> <td>4.514%</td> <td>5,333,333</td> <td>897,806</td> <td>448,903</td> </tr> <tr> <td>Darren Holden</td> <td>425,000</td> <td>0.305%</td> <td>500,000</td> <td>60,714</td> <td>30,357</td> </tr> <tr> <td>Shaun Day</td> <td>425,000</td> <td>0.305%</td> <td>500,000</td> <td>60,714</td> <td>30,357</td> </tr> <tr> <td>Piers Lewis</td> <td>926,219</td> <td>0.665%</td> <td>600,000</td> <td>132,317</td> <td>66,159</td> </tr> </tbody> </table> <p>It is the intention of all Directors to take up all or part of their Entitlement specified above under the Entitlement Offer.</p>						Director	Shares	Voting power (%)	Unquoted Options	Entitlement (Shares)	Entitlement (Quoted Options)	Bradley Valiukas	6,284,642	4.514%	5,333,333	897,806	448,903	Darren Holden	425,000	0.305%	500,000	60,714	30,357	Shaun Day	425,000	0.305%	500,000	60,714	30,357	Piers Lewis	926,219	0.665%	600,000	132,317	66,159	Section 5.9(b)
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<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 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>						Important Information and Section 4																														

# 1. Details of the Offers

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## 1.1 Entitlement Offer

The Company is making an offer to all Eligible Shareholders to participate in a non-renounceable entitlement offer to raise up to approximately \$3,000,000 (before costs) by the issue of 19,891,489 Shares. The Entitlement Offer will be determined on the basis of 1 new Share for every 7 Shares held at the Record Date at an issue price of \$0.15 each and otherwise on the terms and conditions contained in this Prospectus (**Entitlement Offer**).

The purpose of the Entitlement Offer is to:

- (a) provide Eligible Shareholders with the opportunity to take up Shares proportional to their shareholding and to mitigate the effect of dilution; and
- (b) provide the Company with additional funds to be attributed in accordance with the use of funds set out in Section 1.6.

As at the date of this Prospectus, the Company has on issue 139,240,423 Shares. Assuming no Options are exercised into Shares, prior to the Record Date (and subject to entitlement rounding) the Entitlement Offer is for a maximum of 19,891,489 Shares to raise up to approximately \$3,000,000 (before costs).

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a Share, such fraction will be rounded down to the nearest whole Share.

Shares issued under the Entitlement Offer will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to the Shares offered under the Entitlement Offer is in Section 5.1.

## 1.2 Shortfall Offer

This Prospectus includes a separate offer to Eligible Shareholders who have subscribed for their full Entitlement to apply for Shares not subscribed for by other Shareholders pursuant to the Entitlement Offer at the same issue price as the Entitlement Offer (**Shortfall Offer**).

Shares issued under the Shortfall Offer will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to Shares is in Section 5.1.

Shares will only be issued pursuant to the Shortfall Offer if the Entitlement Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions.

Eligible Shareholders can subscribe for Shares pursuant to the Shortfall Offer by following the instructions set out in Section 2.4.

The Directors reserve the right to issue Shares pursuant to the Shortfall Offer at their absolute discretion. Accordingly, there is no guarantee that any applications under the Shortfall Offer will be successful. In exercising this discretion, the Board will take into consideration a number of factors, including the Company's best interests, the Applicant's existing shareholdings, the extent to which an Applicant has sold or bought shares in the Company before and after both the announcement of the Entitlement Offer and the Record Date, the financial needs of the Company, and the optimal composition of the Company's register following the Offers.



Middle Island currently has a shareholding in the Company of 25%. The Company confirms that no Shares will be issued to Middle Island as a result of the Shortfall Offer, to mitigate the effect of any increase in Middle Island's control as a result of the Offers.

In addition, to extent commercially practicable and taking into account the Company's requirement for funds, the Directors will endeavour to allot Shares pursuant to the Shortfall Offer to a spread of Eligible Shareholders (other than Middle Island) in order to mitigate any control effects which may arise from issuing Shares pursuant to the Shortfall Offer to a single or small number of Eligible Shareholders.

It is a term of the Shortfall Offer that, should the Company scale back applications for Shares thereunder, the Applicant will be bound to accept such lesser number allocated to them. There is no guarantee that Applicants will receive Shares applied for under the Shortfall Offer. The Directors reserve the right to issue to an Applicant a lesser number of Shares pursuant to the Shortfall Offer than the number for which the Applicant applies, or to reject an Application, or to not proceed with the Shortfall Offer. In that event, Application Monies for Shares pursuant to the Shortfall Offer will be refunded by the Company (without interest) in accordance with the provisions of the Corporations Act.

The Company will not issue Shares pursuant to the Shortfall Offer where the Company is aware that to do so would result in a breach of the Corporations Act (including section 606 of the Corporations Act) or the Listing Rules. Eligible Shareholders wishing to apply for Shares pursuant to the Shortfall Offer must consider whether the issue of Shares pursuant to the Shortfall Offer applied for would breach the Corporations Act or the Listing Rules having regard to their own circumstances (including the existence of any associates). The Company expressly disclaims any responsibility for monitoring such applications or ensuring that individual Shareholders do not breach the Corporations Act or the Listing Rules in connection with participation in the Shortfall Offer.

Directors and related parties of the Company will not be issued any Shares pursuant to the Shortfall Offer without the prior approval of Shareholders.

### 1.3 **Quoted Option Offer**

This Prospectus includes a separate offer to Eligible Shareholders who apply for Shares under the Entitlement Offer and Shortfall Offer will be issued 1 free attaching option exercisable at \$0.25 each and expiring 18 August 2024 for every 1 Share subscribed for under the Entitlement Offer and Shortfall Offer.

Where the determination of the entitlement of any Eligible Shareholder results in a fraction of a Quoted Option, such fraction will be rounded down to the nearest whole Quoted Option. As a result of this rounding policy, Shareholders holding less than 2 Shares will not receive a Quoted Option.

Refer to Section 5.2 for a summary of the terms and conditions of the Quoted Options under the Offers. Shares issued upon exercise of the Quoted Options will be fully paid and will rank equally with the Company's existing Shares on issue at the date of this Prospectus.

The Company will apply for quotation of the Quoted Options subject to compliance with the requirements of ASX and the ASX Listing Rules, however, the Quoted Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules)).

The fact that ASX may agree to grant official quotation of the Quoted Options is not to be taken in any way as an indication of the merits of the Company or the Quoted Options. ASX takes no responsibility for the contents of this Prospectus.

If official quotation of the Quoted Options is not granted by ASX within three months of the date of this Prospectus, the Quoted Options (or Shares issued on exercise of the Quoted Options) will be Unquoted Options in accordance with Section 5.2(j)(ii).

#### 1.4 Partial Underwriting

The Company is party to an underwriting agreement with Lazarus Corporate Finance Pty Ltd (**Lazarus** or **Underwriter**) dated 19 July 2022 (**Underwriting Agreement**), pursuant to which Lazarus has agreed to partially underwrite the Entitlement Offer, the Shortfall Offer and the Quoted Option Offer up to a value of \$2,000,000 (**Underwritten Amount**), being for 13,333,333 Shares (and 13,333,333 Quoted Options) (**Underwritten Securities**).

Pursuant to the Underwriting Agreement:

- (a) to the extent that the number of Shares (and Quoted Options) validly applied for under the Entitlement Offer and the Shortfall Offer is less than the number of Underwritten Securities, the balance will be shortfall Securities (**Shortfall Securities**). In accordance with the timetable and subject to the terms of the Underwriting Agreement, the Underwriter agrees to subscribe for the Shortfall Securities (up to the number of Underwritten Securities);
- (b) to the extent there remains any Shortfall Securities after the Entitlement Offer, the Shortfall Offer and the Underwriter's partial underwriting (**Remaining Shortfall Securities**), the Company may place those Shortfall Securities in consultation with the Underwriter within three months of the Closing Date; and
- (c) the Underwriter has been appointed as the Company's nominee to sell the Securities that might have otherwise been issued to Ineligible Foreign Shareholders for the purposes of section 615 of the Corporations Act.

The Company is required to pay or satisfy the following fees to the Underwriter under the Underwriting Agreement:

- (a) a management fee of 2% of the gross proceeds received from the Offers;
- (b) an underwriting fee of 4% of the Underwritten Amount;
- (c) a selling fee of 6% of the gross proceeds received from the sale of all Remaining Shortfall Securities; and
- (d) 2,000,000 Quoted Options (**Underwriter Options**).

Each of the Securities to be issued to the Underwriter pursuant to the Underwriting Agreement will be issued on the same terms and conditions of the Securities being offered under the Offers.

In consideration for the foreign nominee services provided by the Underwriter, the Company has agreed to pay the Underwriter a fee of 2% of the aggregate issue price for the Nominee Securities.

Further details of the Underwriting Agreement are set out in Section 5.3.

## 1.5 Underwriter Option Offer

This Prospectus includes a separate offer of 2,000,000 Underwriter Options to be issued to Lazarus as part consideration for underwriting services pursuant to the Underwriting Agreement (**Underwriter Option Offer**).

No funds will be raised from the Underwriter Option Offer.

Only the Underwriter (or its nominees) may accept the Underwriter Option Offer. The Underwriter Option Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares issued upon exercise of any Underwriter Options into Shares, that are issued under the Underwriter Option Offer.

An Application Form in relation to the Underwriter Option Offer will be issued to the Lead Manager (or its nominees) together with a copy of this Prospectus.

Further details of the Underwriting Agreement are set out in Section 5.3.

## 1.6 Use of funds

Following completion of the Offers (assuming the Entitlement Offer is fully subscribed and the maximum of \$3,000,000 (before costs) is raised), the following funds will be available to the Company:

Source of funds	\$
Existing cash reserves as at 30 June 2022	2,151,535
Proceeds from the Entitlement Offer and Shortfall Offer	2,983,723
<b>Total funds available</b>	<b>5,135,258</b>

The following table shows the intended use of funds following completion of the Offers:

Use of funds	\$	%
Exploration expenditure <sup>1</sup>	4,000,000	77.89%
Estimated expenses of the Offers <sup>2</sup>	266,667	5.19%
Working capital <sup>3</sup>	868,591	16.91%
<b>Total Funds allocated</b>	<b>5,135,258</b>	<b>100%</b>

### Notes:

1. Comprises exploration activities including geophysical studies, drilling, trenching, soil sampling and associated costs.
2. Expenses paid or payable by the Company in relation to the Offers are set out in Section 5.12.
3. Working capital includes the general costs associated with the management and operation of the business including administration expenses, rent and other associated costs. Working capital also includes surplus funds.

4. Assumes no Quoted Options are converted to Shares. The application of funds received on conversion of Quoted Options will depend on when Quoted 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 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 the funds are applied on this basis.

The amounts and timing of the actual expenditures and investments may vary significantly and will depend on numerous factors including the success of exploration activities, access conditions, weather and any changes in the business and economic environment.

## 1.7 Opening and Closing Dates

The Company will accept Applications from the date it dispatches the Prospectus until 5:00pm (AWST) on 11 August 2022 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules, the Corporations Act and the Underwriting Agreement (**Closing Date**).

## 1.8 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
Middle Island Limited	35,000,000	25.1%
Heelmo Holdings Pty Ltd	14,552,970	10.5%
Citicorp Nominees Pty Limited	7,283,778	5.2%

## 1.9 Intentions of Middle Island

As at the date of this Prospectus, Middle Island have indicated they will not take up all or any of their Entitlement under the Entitlement Offer.

However, for completeness, the table below illustrates the potential effect of the Entitlement Offer on the voting power of Middle Island in scenarios where:

- (a) the Entitlement Offer is 50%, 75% and fully subscribed;
- (b) Middle Island takes up its full Entitlement under each scenario;
- (c) no other Eligible Shareholders take up their Entitlement under the Entitlement Offer or subscribe for Offer Securities under the Shortfall Offer; and
- (d) the Underwriting Agreement (described in Section 5.3 below) is terminated.

	<b>Shares held by Middle Island on completion of the Entitlement Offer</b>	<b>Total Shares on issue</b>	<b>Middle Island's voting power</b>
Entitlement Offer 100% subscribed by Eligible Shareholders	40,000,000	159,131,912	25.14%
Entitlement Offer 75% subscribed by Eligible Shareholders	40,000,000	154,159,040	25.95%
Entitlement Offer 50% subscribed by Eligible Shareholders	40,000,000	149,186,168	26.81%
Entitlement Offer 0% subscribed by Shareholders	40,000,000	144,240,423	27.73%

The Company's allocation policy (further details in respect of which are set out in Section 1.2) provides that Middle Island shall not be allocated any new Shares pursuant to the Shortfall Offer to mitigate the effect of any increase in Middle Island's control as a result of the Offers.

#### 1.10 Effect on control of the Company

Section 606(1) of the Corporations Act prohibits a person, unless an exception applies, from increasing their voting power in the Company:

- (a) from 20% or below to above 20%; or
- (b) from a starting point of above 20% and below 90%.

One of the exceptions to section 606(1) is where that increase occurs as a result of an issue under a disclosure document to an underwriter or sub-underwriter to the issue. Notwithstanding this exception, the Company notes that no investor or existing Shareholder is anticipated to hold a voting power of 20% or more as a result of the Entitlement Offer and the Shortfall Offer.

The Underwriter presently has a relevant interest in 314,700 Shares in the Company (being 0.23% of the voting power) and it has indicated that it has no intention of acquiring Shares in the Company prior to the Record Date. As described elsewhere in this Prospectus, Lazarus has agreed to partially underwrite the Entitlement Offer, the Shortfall Offer and Quoted Option Offer for up to \$2,000,000, being up to 13,333,333 Shares (and 13,333,333 Quoted Options).

The Underwriter's maximum potential relevant interest and voting power in the Company under several scenarios are set out in the table below (based on the assumption that no Shares other than those offered under the Entitlement Offer are issued).

	<b>Shares</b>	<b>Underwriter voting power</b>
Entitlement Offer 100% subscribed by Eligible Shareholders	314,700	0.23%

	Shares	Underwriter voting power
Entitlement Offer 75% subscribed by Eligible Shareholders	5,287,572	3.32%
Entitlement Offer 50% subscribed by Eligible Shareholders	10,260,445	6.45%
Entitlement Offer 25% subscribed by Eligible Shareholders	13,648,033	8.58%
Entitlement Offer 0% subscribed by Shareholders	13,648,033	8.58%

In the unlikely event that no Shareholders participate in the Entitlement Offer or the Shortfall Offer, the Underwriter subscribes for all Shortfall Securities under the Underwriting Agreement, and no other Shares are issued, the Underwriter's voting power would increase from 0.23% to 8.58%.

Accordingly, none of the Offers and the Underwriting Agreement are considered likely to have a material effect on the control of the Company.

#### 1.11 Potential dilution

Shareholders should note that if they do not participate in the Offers, their holdings are likely to be diluted (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlement to Shares	% holding if Entitlement taken up	% holding if Entitlement not taken up
Shareholder 1	10,000,000	7.18%	1,428,571	7.18%	6.28%
Shareholder 2	5,000,000	3.60%	714,286	3.59%	3.14%
Shareholder 3	2,500,000	1.80%	357,143	1.80%	1.57%
Shareholder 4	1,000,000	0.72%	142,857	0.72%	0.63%
Shareholder 5	500,000	0.36%	71,429	0.36%	0.31%

The dilution effect shown in the table above is the maximum percentage on the assumption that those Entitlements not accepted are subscribed for under the Shortfall Offer or, alternatively, taken up by the Underwriter. In the event all Entitlements are not accepted and some or all of the resulting shortfall is not subsequently taken up, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

The above table also assumes that no other Shares are issued or equity securities converted into Shares prior to the Record Date (including the Quoted Options).

#### 1.12 **No rights trading**

The rights to Shares under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your Entitlement to any other party. If you do not take up your Entitlement by the Closing Date, your Entitlement will lapse.

#### 1.13 **Issue Date and dispatch**

All Shares under the Offers are expected to be issued on or before the date specified in the proposed timetable in this Prospectus.

Security holder statements will be dispatched at the end of the calendar month following the issue of the Shares and Quoted Options under the Offers.

It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive their holding statements do so at their own risk.

#### 1.14 **Application Monies held on trust**

All Application Monies received for the Shares under the Offers will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Shares are issued. All Application Monies will be returned (without interest) if the Shares are not issued.

#### 1.15 **ASX quotation**

Application has been or will be made for the official quotation of the Shares offered by this Prospectus. If permission is not granted by ASX for the official quotation of the Shares offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

The Company will apply for quotation of the Quoted Options subject to compliance with the requirements of ASX and the ASX Listing Rules, however, the Quoted Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules). If these requirements are not met, the Quoted Options will be unquoted Options.

The fact that ASX may agree to grant official quotation of the Quoted Options is not to be taken in any way as an indication of the merits of the Company or the Quoted Options. ASX takes no responsibility for the contents of this Prospectus.

#### 1.16 **CHESS**

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESSE statement.

The CHESSE statement will specify the number of Securities issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Securities, including a notice to exercise the Quoted Options.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by Computershare Investor Services and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHESSE statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

### 1.17 Ineligible Foreign Shareholders

This Prospectus, and any accompanying Entitlement Form, do not, and is not intended to, constitute an offer of Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Shares under the Offers. In particular, this Prospectus may not be distributed to any person, and the Shares may not be offered or sold, in any country outside Australia except to the extent permitted in Sections 1.19 to 1.24 (inclusive).

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The Company believes that it is unreasonable to extend the Entitlement Offer and Shortfall Offer to Ineligible Foreign Shareholders. The Company has formed this view having considered:

- (a) the number and value of the Shares that would be offered to those Shareholders; and
- (b) the cost of complying with the legal requirements and the requirements of regulatory authorities in the overseas jurisdictions.

Ineligible Foreign Shareholders will not be entitled to participate in the Offers.

### 1.18 Sale of Ineligible Foreign Shareholder Entitlements

Pursuant to section 615 of the Corporations Act, the Company has appointed the Underwriter as its nominee to sell the Securities that might have otherwise been issued to Ineligible Foreign Shareholders, if they were eligible to participate in the Offers. The Company has applied for in-principle ASIC approval for the appointment of the nominee, as required by section 615 of the Corporations Act.

The nominee will subscribe for the Securities which Ineligible Foreign Shareholders would be entitled to if they were eligible to participate in the Entitlement Offer (**Nominee Securities**). The nominee will then sell the Nominee Securities and remit the net proceeds from the sale of the Nominee Securities (if any) to the Ineligible Foreign Shareholders in proportion to their respective shareholdings. The nominee will have the absolute and sole discretion to determine the timing and price at which the Nominee Securities must be sold and the manner of any such sale. Any interest earned on the proceeds of the sale of the Nominee Securities will firstly be applied against expenses of the sale, including brokerage, and any balance will form part of the proceeds payable to the Ineligible Foreign Shareholders (if any).



The Company will forward the proceeds of the sale of the Nominee Securities (if any) as soon as reasonably practicable to the Ineligible Foreign Shareholders in proportion to their respective shareholdings (after deducting the subscription price, brokerage commission and any other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company. Notwithstanding that the nominee must sell the Nominee Securities, Ineligible Foreign Shareholders may nevertheless receive no net proceeds if the subscription price plus costs of the sale is greater than the sale proceeds.

Refer to Section 1.4 for details regarding the fees payable to the nominee.

#### 1.19 **European Union (Germany, Luxembourg)**

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Prospectus may not be made available, nor may the Securities be offered for sale, in the European Union 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) of the Prospectus Regulation, an offer of Securities in the European Union is limited:

- (a) to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation);
- (b) to fewer than 150 natural or legal persons (other than qualified investors); or
- (c) in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

#### 1.20 **Hong Kong**

**WARNING:** The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

#### 1.21 **Malaysia**

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to the offer of Securities. The Securities under the Offers may not be offered, sold or issued in Malaysia except to existing Shareholders. Any Securities not taken up under the Offers may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, pursuant to Part I of Schedule 6 and Schedule 7 of the Malaysian Capital Markets and Services Act 2007.

#### 1.22 **New Zealand**

The Securities are not being offered to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This Prospectus is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

## 1.23 Singapore

This Prospectus and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document relating to the Securities may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the **SFA**) or another exemption under the SFA.

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

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

## 1.24 United Kingdom

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

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

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

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

## 1.25 Notice to nominees and custodians

Nominees and custodians that hold Shares should note that the Offers are available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offers are compatible with applicable foreign laws.

## 1.26 Risk factors

An investment in Shares 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.

## 1.27 **Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Shares under this Prospectus.

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 Shares under this Prospectus.

## 1.28 **Major activities and financial information**

A summary of the major activities and financial information relating to the Company, for the year ended 30 June 2021, can be found in the Company's Annual Report announced on ASX on 30 September 2021 and, for the half-year ended 31 December 2021, the Half Year Report and Accounts announced on ASX on 17 March 2022. The Company's continuous disclosure notices (i.e. ASX announcements) since 17 March 2022 are listed in Section 5.6. Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

## 1.29 **Privacy**

The Company collects information about each Applicant for the purposes of processing the Acceptance and, if the Acceptance is successful, to administer the Applicant's Shareholding in the Company.

By making an Application, each Applicant agrees that the Company may use the information provided by an Applicant for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required, the Company may not be able to accept or process your Acceptance or Application (as applicable).

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

## 2. Action required by Shareholders

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### 2.1 Action in relation to the Offers

Should Eligible Shareholders wish to acquire Shares as part of the Entitlement Offer, Eligible Shareholders may either take up all of their Entitlement (refer to Section 2.2) or part of their Entitlement (refer to Section 2.3).

Eligible Shareholders who have applied for their full Entitlement may also apply for Shares in excess of their Entitlement pursuant to the Shortfall Offer (refer Section 2.4).

If you do not wish to take up any of your Entitlement to Shares, you may allow your Entitlement to lapse (refer to Section 2.5).

If you wish to participate in the Offers you must make payment by BPAY®. The global pandemic of COVID-19 has resulted in government restrictions, and mandated or voluntary closures of certain services, which may restrict or delay postal and delivery services. As such, the Company has determined to limit the payment method in connection with the Offers to BPAY® only.

### 2.2 Eligible Shareholders wishing to Accept Entitlement in full

If you wish to take up all of your Entitlement, you are required to make payment via BPAY®. Payment is due by no later than 5.00pm (AWST) on the Closing Date. Note that when paying by BPAY® you are not required to submit the personalised Entitlement Form but are taken to make the statements on that form. For instructions on how to pay by BPAY® refer to Section 2.7 below.

### 2.3 Eligible Shareholders wishing to take up only part of their Entitlement

If you only wish to take up part of your Entitlement under the Entitlement Offer you are required to make payment via BPAY®. Payment is due by no later than 5.00pm (AWST) on the Closing Date. Note that when paying by BPAY® you are not required to submit the personalised Entitlement Form but are taken to make the statements on that form. For instructions on how to pay by BPAY® refer to Section 2.7 below.

### 2.4 Eligible Shareholders wishing to participate in the Shortfall Offer

If you are an Eligible Shareholder and you wish to apply for Shares in excess of your Entitlement under the Entitlement Offer by applying for Shares pursuant to the Shortfall Offer, you are required to apply for more Shares than the number shown when you log into <https://aun2022entoffer.thereachagency.com> or on your Entitlement Form. To do this, make a payment for more than your Entitlement via BPAY®. The excess will be taken to be an application for additional Shares under the Shortfall Offer.

Payment is due by no later than 5.00pm (AWST) on the Closing Date. Any Shares applied for pursuant to the Shortfall Offer will be issued in accordance with the allocation policy described in Section 1.2.

Note that when paying by BPAY® you are not required to submit the personalised Entitlement Form but are taken to make the statements on that form. For instructions on how to pay by BPAY® refer to Section 2.7 below.

## 2.5 Entitlements not taken up

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Securities you hold and the rights attached to those Securities will not be affected should you choose not to accept any of your Entitlement.

## 2.6 Underwriter Option Offer

Only the Underwriter (or its nominees) may accept the Underwriter Option Offer. A personalised application form in relation to the Underwriter Option Offer will be issued to the Underwriter (or its nominees) together with a copy of this Prospectus.

No monies are payable for the Underwriter Options to be issued pursuant the Underwriter Option Offer.

## 2.7 How to Pay (Via BPAY®)

The price of \$0.15 per Share is payable on acceptance of your Application.

If you wish to participate in the Offers you must make payment by BPAY®.

Cash, cheques, bank drafts and money order payments will not be accepted. Receipts for payments will not be issued.

The Company will treat Eligible Shareholders as applying for as many Shares as their payment will pay for in full. If an Eligible Shareholder's payment will pay for more than their full Entitlement, the Company will treat the Eligible Shareholder as applying for their full Entitlement and the excess will be taken to be an application for additional Shares pursuant to the Shortfall Offer. Any Application Monies received from Eligible Shareholders for more than their final allocation of Shares will be refunded except for where the amount is less than \$1.00 in which case it will be donated to a charity chosen by the Company. No interest will be paid on any Application Monies received or refunded.

Application Monies received from Eligible Shareholders will be held on trust until such time as the relevant Shares are issued or the Application Monies are refunded.

To the fullest extent permitted by law, each Eligible Shareholder agrees that any Application Monies paid by them to the Company will not entitle them to any interest against the Company and that any interest earned in respect of Application Monies will belong to the Company. This will be the case, whether or not all or none (if any Offer is withdrawn) of the Shares applied for by a person are issued to that person.

For payment by BPAY®, please follow the instructions set out at <https://aun2022entoffer.thereachagency.com>, in Section 2 or on your personalised Entitlement Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please make sure to use the specific Biller Code and unique Reference Number which can be obtained by providing your details when prompted at <https://aun2022entoffer.thereachagency.com>.

If Eligible Shareholders pay by BPAY® and do not pay for their full Entitlement, their remaining Entitlements will lapse.

If Eligible Shareholders have more than one holding, they must login separately for each holding and use the Reference Number specific to the relevant holding. Alternatively, if Eligible

Shareholders have requested a personalised Entitlement Form and have more than one holding, they will receive separate forms for each holding. If Eligible Shareholders do not use the correct Reference Number specific to that holding, or inadvertently use the same Reference Number for more than one of their holdings, their application will be recorded against the holding associated with Reference Number they use.

Please note that when paying by BPAY®:

- (a) you do not need to submit the personalised Entitlement Form but are taken to have made the statements on that personalised Entitlement Form; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application Monies received.

You should be aware that your Australian financial institution branch may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than the relevant date by which funds are required to have been received.

Your BPAY® acceptance cannot be withdrawn once received. No cooling off period applies.

## 2.8 Warranties made on acceptance of an Offer

Making a payment via BPAY® creates a legally binding contract between the Applicant and the Company for the number of Securities accepted by the Company.

By making a payment via BPAY®, you will also be deemed to have:

- (a) represented and warranted that you have received a copy of the Prospectus with the Entitlement Form;
- (b) represented and warranted that you are an Eligible Shareholder if you receive an Entitlement Form ;
- (c) 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;
- (d) agreed to be bound by the terms of the Offers;
- (e) declared that all details and statements outlined when you log onto <https://aun2022entoffer.thereachagency.com> and your Entitlement Form are complete and accurate;
- (f) declared that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under <https://aun2022entoffer.thereachagency.com>, the Entitlement Form and as described in this Prospectus;
- (g) authorised the Company and its respective officers or agents, to do anything on your behalf necessary for the Securities to be issued to you, including correcting errors or to act on instructions of the Company's share registry upon using the contact details set out on <https://aun2022entoffer.thereachagency.com> and in the Entitlement Form;

- (h) acknowledged that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that the Securities are suitable for you given your investment objectives, financial situation or particular needs; and
- (i) acknowledged that the Securities offered under this Prospectus have not, and will not be, registered under the securities laws in any jurisdictions outside Australia.

### 3. Effect of the Offers

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

Assuming that no existing Options are exercised before the Record Date, the effect of the Offers on the Company's issued capital as at the date of this Prospectus is as shown in the following table:

Securities	Shares	%	Quoted Options <sup>2</sup>	Unquoted Options	Convertible Notes <sup>4</sup>
Existing Securities	139,240,423	87.5	-	34,515,036 <sup>1</sup>	21,378,263
Shares and Quoted Options to be issued under the Offers	19,891,489	12.5	19,891,489	-	-
Underwriter Options to be issued under the Underwriter Option Offer	-	-	2,000,000	-	-
<b>TOTAL</b>	<b>159,131,912</b>	<b>100</b>	<b>21,891,489</b>	<b>34,515,036</b>	<b>21,378,263</b>

**Notes:**

- 34,515,036 Unquoted Options comprising:
  - 5,300,000 Unquoted Options exercisable at \$0.30 each on or before 31 July 2024;
  - 2,000,000 Unquoted Options with an issue price of \$0.001, exercisable at \$0.30 and expiring 1 December 2023;
  - 3,500,000 Unquoted Options exercisable at \$0.30 each and expiring on or before 31 July 2024;
  - 2,229,167 Unquoted Options exercisable at \$0.40 each and expiring on or before 31 July 2025;
  - 1,633,333 Unquoted Options exercisable at \$0.40 each and expiring on or before 31 July 2025;
  - 362,536 Unquoted Options exercisable at \$0.40 each and expiring on or before 31 July 2024;
  - 12,500,000 Unquoted Options exercisable at \$0.30 each and expiring on or before 17 March 2025;
  - 2,000,000 Unquoted Options exercisable at \$0.30 each and expiring on or before 15 February 2025; and
  - 4,990,000 Unquoted Options exercisable at \$0.25 each and expiring on or before 31 July 2026.
- 21,891,489 Quoted Options exercisable at \$0.25 each on or before 18 August 2024.
- Assumes that the Entitlement Offer and Shortfall Offer are fully subscribed, such that Lazarus is not required to subscribe for Shares up to the value of the \$2,000,000 Underwritten Amount (and accordingly does not receive any Quoted Options in addition to the Underwriter Options) pursuant to the Underwriting Agreement (further details in respect of which are set out in Section 1.4). In the event the Underwriter is required to subscribe for Securities, this may be for a maximum aggregate amount of 13,333,333 Shares and 13,333,333 Quoted Options.
- Convertible notes issued pursuant to the Convertible Note Agreement having an aggregate face value of \$6,413,479 on the date of issue and convertible into Shares at a conversion price of \$0.30 per Share

#### 3.2 Effect of the Offers on the Company's financial position

To illustrate the effect of the Offers on the financial position of the Company, set out in Section 7 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**). Each has been prepared on the basis of the accounting policies normally adopted by the Company.



The unaudited pro forma statement of financial position has been prepared 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 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.

Other than as specified above and in the ordinary course of business, there have been no other material transactions between 31 December 2021 and the date of this Prospectus. For further information please see Sections 4.1(b) and 4.1(e).

### 3.3 **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:           \$0.11 on 5 July 2022

Highest:          \$0.21 on 29 April 2022

The latest closing market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.15 per Share on 18 July 2022.

## 4. Risk Factors

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Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entity have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, 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. Shareholders 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) Exploration & development risk

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration and development will result in the discovery of further mineral deposits. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration and development activities of the Company may be affected by a range of factors, including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

Further to the above, the future development of mining operations at the Mt Dimer, Mt Palmer, Johnson Range, Karramindie Project and/or Sandstone Project (or any other current or future projects that the Company may have or acquire an interest in) is dependent on a number of factors and avoiding various risks, including, but not limited to the ability of the Company to repay its existing debt facilities, the mechanical failure of operating plant and equipment, unexpected shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, risk of access to the required level of funding and contracting risk from third parties providing essential services.

In addition, the construction of any proposed development may exceed the expected timeframe or cost for a variety of reasons out of the Company's control. Any delays to project development could adversely affect the Company's operations and financial results and may require the Company to raise further funds to complete the project development and commence operations.

#### (b) Underwriting Risk

The Company has entered into the Underwriting Agreement under which the Underwriter has agreed to partially underwrite the Entitlement Offer, the Shortfall Offer and Quoted Option Offer, subject to the terms and conditions of the Underwriting Agreement. If certain conditions are not satisfied or certain events occur, the Underwriter may terminate the Underwriting Agreement. Termination of the Underwriting Agreement may have a material adverse impact on the proceeds raised under the Offers. Termination of the Underwriting Agreements could materially adversely affect the Company's business, cash flow, financial condition and results. See Section 5.3 for further details of the Underwriting Agreement.

(c) **Limited operating history**

The Company was incorporated on 28 February 2020 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. Until the Company is able to realise value from its projects, it is likely to incur operational losses.

(d) **Financing risk**

The Company is party to various financing arrangements with third parties, including the Convertible Note Agreement. Pursuant to the Convertible Note Agreement, the Company has granted a first ranking security over all of its assets and, until the outstanding face value of \$6,413,479 has been repaid (all of which currently remains outstanding as at the date of this Prospectus), the Company is obligated to maintain a cash balance at all times of no less than \$1,500,000. The Company and its subsidiaries have also provided several other mortgages, representations, warranties and covenants under the Convertible Note Agreement and various other financing arrangements.

The repayment date for the Convertible Note Agreement is due on 18 September 2024.

If the Company fails to repay amounts when due or otherwise breaches any of its obligations under the Convertible Note Agreement (or any other financing arrangement to which it is party) and is unable to negotiate a variation with the relevant counterparty, there is a risk that the counterparty may seek to enforce any security interests or mortgages in its favour over the Company's assets and may seek to commence proceedings against the Company in respect of the breach seeking monetary compensation or other remedies.

(e) **Future capital and funding requirements**

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds under the Offers should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Prospectus. However, the Company may require additional funding in the future in order to fund its business development activities, exploration program and other Company objectives.

In order to successfully develop its projects and for production to commence, the Company will require further financing in the future, in addition to amounts raised pursuant to the Offers. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or price per Share pursuant to the Offers) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional

financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities, including resulting in the Tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and of securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing Shareholders will be diluted.

**(f) Conservation areas and national park risks**

The Mt Dimer project is almost completely within existing or proposed conservation areas, with all granted tenure completely within proposed conservation areas.

The conservation area is the Helena-Aurora Range Conservation Park, with similar boundaries to the proposed Helena Aurora National Park (File Notation Area 14564). The proposed conservation areas proposed are Conservation Park ex Jaurdi PCP195 and proposed Conservation and Mining Reserve ex Jaurdi Pastoral Lease P5H34. Existing mining tenements M77/427, M77/428, M77/957, M77/958 and M77/965 are almost completely within proposed Conservation and Mining Reserve ex Jaurdi Pastoral Lease P5H34.

It is expected that all Mt Dimer project activity will be subject to a higher level of environmental standard, compliance and scrutiny from regulators than areas outside existing or proposed conservation areas.

Risks include non-grant of tenement applications, delays in environmental permitting for exploration and production activity, environmental restrictions on exploration or production activity, and non-approval of exploration or production activity.

**(g) New projects and potential acquisitions**

The Company will actively pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.

The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

**(h) Restricted securities reducing liquidity**

As at the date of this Prospectus, approximately 30,017,171 Shares and 7,300,000 million Options are subject to escrow until 9 December 2022 (having been subject to

escrow for 24 months from the date of quotation of the Company's securities on ASX on 9 December 2020) and approximately 30,000,000 Shares held by Middle Island are subject to voluntary escrow pursuant to a share purchase agreement (see Company announcement 14 January 2022).

During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

## 4.2 Mining industry risks

### (a) Resource risk

There is inherent uncertainty with mineral resource estimates. In addition, there is no guarantee that inferred mineral resource estimates can successfully be converted to indicated or measured mineral resource estimates to allow potential reserve estimates. There remains risk, regardless of JORC Code or other status, with actual mining performance against any resource or reserve estimate.

### (b) 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 Tenement interests. Unless and until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

### (c) Metallurgy

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

- (i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (ii) developing an economic process route to produce a metal and/or concentrate; and
- (iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

### (d) Environmental risks

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or noncompliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

Furthermore, under the *Mining Rehabilitation Fund Act 2012 (WA)* (**Mining Rehabilitation Fund Act**), the Company is required to provide assessment information to the Department of Mines, Industry Regulation and Safety in respect of a mining rehabilitation levy payable for mining tenements granted under the Mining Act. The Company is required to contribute annually to the mining rehabilitation fund established under the Mining Rehabilitation Fund Act if its rehabilitation liability is above \$50,000 on a given Tenement. The Company currently contributes approximately a levy of approximately \$47,000 annually to the Mining Rehabilitation Fund. There is a risk that as the Company increases its activities in the future, that its annual levy will increase.

(e) **Grant, tenure and forfeiture of licences**

The Company's Tenements are subject to the applicable mining acts and regulations in Western Australia, pursuant to which mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. There is no guarantee that current or future tenements or future applications for production tenements will be approved. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Prior to any development on any of its properties, subsidiaries of the Company must receive licences/permits from appropriate governmental authorities. There is no certainty that the Company and its subsidiaries will hold all licences/permits necessary to develop or continue operating at any particular property.

The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Western Australia and the ongoing expenditure being budgeted by the Company. However, the consequences of forfeiture or involuntary surrender of a granted tenement for reasons beyond the control of the Company could be significant.

Similarly, the rights to mining leases and exploration licences carry with them various obligations which the holder is required to comply with in order to ensure the continued good standing of the lease or licence and, specifically, obligations in regard to minimum expenditure levels and responsibilities in respect of the environment and safety. Failure to observe these requirements could prejudice the right to maintain title to a given area and result in government action to forfeit a lease or leases or licence or licences. There is no guarantee that current or future exploration applications or existing licence renewals

will be granted, that they will be granted without undue delay, or that the Company can economically comply with any conditions imposed on any granted exploration permits.

(f) **Native title and Aboriginal heritage**

The Company is currently aware of two registered native title claims and one known Aboriginal site covering the Tenements on its existing projects (other than the Sandstone Project).

The Company is not aware of any native title claims or Aboriginal sites covering the tenements comprising the Sandstone Project.

In the future if the existence of native title claims occur over the area covered by the Tenements, or a subsequent determination of native title over the area occurs, this will not impact the rights or interests of the holder provided the Tenements have been or will be validly granted in accordance with the *Native Title Act 1993* (Cth) (**NT Act**).

If any of the Tenements were not validly granted in compliance with the NT Act, this may have an adverse impact on the Company's activities. The Company is not aware of any circumstances to indicate that any of the Tenements were not or will not be validly granted in accordance with the NT Act.

The grant of any future tenure to the Company over areas that are covered by registered claims or determinations will likely require engagement with the relevant claimants or native title holders (as relevant) in accordance with the NT Act. The Directors will closely monitor the potential effect of native title claims involving the Tenements in which the Company has or may have an interest.

There remains a risk that additional Aboriginal sites may exist on the land the subject of the Tenements. The existence of such sites may preclude or limit mining activities in certain areas of the Tenements.

(g) **Third party tenure risks**

Under Western Australian and Commonwealth legislation, the Company may be required, in respect of exploration or mining activities on the Tenements, to recognise the rights of, obtain the consent of, and/or pay compensation to the holders of third-party interests which overlay areas within the Tenements, including other mining tenure, pastoral leases or petroleum tenure.

The Company will continue to be required to negotiate access arrangements and pay compensation to land owners, local authorities, traditional land users and others who may have an interest in the area covered by a Tenement. The Company's ability to resolve access and compensation issues will have an impact on the future success and financial performance of the Company's operations. If the Company is unable to resolve such compensation claims on economic terms, this could have a material adverse effect on the business, results or operations and financial condition of the Company.

Any delays or costs in respect of conflicting third-party rights (for example, in relation to the assignment of any access agreements or the relocation of existing infrastructure on any existing miscellaneous licences that overlap with a Tenement), obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas.

(h) **Gold price and demand volatility and exchange rate risks**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. The price of gold and base metals fluctuate and are affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market values of gold, and other minerals could cause the development of, and eventually the commercial production from, the Company's projects and the Company's other properties to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of gold and base metals are produced, a profitable market will exist for it.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

In addition to adversely affecting any potential future reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

(i) **Competition risk**

The industry in which the Company is 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.

The Company's current and future potential competitors may include entities with greater financial and other resources than the Company which, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these entities.

(j) **Third party contractor risks**

The Company is unable to predict the risk of insolvency or managerial failure by any of the third party contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity. The effects of such failures may have an adverse effect on the Company's activities.



(k) **Reliance on key personnel**

The Company is reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.

(l) **Staffing**

It may be difficult for the Company to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants.

(m) **Climate change**

There are a number of climate-related factors that may affect the Company's business. Climate change or prolonged periods of adverse weather and climatic conditions (including rising sea levels, floods, hail, drought, water, scarcity, temperature extremes, frosts, earthquakes and pestilences) may have an adverse effect on the Company's ability to access its Projects and therefore the Company's ability to carry out services.

Changes in policy, technological innovation and consumer or investor preferences could adversely impact the Company's business strategy, particularly in the event of a transition (which may occur in unpredictable ways) to a lower-carbon economy.

(n) **Occupational health and safety**

Site safety and occupational health and safety outcomes are a critical element in the reputation of the Company and its ability to retain and be awarded new contracts in the resources industry. While the Company has a strong commitment to achieving a safe performance on site a serious site safety incident could impact upon the reputation and financial outcomes for the Company.

Additionally, laws and regulations as well as the requirements of customers may become more complex and stringent or the subject of increasingly strict interpretation and/or enforcement. Failure to comply with applicable regulations or requirements may result in significant liabilities, to suspended operations and increased costs.

Industrial accidents may occur in relation to the performance of the Company's services. Such accidents, particularly where a fatality or serious injury occurs, or a series of such accidents occurs, may have operational and financial implications for the Company which may negatively impact on the financial performance and growth prospects for the Company.

(o) **Insurance**

The Company intends to continue to insure its operations in accordance with industry practice. In certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(p) **Unforeseen expenses**

The Company's cost estimates and financial forecasts include appropriate provisions for material risks and uncertainties and are considered to be fit for purpose for the proposed

activities of the Company. If risks and uncertainties prove to be greater than expected, or if new currently unforeseen material risks and uncertainties arise, the expenditure proposals of the Company are likely to be adversely affected.

#### 4.3 General risks

(a) **COVID-19 Risk**

The outbreak of coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets and share price.

The Company's share price may be adversely affected by the economic uncertainty caused by COVID-19. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations. It could interrupt the Company carrying out its contractual obligations, cause disruptions to supply chains or interrupt the Company's ability to access capital.

(b) **General economic climate**

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs. The Company's future income, asset values and share price can be affected by these factors and, in particular, by exchange rate movements.

(c) **Securities investments**

Applicants should be aware that there are risks associated with any securities investment. The prices at which the Company's Shares trade may be above or below the issue price of the Offers and may fluctuate in response to a number of factors. Further, the stock market is prone to price and volume fluctuations. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Shares, regardless of the Company's operational performance.

(d) **Government and legal risk**

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Shares. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect its permits. However, changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's development plans or its rights and obligations in respect of its permits. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

(e) **Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, 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. As at the date of this Prospectus, there are no material legal proceedings affecting the Company.

The Company is aware of an allegation made by a third party in connection with a contractual dispute to a value of approximately \$300,000. The Company disputes that it is liable to pay the third party any amount and confirms that (as at the date of this Prospectus) no legal proceedings have been commenced in respect of the allegation. In the event proceedings are commenced, the Company intends to strenuously defend the proceedings.

(f) **Force majeure**

Force majeure is a term used to refer to an event beyond the control of a party claiming that the event has occurred. Significant catastrophic events – such as war, acts of terrorism, pandemics, loss of power, cyber security breaches or global threats – or natural disasters – such as earthquakes, fire or floods or the outbreak of epidemic disease – could disrupt the Company's operations and interrupt critical functions, or otherwise harm the business. To the extent that such disruptions or uncertainties result in delays or cancellations of the deployment of the Company's products and solutions, its business, results of operations and financial condition could be harmed.

(g) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation point of view and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Securities under this Prospectus.

(h) **Unforeseen risk**

There may be other risks which the Directors are unaware of at the time of issuing this Prospectus which may impact on the Company, its operations and/or the valuation and performance of its Shares.

#### 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 Shares offered under this Prospectus.

Therefore, the Shares 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 Securities.

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 Shares pursuant to this Prospectus.

## 5. Additional Information

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### 5.1 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 (a full copy of the Constitution is available from the Company on request free of charge) 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

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

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

#### (b) Ranking of Shares

At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.

#### (c) Voting rights

Subject to any rights or restrictions, at general meetings of Shareholders or classes of shareholders:

- (i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder, has one vote for every fully paid Share held and a fraction of one vote for each partly paid up Share held, 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.

#### (d) Dividend rights

Subject to the rights of the holders of any shares with special rights to dividends, the Directors may determine or declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid is of the total amounts paid and payable in respect of such Shares.

No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment

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

(e) **Variation of rights**

If at any time the share capital is divided into different classes of shares, the rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares in that class.

(f) **Transfer of Shares**

Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien. The Company must refuse to register a transfer of Shares where the Corporations Act, Listing Rules or ASX Settlement Operating Rules or a law about stamp duty requires the Company to do so.

(g) **Future increase in capital**

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

(h) **Rights on winding up**

If the Company is wound up, the liquidator may with the sanction of special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company and may for that purpose set such value as 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 Shareholders or different classes of Shareholders.

(i) **Alteration of constitution**

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

## 5.2 **Terms and conditions of Quoted Options**

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

- (a) **(Entitlement):** Each Quoted Option gives the holder the right to subscribe for one Share.
- (b) **(Consideration):** The Quoted Options will be granted for nil additional cash consideration.

- (c) **(Expiry Date):** The Quoted Options will expire at 5.00pm (WST) on 18 August 2024 **(Expiry Date)**. A Quoted Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **(Exercise Price):** the amount payable upon exercise of each Quoted Option is \$0.25 per Option **(Exercise Price)**.
- (e) **(Exercise):** A holder may exercise their Quoted Options by lodging with the Company, before the Expiry Date:
  - (i) a written notice of exercise of Quoted Options specifying the number of Quoted Options being exercised; and
  - (ii) a electronic funds transfer for the Exercise Price for the number of Quoted Options being exercised.
- (f) **(Exercise Notice):** An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The Quoted Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 10,000 must be exercised on each occasion.
- (g) **(Timing of issue of Shares on exercise):** Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Quoted Options specified in the Exercise Notice.
- (h) **(Transferability):**
  - (i) to the extent they are quoted on ASX's official list, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws, the Quoted Options will be freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws; and
  - (ii) to the extent they are not quoted on ASX's official list, the Quoted Options will not be transferable without the prior written approval of the Company.
- (i) **(Ranking of Shares):** All Shares allotted upon the exercise of Quoted Options will upon allotment be fully paid and rank *pari passu* in all respects with other Shares.
- (j) **(Quotation):**
  - (i) The Company will apply for quotation of the Quoted Options on ASX. The Company will apply for quotation of all Shares allotted pursuant to the exercise of Quoted Options on ASX within 5 Business Days after the date of allotment of those Shares. However, the Quoted Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules).
  - (ii) If official quotation of the Quoted Options is not granted by ASX in accordance with Section 5.2(j)(i) above), the Quoted Options will not be quoted.
- (k) **(Reconstruction):** If at any time the issued capital of the Company is reconstructed, all rights of a holder of Quoted Options are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

- (l) **(Participating rights):** There are no participating rights or entitlements inherent in the Quoted Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Quoted Options without exercising the Quoted Options.
- (m) **(Amendments):** A Quoted Option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the Quoted Option can be exercised.

### 5.3 Underwriting Agreement

#### (a) Underwriting

By an agreement between the Underwriter and the Company (**Underwriting Agreement**), the Underwriter has agreed to partially underwrite the Entitlement Offer, the Shortfall Offer and Quoted Option Offer.

The Underwriter may, at its costs (in consultation with the Company), at any time appoint sub-underwriters to sub-underwrite the Entitlement Offer, the Shortfall Offer and Quoted Option Offer.

Further details in respect of the Underwriting Agreement are set out in Sections 5.3(b) to 5.3(d) (inclusive).

#### (b) Fees

The Company has agreed to pay the Underwriter on completion of the Entitlement Offer and the Shortfall Offer:

- (i) a management fee of 2% of the gross proceeds received from the Offers;
- (ii) an underwriting fee of 4% of the Underwritten Amount;
- (iii) a selling fee of 6% of the gross proceeds received from the sale of all Remaining Shortfall Securities; and
- (iv) 2,000,000 Underwriter Options,

(collectively, **Underwriter Fee**).

All third party selling and/or sub-underwriting fees are to be paid by the Underwriter from the Underwriter Fee.

In consideration for the foreign nominee services provided by the Underwriter, the Company has agreed to pay the Underwriter a fee of 2% of the aggregate issue price for the Nominee Securities.

#### (c) Expenses and indemnity

In addition to the fees, the Company will pay and will indemnify and keep indemnified Lazarus against and in relation to, all reasonable costs and expenses of and incidental to the Entitlement Offer and the Shortfall Offer, including but not limited to:

- (i) the disbursements of Lazarus (including legal fees up to \$5,000);
- (ii) accommodation and travelling expenses of Lazarus relating to the Entitlement Offer and the Shortfall Offer; and

- (iii) all marketing and promotional expenditure related to the Entitlement Offer and the Shortfall Offer,

provided that the written consent of the Company will be obtained prior to incurring any individual costs in excess of \$2,000.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

(d) **Termination events**

Lazarus may terminate its obligations under the Underwriting Agreement if:

- (i) **(Company default)**: the Company fails to perform an obligation under the Underwriting Agreement;
- (ii) **(Indices fall)**: the S&P ASX 200 Index closes on any business day from the date of the Underwriting Agreement at a level that is 8% or more below the level of the Index at the close of trading on the business day before the date of the Underwriting Agreement;
- (iii) **(Gold Price Fall)**: spot \$ gold price referenced on Bloomberg under reference "XAUAUD Curncy", is at any time after the date of the Underwriting Agreement at a level that is 8% or more below its respective level as at the close of business on the business day prior to the date of the Underwriting Agreement; or
- (iv) **(Share Price Fall)**: the share price of Aurumin on ASX under reference "ASX:AUN", is at any time after the date of the Underwriting Agreement below \$0.10;
- (v) **(Entitlement Offer Document)**: the Company does not lodge the Prospectus with ASIC on the Lodgement Date or the Prospectus or the Entitlement Offer is withdrawn by the Company;
- (vi) **(Supplementary Prospectus)**:
  - (A) Lazarus, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an adverse change, forms the view on reasonable grounds that a supplementary prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary prospectus in such form and content and within such time as Lazarus may reasonably require; or
  - (B) the Company lodges a supplementary prospectus without the prior written agreement of Lazarus;
- (vii) **(Non-compliance with disclosure requirements)**: it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
  - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
  - (B) the rights and liabilities attaching to the Underwritten Securities;



- (viii) **(Misleading Entitlement Offer Document)**: it transpires that there is a material statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- (ix) **(Error in Due Diligence Results)**: it transpires that any of the due diligence results or any part of the verification material was materially false, misleading or deceptive or that there was a material omission from them;
- (x) **(proceedings)** ASIC or any other person conducts any enquiry, investigation or proceedings, or takes any regulatory action or seeks any remedy, in connection with the Entitlement Offer and the Shortfall Offer or the Prospectus or the Company's ASX announcements, or publicly foreshadows that it may do so;
- (xi) **(Unable to issue Securities)** the Company is prevented from allotting and issuing the Underwritten Securities within the time required by the Timetable, Listing Rules, applicable laws, an order of a court of competent jurisdiction or a government authority;
- (xii) **(future matters)** Any statement or estimate in the Prospectus or the Company's ASX announcements which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of Lazarus, unlikely to be met in the projected timeframe;
- (xiii) **(No Quotation Approval)**: the Company fails to lodge an Appendix 2A and/or Appendix 3B in relation to the Underwritten Securities with ASX by the time required by the Corporations Act, the Listing Rules or any other regulation;
- (xiv) **(ASIC application)**: an order is made under Section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the shortfall notice deadline date has arrived, and that application has not been dismissed or withdrawn;
- (xv) **(Takeovers Panel)**: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, which in Lazarus' reasonable opinion has material adverse effect on the Company's ability to perform and comply with its obligations under any note issued under and in accordance with the Underwriting Agreement or on Lazarus' rights pursuant the Underwriting Agreement (**Material Adverse Effect**) provided that, for the avoidance of doubt, an event or circumstances which is general in nature is not a Material Adverse Effect;
- (xvi) **(Authorisation)**: any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to Lazarus acting reasonably;
- (xvii) **(Indictable offence)**: a director of the Company is charged with an indictable offence; or
- (xviii) **(Termination events)**: unless, in the reasonable opinion of Lazarus reached in good faith, it has or is likely to have, or those events together have, or could reasonably be expected to have, a material adverse effect or could give rise to a liability of Lazarus under the Corporations Act, any of the following events occurs:

- (A) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, the Democratic People's Republic of Korea, or the Peoples Republic of China or any member of the European Union;
- (B) **(Default)**: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
- (C) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect in a material respect;
- (D) **(Contravention of constitution or Act)**: a contravention by a relevant company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (E) **(Adverse change)**: an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any relevant company;
- (F) **(Error in Due Diligence Results)**: it transpires that any of the due diligence results or any part of the verification material was materially false, misleading or deceptive or that there was a material omission from them;
- (G) **(Significant change)**: a "new circumstance" as referred to in Section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (H) **(Public statements)**: without the prior approval of Lazarus a public statement is made by the Company in relation to the Offers or the Prospectus, other than a statement the Company is required to make in order to ensure its disclosure obligations under the Listing Rules and the Corporations Act;
- (I) **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to Lazarus in respect of any aspect of the Offers or the affairs of any relevant company is or becomes misleading or deceptive or likely to mislead or deceive;
- (J) **(Official Quotation qualified)**: the official quotation is qualified or conditional other than conditional approval, provided such condition would not, in the reasonable opinion of Lazarus, have a material adverse effect;
- (K) **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority

adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;

- (L) **(Prescribed Occurrence)**: a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs, other than as disclosed in the Prospectus.
- (M) **(Suspension of debt payments)**: the Company suspends payment of its debts generally;
- (N) **(Event of Insolvency)**: an insolvency event occurs in respect of a relevant company;
- (O) **(Judgment against a relevant company)**: a judgment in an amount exceeding \$500,000 is obtained against a relevant company and is not set aside or satisfied within 14 days;
- (P) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against any relevant company, except as disclosed in the Prospectus;
- (Q) **(Board and senior management composition)**: there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of Lazarus (such consent not to be unreasonably withheld);
- (R) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of a relevant company (other than as a result of the Offers, a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a relevant company;
- (S) **(Timetable)**: there is a delay in any specified date in the proposed timetable which is greater than 3 business days;
- (T) **(Force Majeure)**: a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (U) **(Certain resolutions passed)**: a relevant company passes or takes any steps to pass a resolution under Section 254N, Section 257A or Section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of Lazarus;
- (V) **(Capital structure)**: any relevant company alters its capital structure in any manner not contemplated by the Prospectus;
- (W) **(Breach of Contracts)**: any of the Contracts are terminated or substantially modified; or
- (X) **(Market conditions)**: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

## 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 ASIC office (see Section 5.6 below). Copies of all documents announced to the ASX can be found at <https://aurumin.com.au/investors/asx-announcements/>.

## 5.5 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.

## 5.6 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 30 September 2021 (**Annual Financial Report**);
- (b) the Half Yearly Report for the period ending 31 December 2021 lodged with ASX on 17 March 2021; and
- (c) the following continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date the Company announced its previous prospectus to the market, being 14 January 2022, until the date of this Prospectus:

Date lodged	Subject of Announcement
18 July 2022	Trading Halt
15 July 2022	Notification regarding unquoted securities - AUN
14 July 2022	FY2023 ESIP Established
11 July 2022	344m @ 1.29g/t Au IN FIRST AURUMIN DIAMOND HOLE AT TWO MILE
23 June 2022	Presentation – Gold Coast Investment Showcase
21 June 2022	Re-release – Aurumin Expands Footprint at Sandstone

<b>Date lodged</b>	<b>Subject of Announcement</b>
21 June 2022	Proposed issue of securities – AUN
21 June 2022	Aurumin Expands Footprint at Sandstone
9 June 2022	Presentation – Resources Roadhouse Investment Afternoon
9 June 2022	Central Sandstone Exploration Update
3 June 2022	Re-release Mt Palmer Lithium Exploration Update and Results
3 June 2022	Mt Palmer Lithium Exploration Update and Results
27 May 2022	Central Sandstone Drilling Update
11 May 2022	Notification of cessation of securities – AUN
11 May 2022	Drilling underway at Central Sandstone
10 May 2022	Mt Palmer Lithium Exploration Update
4 May 2022	Updated Company Presentation
2 May 2022	Cleansing Statement
2 May 2022	Application for quotation of securities – AUN
2 May 2022	Drilling to commence at Sandstone
29 April 2022	Results of Meeting
29 April 2022	Change of Director's Interest Notice
28 April 2022	Central Sandstone Auger Programme Complete
27 April 2022	Drilling underway targeting lithium at Mt Palmer
27 April 2022	Quarterly Activities Report
27 April 2022	Quarterly Cashflow Report
21 April 2022	Drill programme targeting lithium to commence at Mt Palmer
31 March 2022	Notice of Extraordinary General Meeting/Proxy Form
31 March 2022	Letter to Shareholders
30 March 2022	Fieldwork underway at Sandstone
28 March 2022	Change of Director's Interest Notice
25 March 2022	Fieldwork to Commence at Sandstone

<b>Date lodged</b>	<b>Subject of Announcement</b>
24 March 2022	Lithium Potential Identified at Mt Palmer
22 March 2022	Change in substantial holding
22 March 2022	Ceasing to be a substantial holder
22 March 2022	Becoming a substantial holder from Middle Island
21 March 2022	Reinstatement to Official Quotation
21 March 2022	Cleansing Statement
21 March 2022	Notification regarding unquoted securities – AUN
21 March 2022	Application for quotation of securities – AUN
21 March 2022	Application for quotation of securities – AUN
21 March 2022	Aurumin Completes Acquisition of Sandstone Gold Project
18 March 2022	Suspension from Official Quotation
17 March 2022	Half Yearly Report and Accounts
16 March 2022	Trading Halt
3 March 2022	Application for quotation of securities - AUN
2 March 2022	MDI: Sale of Sandstone Gold Project Update
2 March 2022	Entitlement Offer Closed
22 February 2022	Notification regarding unquoted securities - AUN
14 February 2022	Change of Director's Interest Notice – DH
14 February 2022	Change of Director's Interest Notice - SD
14 February 2022	Change of Director's Interest Notice - PL
14 February 2022	Change of Director's Interest Notice - BV
14 February 2022	Notification regarding unquoted securities – AUN
11 February 2022	Mt Dimer 2022 Regional Exploration Activity – Iron Ore
8 February 2022	Change of Director's Interest Notice – BV
8 February 2022	Results of Meeting
8 February 2022	Updated Appendix 3B
8 February 2022	Extension of Non-Renounceable Pro-rata Entitlement Offer

<b>Date lodged</b>	<b>Subject of Announcement</b>
8 February 2022	GM Presentation
7 February 2022	Change of Director's Interest Notice – PL
3 February 2022	Change of Director's Interest Notice – BV
27 January 2022	Prospectus Dispatched
25 January 2022	Quarterly Activities Report
25 January 2022	Quarterly Cashflow Report
18 January 2022	Supplementary Prospectus
18 January 2022	Proposed issue of securities - AUN
17 January 2022	Cancellation of Appendix 3B
14 January 2022	Update – Proposed issue of securities – AUN
14 January 2022	Letter to optionholders
14 January 2022	Letter to ineligible shareholders
14 January 2022	Letter to eligible shareholders
14 January 2022	Prospectus

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.

#### **5.7 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, however, the Company is currently considering its upcoming exploration activities and intends to provide a market update in this regard early in the new financial year.

#### **5.8 Determination by ASIC**

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

## 5.9 Interests of Directors

### (a) Information disclosed in this Prospectus

Other than as set out in this Prospectus, no 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:

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

### (b) Security holding

The relevant interests of each of the Directors in Securities of the Company as at the date of this Prospectus are set out below.

Director	Shares	Voting power (%)	Unquoted Options	Entitlement (Shares)	Entitlement (Quoted Options)
Bradley Valiukas <sup>1</sup>	6,284,642	4.514%	5,333,333	897,806	448,903
Darren Holden <sup>2</sup>	425,000	0.305%	500,000	60,714	30,357
Shaun Day <sup>3</sup>	425,000	0.305%	500,000	60,714	30,357
Piers Lewis <sup>4</sup>	926,219	0.665%	600,000	132,317	66,159

#### Notes:

1. Mr Valiukas holds his interest in the Securities directly (as trustee for the B & K Valiukas Family Account) and indirectly through BV Mining Pty Ltd, an entity related to Mr Valiukas.
2. Mr Holden's Securities are held indirectly through Ms Leigh Sinclair (as trustee for the Holden Sinclair Family Account), an entity related to Mr Holden.
3. Mr Day's Securities are held indirectly through West End Ventures Pty Ltd (as trustee for The West End Account), an entity related to Mr Day.
4. Mr Lewis' Securities are held as follows:
  - (a) 850,000 Shares and 600,000 Options held indirectly through Cranley Consulting Pty Ltd (as trustee for the Cranley Consulting Account), an entity related to Mr Lewis; and
  - (b) 76,219 Shares held indirectly through SmallCap Corporate Pty Ltd, an entity related to Mr Lewis.



It is the intention of all Directors to take up all or part of their Entitlement specified above under the Entitlement Offer.

(c) **Remuneration**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The aggregate amount fixed is \$200,000. This aggregate amount is to be allocated among the non-executive directors equally, having regard to the proportion of the relevant year for which each director held office, or as otherwise decided by the Board. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The Constitution also provides that:

- (i) the Directors shall be entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors; and
- (ii) if any of the Directors being willing are called upon to perform extra services or make any special exertions on behalf of the Company or its business, the Directors may remunerate this Director in accordance with such services or exertions, and this remuneration may be either in addition to or in substitution for his or her share in the fee-pool described above.

The remuneration of executive directors is to be fixed by the Board. As at the date of this Prospectus, the Company does not have any executive directors.

The table below sets out the remuneration provided to the Directors of the Company and their associated companies during the last two financial years (FY), inclusive of directors fees, consultancy fees, superannuation benefits and share-based payments.

Director	FY ended 30 June 2022 (\$)	FY ended 30 June 2021 (\$)
Bradley Valiukas	383,794	712,900
Darren Holden	44,663	67,426
Shaun Day	44,553	67,208
Piers Lewis	56,553	85,968

5.10 **Related party transactions**

Except as disclosed in this Prospectus, there are no related party transactions involved in the Offers.

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting, unless it is resolved by

the Board of Directors that the Director can be present at the meeting but does not vote on the matter.

### 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 Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Securities 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 Securities offered under this Prospectus.

### 5.12 Expenses of the Offers

The estimated expenses of the Offers (assuming the Entitlement Offer is fully subscribed) are as follows:

<b>Estimated expense</b>	<b>\$</b>
ASIC lodgement fees	3,206
ASX quotation fees	29,461
Underwriting, management and selling fees	179,000
Legal and preparation expenses	20,000
Printing, mailing and other expenses	35,000
<b>TOTAL</b>	<b>266,667</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. Hamilton Locke has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

Computershare Investor Services Pty Limited has given its written consent to being named as the share registry to the Company in this Prospectus. Computershare Investor Services Pty Limited has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

Lazarus has given its written consent to being named as the underwriter to the Company in this Prospectus. Lazarus has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

## 6. Directors' Statement and Consent

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

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



Piers Lewis  
Non-Executive Chairman  
**Aurumin Limited**  
Dated: 19 July 2022

## 7. Unaudited Pro Forma Statement of Financial Position

	Aurumin	Subsequent events					Pro-forma	Pro-forma
	31-Dec-21	Net expenditure	Entitlement offer	SOPL acquisition	Stamp duty	Convertible note	Entitlement offer	
	\$							
<b>CURRENT ASSETS</b>								
Cash and cash equivalents	3,966,574	-	1,880,000	6,000,000		5,000,000	2,740,180	5,074,705
Trade and other receivables	171,563	2,512,049						171,563
<b>TOTAL CURRENT ASSETS</b>	4,138,137	-	1,880,000	6,000,000	-	5,000,000	2,740,180	5,246,268
<b>NON-CURRENT ASSETS</b>								
Other assets	208,863							208,863
Plant and equipment	54,340			1,905,000				1,959,340
Right of use assets	52,665							52,665
Capitalised Exploration Expenditure	1,497,130			10,095,000				11,592,130
Asset retirement obligation asset				1,099,654				1,099,654
<b>TOTAL NON-CURRENT ASSETS</b>	1,812,998	-	-	13,099,654	-	-	-	14,912,652
<b>TOTAL ASSETS</b>	5,951,135	-	1,880,000	7,099,654	-	5,000,000	2,740,180	20,158,920
<b>CURRENT LIABILITIES</b>								
Trade and other payables	644,408				612,000			1,256,408
Provisions	98,711			1,099,654				1,198,365
Borrowings	-					5,540,204		5,540,204

Lease liability	59,260							59,260
<b>TOTAL CURRENT LIABILITIES</b>	802,379	-	-	1,099,654	612,000	5,540,204	-	8,054,237
<b>TOTAL LIABILITIES</b>	802,379	-	-	1,099,654	612,000	5,540,204	-	8,054,237
<b>NET ASSETS/(DEFICIENCY )</b>	<b>5,148,756</b>	<b>-</b>	<b>1,880,000</b>	<b>6,000,000</b>	<b>612,000</b>	<b>540,204</b>	<b>2,740,180</b>	<b>12,104,683</b>
<b>EQUITY</b>								
Issued capital	17,000,009		1,640,754	6,000,000			2,622,575	27,263,338
Reserves	1,542,784		239,246			873,275	117,605	2,772,910
Accumulated losses	-							-
	13,394,037							13,394,037
P&L		-			-			-
		2,512,049			612,000	1,413,479		4,537,528
<b>TOTAL EQUITY</b>	<b>5,148,756</b>	<b>-</b>	<b>1,880,000</b>	<b>6,000,000</b>	<b>612,000</b>	<b>540,204</b>	<b>2,740,180</b>	<b>12,104,683</b>

**Notes:**

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

- (a) The Pro Forma Historical Financial Information has been prepared by adjusting the statement of financial position of the Group as at 31 December 2021 to reflect the financial effects of the following subsequent events which have occurred since 31 December 2021 (refer the Company's previous prospectus announced to ASX on 14 January 2022 (as supplemented):
- (i) incurred expenditure post 31 December 2021 of \$2,512,049;
  - (ii) the issue of 10,000,000 Shares to raise \$2,000,000 before costs pursuant to the Company's previous entitlement offer;
  - (iii) payment of the consideration under the Sandstone SPA comprising of 30,000,000 Shares at a deemed issue price of \$0.20 per Share and \$6,000,000 in cash;
  - (iv) stamp duty payments associated with the acquisition of Sandstone Operations Pty Ltd under the Sandstone SPA of \$612,000; and
  - (v) the issue of convertible notes under the Convertible Note Agreement, pursuant to which the Noteholder has paid the Company an aggregate subscription price of \$5 million (before costs) in order to acquire convertible notes, which are convertible into Shares on the below material terms:

- a. the Convertible Notes have an aggregate face value of \$6,413,479 on the date of issue and may be converted into Shares at a conversion price of \$0.30 per Share; and
  - b. the Noteholder has also (as approved by shareholders on 8 February 2022), received 10 million attaching options which may be converted to Shares at an exercise price of \$0.30 per option within 36 months of the date of issue.
- (b) The following pro forma transactions which are yet to occur, but are proposed to occur following the completion of the Entitlement Offer:
- (i) the issue of up to approximately 19,891,489 Shares at an issue price of \$0.15 to raise up to approximately \$3,000,000;
  - (ii) the issue of up to approximately 19,891,489 Quoted Options on the basis of 1 free attaching option exercisable at \$0.25 each and expiring 18 August 2024 for every 1 Share subscribed for under the Entitlement Offer and Shortfall Offer;
  - (iii) a management fee of 2% of the gross proceeds received from the Offers;
  - (iv) an underwriting fee of 4% of the Underwritten Amount;
  - (v) a selling fee of 6% of the gross proceeds received from the sale of all Remaining Shortfall Securities;
  - (vi) the issue of 2,000,000 Underwriter Options to the Underwriter; and
  - (vii) a fee for the provision of foreign nominee services of 2% of the aggregate issue price for the Nominee Securities.

## 8. Glossary of Terms

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

<b>\$</b>	means Australian dollars.
<b>Acceptance</b>	means a valid acceptance of Shares made pursuant to this Prospectus on an Entitlement Form.
<b>Applicant</b>	means a person who applies for Shares pursuant to the Offers.
<b>Application Monies</b>	means application monies for Shares received by the Company (which must be paid via BPAY®).
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited (ACN 008 624 691) and where the context permits the Australian Shares Exchange operated by ASX Limited.
<b>AWST</b>	means Australian Western Standard Time, being the time in Perth, Western Australia.
<b>Board</b>	means the Directors meeting as a board.
<b>Business Day</b>	means Monday to Friday inclusive, other than a day that ASX declares is not a business day.
<b>CHESS</b>	means ASX Clearing House Electronic Subregistry System.
<b>Closing Date</b>	has the meaning given to it in the Proposed Timetable.
<b>Company or Aurumin</b>	means Aurumin Limited (ACN 639 427 099) (ASX:AUN).
<b>Constitution</b>	means the constitution of the Company as at the date of this Prospectus.
<b>Convertible Note Agreement</b>	means the convertible note agreement between the Company and the Noteholder dated 15 December 2021.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Directors</b>	mean the directors of the Company as at the date of this Prospectus.
<b>Eligible Shareholder</b>	means a person registered as the holder of Shares as at 5:00pm (AWST) on the Record Date whose registered address is in Australia, New Zealand, Hong Kong, Malaysia, Singapore, Luxembourg, the United Kingdom, Germany and Luxembourg.
<b>Entitlement</b>	means the number of Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 1 new Share for every 7 Shares held on the Record Date.

<b>Entitlement Form</b>	means the entitlement form for Eligible Shareholders in respect of the Entitlement Offer and Shortfall Offer.
<b>Entitlement Offer</b>	means the offer under this Prospectus to Eligible Shareholders of up to approximately 19,891,489 Shares in the proportion of 1 new Share for every 7 Shares held on the Record Date to raise up to approximately \$3,000,000 (before costs).
<b>Ineligible Foreign Shareholder</b>	means a Shareholder who is not an Eligible Shareholder as at 5:00pm (AWST) on the Record Date.
<b>Issue Date</b>	has the meaning given in has the meaning given to it in Section 1.13.
<b>Issuer Sponsored</b>	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.
<b>JORC Code</b>	means the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Middle Island</b>	means Middle Island Resources Limited (ACN 142 361 608) (ASX:MDI).
<b>Nominee Securities</b>	means the Shares and Quoted Options which Ineligible Foreign Shareholders would be entitled to if they were eligible to participate in the Offers.
<b>Noteholder</b>	means Collins St Asset Management Pty Ltd (ACN 601 897 974) (as trustee for the Collins St Value Fund (ABN 16 601 897 974)).
<b>Offers</b>	means the Entitlement Offer, the Shortfall Offer and the offer of Quoted Options, as applicable.
<b>Option</b>	means an option to acquire a Share.
<b>Prospectus</b>	means this prospectus dated 19 July 2022.
<b>Quoted Options</b>	means up to approximately 19,891,489 Options which are intended to be quoted on the official list of ASX and which are offered under this Prospectus pursuant the Quoted Option Offer and Underwriter Option Offer.
<b>Quoted Option Offer</b>	means the offer under this Prospectus to Eligible Shareholders of Quoted Options in the proportion of 1 Quoted Option for every 1 Share subscribed for under the Entitlement Offer and Shortfall Offer.
<b>Record Date</b>	means 5:00pm (AWST) on the date identified in the proposed timetable.



<b>Remaining Shortfall Securities</b>	means any Shortfall Securities which remain after the Entitlement Offer, the Shortfall Offer and the Underwriter's partial underwriting.
<b>Sandstone Project</b>	means the mining leases M57/128 and M57/129, exploration licence 57/1102 and prospecting licences P57/1384, P57/1395 and P57/1442 (and related mining information), processing infrastructure and freehold tenure in the town of Sandstone, WA.
<b>Section</b>	means a section of this Prospectus.
<b>Securities</b>	means Shares and/or Options.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means a holder of Shares.
<b>Shortfall Offer</b>	means the offer to Eligible Shareholders to subscribe for Shares (in excess of their Entitlements) not subscribed for by other Eligible Shareholders pursuant to the Entitlement Offer under this Prospectus.
<b>Shortfall Securities</b>	means the number of Underwritten Securities for which valid applications have not been received by 5:00pm (AWST) on the Closing Date.
<b>Tenements</b>	means the tenements owned by the Company from time to time.
<b>Timetable</b>	means the proposed timetable for the Offers set out on page iii of this Prospectus.
<b>Underwritten Securities</b>	means up to 13,333,333 Shares (and 13,333,333 Quoted Options) made available to Eligible Shareholders pursuant to the Entitlement Offer and Shortfall Offer.
<b>Underwriter</b>	means Lazarus Corporate Finance Pty Ltd (ACN 149 263 543).
<b>Underwriting Agreement</b>	has the meaning given in Section 5.3.
<b>Underwriter Fee</b>	has the meaning given in Section 5.3(b).
<b>Underwriter Options</b>	means the 2,000,000 Quoted Options, to be issued to the Underwriter (or its nominees) pursuant to the Underwriter Option Offer.
<b>Underwriter Option Offer</b>	means the offer of 2,000,000 Underwriter Options to the Underwriter (or its nominees) in accordance with Sections 1.5 and 5.2.
<b>Unquoted Options</b>	means Options which are not quoted on ASX's official list.