

FUTURE METALS NL

ACN 124 734 961

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata non-renounceable entitlement issue of one (1) Share for every four (4) Shares held by those Securityholders registered at the Record Date at an issue price of \$0.03 per Share together with one (1) free New Option for every two (2) Shares applied for and issued to raise up to \$3,316,648 (based on the number of Shares on issue as at the date of this Prospectus) (**Entitlement Offer**).

The Entitlement Offer is fully underwritten by CPS Capital Group Pty Ltd (**Underwriter**). Refer to Section 7.4 for details regarding the terms of the underwriting.

The Prospectus also includes the offer of Underwriter Options to the Underwriter of the Entitlement Offer (or its nominees) (**Underwriter Offer**).

IMPORTANT NOTICE

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

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

IMPORTANT NOTICE

This Prospectus is dated 15 December 2023 and was lodged with the ASIC and the ASX on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

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

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and

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

Forward-looking statements

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

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

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

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

Overseas shareholders

These Offers do not, and is not intended to, constitute an offer in

any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

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

For further information on overseas Shareholders please refer to Section 3.10.

Continuous disclosure obligations

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

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

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 7.2 for further details.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under the Entitlement Offer pursuant to this Prospectus. The Company and the Underwriter will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website: www.future-metals.com.au. By making an application under the Entitlement Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.future-metals.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian, New Zealand or the United Kingdom resident and must only access this Prospectus from within Australia, New Zealand or the United Kingdom.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 9480 0414 during office hours or by emailing the Company at info@future-metals.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to

forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 9.

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

Privacy statement

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

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

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

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

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 8 9480 0414.

CORPORATE DIRECTORY

Directors

Patrick Walta
Executive Chairman

Jardee Kininmonth
Managing Director

Justin Tremain
Non-Executive Director

Elizabeth Henson
Non-Executive Director

Company Secretary

Tom O'Rourke

Registered Office

First Floor
33 Richardson Street
WEST PERTH WA 6005

Telephone: +61 8 9480 0414

Email: info@future-metals.com.au

Website: www.future-metals.com.au

Auditor*

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

Share Registry*

Computershare Investor Services Pty Ltd
Level 17
221 St Georges Terrace
PERTH WA 6000

UK Depositary with regard to Depositary Interests*

Computershare Investor Services PLC
The Pavilions Bridgwater Road Bristol
BS99 6ZZ UNITED KINGDOM

Underwriter

CPS Capital Group Pty Ltd
Level 45
108 St Georges Terrace
PERTH WA 6000

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

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1. TIMETABLE

1.1 Timetable

Action	Shareholders	Depository Interest Holders
Announcement of Offers & Appendix 3B	Friday, 15 December 2023	Friday, 15 December 2023
Lodgement of Prospectus with ASIC & ASX	Friday, 15 December 2023	Friday, 15 December 2023
Ex date	Friday, 29 December 2023	Friday, 29 December 2023
Record Date for determining Entitlements	Tuesday, 2 January 2024 5:00pm (WST)	Tuesday, 2 January 2024 9:00am (GMT)
Prospectus despatched to Shareholders & Company announces despatch has been completed	Friday, 5 January 2024	Friday, 5 January 2024
Last day to extend Closing Date of Entitlement Offer	Monday, 15 January 2024	Monday, 15 January 2024
Closing Date of Entitlement Offer*	Thursday, 18 January 2024 5:00pm (WST)	Thursday, 18 January 2024 9:00am (GMT)
Securities quoted on a deferred settlement basis from market open	Friday, 19 January 2024	Friday, 19 January 2024
Announcement of results of issue	Tuesday, 23 January 2024	Tuesday, 23 January 2024
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities offered under the Entitlement Offer (before noon Sydney time)	Thursday, 25 January 2024	Thursday, 25 January 2024
Official Quotation of the Securities under the Entitlement Offer	Monday, 29 January 2024	Monday, 29 January 2024
Final date for Underwriter to subscribe for Shortfall	Thursday, 29 February 2024	Thursday, 29 February 2024
General Meeting**	Thursday, 29 February 2024	Thursday, 29 February 2024
Closing Date of Underwriter Offer**	Thursday, 29 February 2024	Thursday, 29 February 2024
Issue date for Underwriter Options**	Friday, 1 March 2024	Friday, 1 March 2024

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

** The above dates are indicative only and may change without notice.

2. KEY STATISTICS OF THE OFFERS

Shares

	Full Subscription (\$3,316,648) ¹
Entitlement Offer Price per Share	\$0.03
Entitlement Ratio (based on existing Shares)	1:4
Shares currently on issue	442,219,721
Shares to be issued under the Entitlement Offer	110,554,930
Shares to be issued under Underwriter Offer	Nil
Gross proceeds of the issue of Shares	\$3,316,648
Shares on issue Post-Offers	552,774,651

Notes:

1. Assuming the Full Subscription of \$3,316,648 is achieved under the Entitlement Offer.
2. Refer to Section 5.1 for the terms of the Shares.

Options

	Full Subscription (\$3,316,648) ¹
Entitlement Offer Price per New Option	Nil
Option Entitlement Ratio (based on Shares subscribed for)	1:2
Options currently on issue	113,860,891
New Options to be issued under the Entitlement Offer ²	55,277,465
Options to be issued under the Underwriter Offer ³	48,851,643
Underwriter Offer price per Underwriter Option	\$0.00001
Gross proceeds of the issue of Options under the Underwriter Offer	\$489
Options on issue Post-Offers	217,989,999

Notes:

1. Assuming the Full Subscription of \$3,316,648 is achieved under the Entitlement Offer.
2. Refer to Section 5.2 for the terms of the New Options.
3. Refer to Section 5.3 for the terms of the Underwriter Options.

2.1 Directors' Interests in Securities

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

	Shares	Options	Performance Rights	Share Entitlement	New Option Entitlement	\$
Jardee Kininmonth	1,588,605 ¹	62,868 ²	2,599,999 ³	397,151	198,575	\$11,915

	Shares	Options	Performance Rights	Share Entitlement	New Option Entitlement	\$
Patrick Walta ⁴	-	-	20,000,000 ⁵	-	-	-
Justin Tremain	5,333,333 ⁶	-	2,666,667 ⁷	1,333,333	666,666	\$40,000
Elizabeth Henson	-	-	2,000,000 ⁸	-	-	-

Notes

1. Comprising 1,050,000 Shares held indirectly via JNK 1992 Pty Ltd and 538,605 Shares held directly.
2. Listed Options exercisable at \$0.10 each, expiring on 11 June 2024 held indirectly via JNK 1992 Pty Ltd which will provide an additional Entitlement should they be exercised prior to the Record Date.
3. Comprising 999,999 Performance Rights held indirectly via JNK 1992 Pty Ltd, with various vesting targets expiring 15 November 2025 and 1,600,000 Performance Rights held directly, with various vesting targets expiring 31 January 2025. The Performance Rights will provide an additional Entitlement should they be converted prior to the Record Date.
4. Appointed on 17 November 2023.
5. Performance Rights held indirectly via Patrick Christopher Andrew Walta <FJB & Associates A/C> with various vesting targets expiring on 21 November 2026. The Performance Rights will provide an additional Entitlement should they be converted prior to the Record Date.
6. Held indirectly via Justin Tremain <J & S Tremain family A/C>.
7. Class C Performance Rights that will vest subject to the Company achieving a 20-day VWAP of at least \$0.25, expiring 11 June 2024. The Performance Rights will provide an additional Entitlement should they be converted prior to the Record Date.
8. Class D Performance Rights that will vest subject to the Company achieving a 20-day VWAP of at least \$0.30, expiring 11 June 2024. The Performance Rights will provide an additional Entitlement should they be converted prior to the Record Date.

The Board recommends all Shareholders take up their Entitlements. The Board advises that Jardee Kininmonth intends to take up his full Entitlement and Justin Tremain intends to take up part of his Entitlement.

2.2 Details of Substantial Holders

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

Shareholder	Shares	%
Computershare Clearing Pty Ltd <CCNL DI A/C> ¹	82,217,440	19.49
Timothy Paul Neesham	24,448,605	5.80

Notes:

1. This entity's interest in the Company's Shares represents the Depository Interests held by the Depository Interest Holders, in proportion to the total number of Shares on issue.
2. The voting power in the table is prior to settlement of the Offers.

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

2.3 Underwriting

The Company has entered into an underwriting agreement (**Underwriting Agreement**) with CPS Capital Group Pty Ltd (**CPS** or **Underwriter**), pursuant to which the Underwriter has agreed to fully underwrite the Entitlement Offer.

Pursuant to the Underwriting Agreement, the Underwriter will receive the following fees:

- (a) an underwriting fee equivalent to 6% of the gross amount raised under the Entitlement Offer; and
- (b) the issue of up to 48,851,643 Underwriter Options (subject to Shareholder approval being obtained at the General Meeting).

CPS is also engaged by the Company to provide consultancy services, which are invoiced on a monthly basis of \$6,000 plus GST, for a minimum 12 month term.

Further terms of the underwriting are set out in Section 7.4.

2.4 Effect on Control

The Underwriter and its advisers hold an interest in 35,678,605 Shares and 8,938,816 Options in the Company. The issue of Shares and New Options under this Prospectus to the Underwriter may increase its interest in the Company and dilute the Shareholding of other Shareholders to the extent they elect not to participate in the Entitlement Offer or are ineligible to participate in the Entitlement Offer.

In accordance with the terms of the Underwriting Agreement, the Underwriter will allocate the shortfall to its sub-underwriters and/or clients and people who have otherwise agreed to assist with the completion of the Entitlement Offer such that neither the Underwriter, the sub-underwriters nor any of the Underwriter's clients, individually, will have a voting power in the Company in excess of 19.9% after the issue of the shortfall.

The Company, in consultation with the Underwriter, will ensure that the Entitlement Offer (including the equitable dispersion of any Shortfall Securities) complies with the provisions of Chapter 6 of the *Corporations Act 2001* (Cth) and is otherwise consistent with the policy guidelines contained in ASIC Regulatory Guide 6 and Takeovers Panel Guidance Note 17.

2.5 Potential dilution on non-participating Shareholders

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 20% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

No immediate dilution will occur as a result of the issue of New Options and Underwriter Options under this Prospectus. However subsequent exercise of any or all of the New Options and Underwriter Options will result in dilution. Assuming all New Options and Underwriter Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 32.68% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

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

Holder	Holding as at Record date	% at Record Date	Entitlements under the Entitlement Offer	Holdings if Entitlement Offer not taken Up	% post Offer
Shareholder 1	10,000,000	2.26%	2,500,000	10,000,000	1.81%
Shareholder 2	5,000,000	1.13%	1,250,000	5,000,000	0.90%
Shareholder 3	1,500,000	0.34%	375,000	1,500,000	0.27%
Shareholder 4	400,000	0.09%	100,000	400,000	0.07%
Shareholder 5	50,000	0.01%	12,500	50,000	0.01%

Notes:

1. This is based on a share capital of 442,219,721 Shares as at the date of the Prospectus and assumes no Options currently on issue or other Shares are issued and also assumes no New Options, Underwriter Options or Performance Rights are exercised.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those entitlements not accepted by eligible holders are placed under the underwriting and Shortfall Offer.

3. DETAILS OF THE OFFERS

3.1 The Entitlement Offer

The Entitlement Offer is being made as a pro-rata non-renounceable entitlement issue of one (1) Share (or Depositary Interest) for every four (4) Shares (or Depositary Interests) held by Securityholders registered at the Record Date at an issue price of \$0.03 per Share (or £0.016 per Depositary Interest) together with one (1) New Option for every two (2) Shares (or Depositary Interests) subscribed for and issued. Fractional entitlements will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, and assuming no Shares are issued prior to the Record Date including on exercise or conversion of Securities on issue) approximately 110,554,930 Shares and 55,277,465 New Options may be issued under the Entitlement Offer to raise up to \$3,316,648 (before costs). No funds will be raised from the issue of the New Options.

As at the date of this Prospectus the Company has 113,860,891 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Entitlement Offer. Please refer to Section 4.4 for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The New Options will be exercisable at \$0.10 on or before 11 June 2024 and otherwise on the terms set out in Section 5.2 (being the same terms and conditions as the existing class of quoted Options trading under ASX:FME0).

The purpose of the Entitlement Offer and the intended use of funds raised are set out in Section 4.

3.2 The Underwriter Offer

The Underwriter Offer is an offer of up to 48,851,643 Options to the Underwriter (or its nominees) (**Underwriter Options**).

Pursuant to the Underwriting Agreement, and subject to Securityholder approval, the Underwriter or its nominee/s the Company will issue the Underwriter:

- (a) 12,000,000 Underwriter Options; and
- (b) one (1) Underwriter Option for every three (3) Shares subscribed for and issued under the Entitlement Offer, up to a maximum of 36,851,643 additional Underwriter Options.

The Company proposes to convene a general meeting to be held no later than 29 February 2024 (**General Meeting**) to approve the issue of the Underwriter Options to the Underwriter or its nominee/s.

The Underwriter Options have an issue price of \$0.00001 each. As such, \$489 will be raised from the issue of the Underwriter Options. All of the funds raised from the Underwriter Offer will be applied towards the expenses of the Prospectus.

The Underwriter Options offered under the Underwriter Offer will be exercisable at \$0.10 on or before the date that is three years from the date of issue and will be otherwise issued on the terms set out in Section 5.3.

All Shares issued upon exercise of the Underwriter Options will rank equally with the Shares on issue at the date of this Prospectus.

Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

3.3 What Eligible Holders may do

The number of Securities to which Eligible Holders are entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Prospectus and can be accessed at www.computersharecas.com.au/fmeoffer. Eligible Holders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	- Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which accompanies this Prospectus and can be accessed at www.computersharecas.com.au/fmeoffer. Please read the instructions carefully. - Payment can be made by the methods set out in Section 3.4. As set out in Section 3.4, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.	Section 3.4 and Section 3.5.
Take up all of your Entitlement and also apply for Shortfall Securities	- Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which accompanies this Prospectus and can be accessed at www.computersharecas.com.au/fmeoffer. Please read the instructions carefully. - Payment can be made by the methods set out in Section 3.4. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying. As set out in Section 3.4, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance	Sections 3.4, 3.5

Option	Key Considerations	For more information
	Form. - If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the discretion of the Board in conjunction with the Underwriter as per the allocation policy set out in Section 3.7. Accordingly, your application for additional Shortfall Securities may be scaled-back. - The Company's decision on the number of Shortfall Securities to be allocated to you will be final.	
Take up a proportion of your Entitlement and allow the balance to lapse	If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus and can be accessed at www.computersharecas.com.au/fmeoffer, for the number of Securities you wish to take up and making payment using the methods set out in Section 3.4 below. As set out in Section 3.4, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.	Section 3.4 and Section 3.5
Allow all or part of your Entitlement to lapse	If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Entitlement Offer to you will lapse.	N/A

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

If you require assistance in applying under the Entitlement Offer, please contact the Company on +61 8 9480 0414.

Depository Interest Holders should refer to the Depository Interest Holders letter distributed to them at the same time as this Prospectus, or contact Computershare Investor Services PLC on +44 (0) 370 707 4040 for further information.

3.4 Payment options

(a) By BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you

are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

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

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

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

(b) By Electronic Funds Transfer (overseas applicants)

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

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

(c) **By Cheque**

Payment by cheque or cash will not be accepted.

3.5 Implications of an acceptance

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

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

3.6 Minimum subscription

There is no minimum subscription to the Offers.

3.7 Shortfall Offer

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share (Depositary Interest) to be issued under the Shortfall Offer shall be \$0.03 (£0.016), being the price at which Shares (Depositary Interests) have been offered under the Offer.

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

Eligible Holders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by making payment for such Shortfall Securities in accordance with Section 3.4.

Allocation of the Shortfall Securities will be at the discretion of the Board in conjunction with the Underwriter and will otherwise be subject to the terms of the Underwriting Agreement, details of which are set out in Section 7.4. If the Entitlement Offer is oversubscribed (by take up of Entitlements and applications for Shortfall Securities by Eligible Holders), scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Holders. There is no guarantee that Eligible Holders will receive Securities applied for under the Shortfall Offer.

The Underwriter notes that no Securities will be issued to an applicant under this Prospectus or via the Shortfall Offer if the issue of Securities would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Securities will be issued via the Shortfall Offer to any related parties of the Company.

3.8 ASX and AIM admission

Application for Official Quotation and admission to trading on ASX of the Shares and New Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares and New Options offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

Application for trading on the AIM of the Shares offered pursuant to this Prospectus will be made in due course.

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

3.9 Issue of Securities

Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules, the AIM Rules for Companies or FSMA and the timetable set out at Section 1.1.

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for, or where no issue is made surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Securities issued under the Offers will be mailed as soon as practicable after the issue of Securities and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

3.10 Overseas Securityholders

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

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

New Zealand

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

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

United Kingdom

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

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

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the 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 document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

Nominees and custodians

Nominees and custodians may not take up Entitlements or apply for Shortfall Securities on behalf of any Securityholders or resident outside Australia and New Zealand or the United Kingdom without the prior consent of the Company, taking into account relevant securities law restrictions. Acceptance of Entitlements or an application for Shortfall Securities will be taken by the Company to constitute a representation that there has been no breach of those regulations.

4. PURPOSE AND EFFECT OF THE OFFERS

4.1 Purpose of the Offers

The purpose of the Entitlement Offer is to raise up to \$3,316,648 before costs.

The purpose of the Underwriter Offer is to satisfy the Company's obligations under the Underwriting Agreement.

The purpose of the Offers is also to remove any trading restrictions on the sale of any Shares issued on exercise of the New Options and Underwriter Options issued under the Offers.

4.2 Use of funds

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

Item	Proceeds of the Entitlement Offer	Full Subscription (\$)	%
1.	Exploration expenses	1,200,000	36
2.	Feasibility study expenses	750,000	23
3.	Working capital	1,109,939	33
4.	Expenses of the Offer ¹	256,709	8
	Total	3,316,648	100

Notes:

1. Refer to Section 7.8 for further details relating to the estimated expenses of the Entitlement Offer.

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

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

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

A total of \$489 will be raised from the issue of the Underwriter Options pursuant to the Underwriter Offer. All of the funds raised from the Underwriter Offer will be applied towards the expenses of the Prospectus.

4.3 Effect of the Offers

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

- (a) increase the cash reserves by \$3,060,569 (after deducting the estimated expenses of the Offers) immediately after completion of the Offers; and

- (b) increase the number of Shares on issue from 442,219,721 as at the date of this Prospectus to 552,774,651 Shares.
- (c) increase the number of Options on issue from 113,860,891 as at the date of this Prospectus to 217,989,999 Options.

4.4 Effect on capital structure

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

Shares

	Number
Shares currently on issue	442,219,721
Shares offered pursuant to the Entitlement Offer ¹	110,554,930
Shares offered pursuant to the Underwriter Offer	Nil
Total Shares on issue after completion of the Offers	552,774,651

Notes:

- This number may vary due to rounding of Entitlements.

Options

Options	Number
Quoted Options currently on issue exercisable at \$0.10 each, expiring on 11 June 2024	104,479,939
Unquoted Options currently on issue exercisable at \$0.18 each, expiring on 3 November 2024	7,000,000
Unquoted Options currently on issue exercisable at GBP 0.06 expiring on 11 June 2024	2,380,952
New Options offered pursuant to the Entitlement Offer ¹	55,277,465
Options offered pursuant to the Underwriter Offer ²	48,851,643
Total Options on issue after completion of the Offers	217,989,999

Notes:

- This number may vary due to rounding of Entitlements. Refer to Section 5.2 for the terms attaching to the New Options.
- This number may vary due to rounding of Entitlements. Refer to Section 5.3 for the terms attaching to the Underwriter Options.

Performance Rights

	Number
Performance Rights expiring on 31 January 2024	1,500,000
Performance Rights expiring on 31 January 2025	1,600,000
Performance Rights expiring on 21 November 2026	20,000,000
Performance Rights expiring on 11 June 2024 (restricted)	7,333,335
Performance Rights expiring on 11 June 2024	2,333,334

	Number
Performance Rights expiring on 15 November 2025	3,049,999
Performance Rights expiring on 22 June 2026	1,500,000
Performance rights offered under the Offers	Nil
Total Performance Rights on issue after completion of the Offers	37,316,668

The capital structure on a fully diluted basis as at the date of this Prospectus would be 593,397,280 Shares and on completion of the Offers (assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 808,081,318 Shares.

4.5 Pro-forma balance sheet

The unaudited balance sheet as at 31 October 2023 and the unaudited pro-forma balance sheet on completion of the Offers shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

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

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

	Unaudited 31 October 2023	Proforma Full Subscription
	\$	\$
Current assets		
Cash and cash equivalents	1,374,633	4,435,061
Trade and other receivables	68,996	68,996
Total current assets	1,443,629	4,504,057
Non-current assets		
Deferred Exploration & Evaluation Expenditure	16,609,916	16,609,916
Property, plant and equipment	60,761	60,761
Total non-current assets	16,670,677	16,670,677
Total assets	18,114,306	21,174,734

	Unaudited 31 October 2023	Proforma Full Subscription
	\$	\$
Current liabilities		
Trade and other payables	555,017	555,017
Total current liabilities	555,017	555,017
Total liabilities	555,017	555,017
Net assets	17,559,289	20,619,717
Equity		
Issued Capital	36,524,091	39,583,541
Reserves	3,628,232	3,628,721
Accumulated losses	(22,593,034)	(22,593,034)
Total Equity	17,559,289	20,619,228

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

5.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Securityholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

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

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

(b) Voting rights

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

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

(c) Dividend rights

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

The Directors may from time to time pay to the Members any interim dividends as they may determine. No dividend shall carry interest as

against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Members in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Members or different classes of Members.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Member is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Member liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

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

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Members vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Members 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 of New Options**

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each New Option will expire at 5:00 pm (WST) on 11 June 2024 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

(g) **Timing of issue of Shares on exercise**

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

5.3 **Terms of Underwriter Options**

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Underwriter Options will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Underwriter Option will expire at 5:00 pm (WST) on the date that is three (3) years from the date of issue (**Expiry Date**). An Underwriter Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

The Underwriter Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.

(e) **Notice of Exercise**

The Underwriter Options may be exercised during the Exercise Period by lodging with the Company, before the Expiry Date:

- (i) a written notice of exercise of Underwriter Options specifying the number of Underwriter Options being exercised (**Notice of Exercise**); and
- (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Underwriter Options being exercised.

A Notice of Exercise is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

(f) **Exercise Date**

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

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days of receipt of the Notice of Exercise accompanied by the Exercise Price (and subject to the Company obtaining any necessary prior approvals from Shareholders), the Company will the Company will:

- (iii) issue the number of Shares required under these terms and conditions in respect of the number of Underwriter Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Underwriter Options.

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Underwriter Options and holders will not be entitled to participate in new issues of capital offered to Securityholders during the currency of the Underwriter Options without exercising the Underwriter Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(k) **Change in exercise price**

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

(l) **Transferability**

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

6. RISK FACTORS

6.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

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

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

6.2 Risks specific to the Company

(a) Going concern risk

In the Company's annual report for the financial year ended 30 June 2023, lodged with ASX on 29 September 2023, the Notes to the Consolidated Financial Statements contained a note in relation to going concern.

The note draws attention to Note 2(a) of the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

For the Company to continue to carry out its exploration activities, meet its expenditure requirements and continue as a going concern it is dependent on securing additional funding. The Directors are satisfied they will be able to raise additional working capital as required and thus it is appropriate to prepare the financial statements on a going concern basis.

(b) **Exploration and Operating Risk**

The tenements in which the Company has an interest (**Tenements**) are still subject to exploration. Mineral exploration and development are high-risk undertakings and there can be no assurance that future exploration of the Tenements, or any other mineral licences that may be acquired in the future will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will depend upon:

- (i) the Company's ability to maintain title to the Tenements;
- (ii) the Company being able to delineate economically mineable resources and reserves;
- (iii) positive movements in the price of platinum group metals and exchange rate fluctuations;
- (iv) the Company obtaining all consents and approvals (including environmental approvals) necessary to conduct its exploration activities; and
- (v) the successful management of development operations.

In the event that Company's exploration programs prove to be unsuccessful, this could lead to a diminution in the value of the Tenements, a reduction in the cash reserves of the Company and possible relinquishment of Tenements.

Until the Company is able to realise value from its Tenements, it is likely to incur ongoing operating losses.

(c) **Metallurgy**

Whilst a significant amount of metallurgical test work has been completed on the Project further test work is required to confirm metallurgical performance across variable composites.

(d) **Resources and Reserves**

There is a Mineral Resource Estimate in respect of the Company's Panton PGM Project. There are currently no Reserve estimates in respect of any of the Tenements. Reserve and Resource estimates are expressions of judgement based on knowledge, experience and

industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature Resource and Reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

(e) **Commodity Price Volatility and Exchange Rate Risk**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for platinum group metals, technological advancements, forward selling activities and other macroeconomic factors (such as inflation, interest rates, currency exchange rates and global and regional demand for, and supply of platinum group metals).

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.

(f) **Environmental Risks**

The operations and proposed activities of the Company in Australia are subject to State and Federal laws and regulation 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.

There is also a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

(g) **Title Risks and Native Title**

Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. Additionally, tenements are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements or renewal of tenements will be approved.

It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. The existing Mining Leases constituting the Panton PGM Project were granted prior to the enactment of the Native Title Act 1993 (Cth), however, on further renewal of those leases (not due until 2028) it

is expected that the renewal will need to comply with the future act provisions of the Native Title Act 1993 (Cth). In respect of any other tenements that the Company may acquire, if native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

The Directors will closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

(h) **Exploration Costs**

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

(i) **Mine Development**

Possible future development of mining operations at the Tenements is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production on any of the Tenements, its operations may be disrupted by a number of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Projects.

The risks associated with the development of a mine will be considered in full, should the Tenements reach that stage.

(j) **Information Accuracy Risk**

The Company has acquired mining information in relation to its Tenements compiled by previous explorers. Any inaccuracies in that information could adversely affect the Company's ability to implement its planned exploration program.

(k) **Climate**

There are a number of climate related factors that may affect the operations and proposed activities of the Company, including, the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market challenges

related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

6.3 General risks

(a) Additional requirements for capital

The Directors consider the Company has sufficient funds to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.

The Company may seek to raise further funds through equity or debt financing, joint ventures, or other means. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of their activities and the proposed exploration and development strategy. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Securityholders.

(b) Reliance on key personnel

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(c) Economic and financial market risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of the Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

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

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

(d) **Force majeure**

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

(e) **Trading price of Shares**

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to, general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

(f) **Government Policy Changes**

Adverse changes in government policy or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in the jurisdictions where the Company's assets are or will be located may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(g) **Litigation risk**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. The Company may also be involved in disputes with third parties in the future which may result in litigation. Should any such claim or dispute be determined not in the Company's favour, this may impact adversely on the Company's operations, financial performance and financial position.

(h) **Insurance**

The Company intends to obtain insurance for its operations in accordance with industry practice. However, the Company's insurance may not be of a nature or level to provide adequate insurance against all possible risks to the Company. The occurrence of an event that is not fully covered by insurance could have a material adverse effect on the Company.

Insurance of all risks associated with mineral exploration or production is not always available, and where available, the costs of such insurance may be prohibitive.

(i) **International Conflict**

The current conflict between Ukraine and Russia and Israel and Palestine (**International Conflict**) is impacting global economies and financial markets. The nature and extent of the effect the International Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the International Conflict and the wider effect the conflict has on global economies and financial markets.

The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the International Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the International Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving parties involved in the International Conflict, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the International Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

6.4 Speculative investment

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

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

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

Before deciding whether to subscribe for Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

7.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
14 December 2023	Application for quotation of securities - FME
13 December 2023	Trading Halt
7 December 2023	Investor Webinar

Date	Description of Announcement
7 December 2023	Panton Project - Scoping Study Presentation
7 December 2023	Panton PGM-Ni-Chromite Project Scoping Study
5 December 2023	Trading Halt
28 November 2023	Cleansing Notice
27 November 2023	Application for quotation of securities - FME
23 November 2023	Change of Director's Interest Notice
23 November 2023	Application for quotation of securities - FME
22 November 2023	Initial Director's Interest Notice
22 November 2023	Notification regarding unquoted securities - FME
20 November 2023	Final Director's Interest Notice 2x
20 November 2023	Results of Meeting
17 November 2023	Update - Proposed issue of securities - FME
17 November 2023	Acquisition of Osprey
15 November 2023	Board Changes and AGM Resolutions Updates
6 November 2023	Variation to Option Agreement
31 October 2023	Quarterly Activities/Appendix 5B Cash Flow Report
26 October 2023	Resource Upgrade Defines Pantons Impressive Grade & Scale
19 October 2023	Letter to Shareholders
19 October 2023	Notice of Annual General Meeting/Proxy Form
9 October 2023	Proposed issue of securities - FME
9 October 2023	Executive Chair Appointment and Board Changes
6 October 2023	Notice of AGM and Closing Date for Director Nominations
5 October 2023	Proposed issue of securities - FME
5 October 2023	FME Doubles Strategic Exploration Position Near Panton
29 September 2023	Appendix 4G and Corporate Governance Statement

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

The announcements are also available through the Company's website www.future-metals.com.au.

7.3 Market price of Shares and New Options

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

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus

with the ASIC and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.063	1 December 2023
Lowest	\$0.03	31 October 2023
Last	\$0.031	12 December 2023

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

	(\$)	Date
Highest	\$0.002	29 November 2023
Lowest	\$0.001	22 November 2023
Last	\$0.002	29 November 2023

7.4 Underwriting Agreement

The Company has entered into an underwriting agreement (**Underwriting Agreement**) with CPS Capital Group Pty Ltd (**CPS** or **Underwriter**), pursuant to which the Underwriter has agreed to fully underwrite the Offer, being up to 110,554,930 Shares (the **Underwritten Shares**).

The Underwriter and the Company may appoint sub-underwriters to sub-underwrite the Entitlement Offer.

The material terms and conditions of the Underwriting Agreement are summarised below:

Fees	The Company has agreed to: (a) pay the Underwriter an underwriting fee of 6% of the gross amount raised under the Entitlement Offer; and (b) subject to the receipt of approval of the Company's shareholders at the General Meeting, issue the Underwriter: (i) 12,000,000 Underwriter Options; and (ii) an additional one (1) Underwriter Option for every three (3) Shares subscribed for and issued under the Entitlement Offer. By negotiation, the Underwriter may be liable to pay a sub-underwriting fee to parties of up to 4% plus GST where applicable.
Termination Events	The Underwriter may terminate its obligations under the Underwriting Agreement if: (a) Offer withdrawn: the Entitlement Offer is withdrawn by the Company; (b) No Listing Approval: the Company fails to lodge an

Appendix 2A in relation to the Underwritten Shares with ASX by the time required by the Listing Rules, the Corporations Act or any other regulations;

- (b) **(Corrective Disclosure):** the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of a material adverse change forms the view on reasonable grounds that a corrective document should be lodged with ASX and ASIC to comply with the Corporations Act and the Company fails to lodge a corrective document in such form and content and within such time as the Underwriter may reasonably require, or the Company lodges a corrective document without the prior written agreement of the Underwriter (which agreement the Underwriter may not unreasonably withhold);
- (c) **Misleading documents:** it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus 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;
- (d) **Restriction on issue:** the Company is prevented from issuing the Underwritten Shares within the relevant timeframe provided in the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (e) **ASIC application:** an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Entitlement Offer, provided that the 22 February 2024 (**Shortfall Notice Deadline Date**) has arrived, and that application has not been dismissed or withdrawn;
- (f) **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, or an application for such a declaration is made to the Takeovers Panel and is not withdrawn or disposed of by the Shortfall Notice Deadline Date, either of which in the Underwriter's reasonable opinion has a material adverse effect;
- (g) **Indictable offence:** a director or senior manager of the Company is charged with an indictable offence;
- (h) **Market movement:** the S&P/ASX Small Ordinaries index falls by 10% or more below the level of the S&P/ASX Small Ordinaries index on the execution date of the Underwriting Agreement at the close of trading for at least two consecutive Business Days in the period

between the execution date Underwriting Agreement and the Business Day prior to 25 January 2024; or on the Business Day immediately prior to 25 January 2024.

- (i) **Other:** any of the following events occurs:
- (i) **Default:** default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking and the default or breach is either incapable of remedy or is not remedied within 10 Business Days after the Underwriter notifies the Company of the default or breach or by the Shortfall Notice Deadline Date, whichever is earlier;
 - (ii) **Incorrect or untrue representation:** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect to a material respect;
 - (iii) **Contravention of constitution or Act:** a material contravention by the 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;
 - (iv) **Adverse change:** an event occurs which gives rise to a material adverse effect in relation to the assets, liabilities, financial position, trading results, profits, losses, prospects, business or operations of the Company;
 - (v) **Misleading information:** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Entitlement Offer or the issue or the affairs of the Company is or becomes misleading or deceptive or likely to mislead or deceive to a material respect;
 - (vi) **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;
 - (vii) **Prescribed occurrence:** a prescribed occurrence occurs; (as that term is defined in the Underwriting Agreement);
 - (viii) **Suspension of debt payments:** the Company suspends payment of its debts generally;
 - (ix) **Event of insolvency:** an event of insolvency

occurs in respect of the Company;

- (x) **Judgment against the Company:** a judgment in an amount exceeding \$100,000 is obtained against the Company and is not set aside or satisfied within seven days;
- (xi) **Litigation:** litigation, arbitration, administrative or industrial proceedings seeking damages in an amount exceeding \$100,000 are brought after the execution date of the Underwriting Agreement commenced against the Company;
- (xii) **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 Issue without the prior written consent of the Underwriter (such consent not to be unreasonably delayed or withheld);
- (xiii) **Change in shareholdings:** a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company;
- (xiv) **Timetable:** there is a delay in any specified date in the timetable which is greater than 3 Business Days, without the prior written consent of the Underwriter (such consent not to be unreasonably delayed or withheld);
- (xv) **Force majeure:** a force majeure (as that term is defined in the Underwriting Agreement) which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of 7 days occurs;
- (xvi) **Certain resolutions passed:** the 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 the Underwriter;
- (xvii) **Hostilities:** hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand the United States of America, the United Kingdom any member state of the European Union, Japan, the Peoples Republic of China or Indonesia, or a terrorist act is perpetrated on any of those countries or any diplomatic or political establishment of any of those countries elsewhere in the world, or a national emergency is declared by any of those countries; or

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| | <p>(xviii) Adverse change in financial markets: there occurs any material adverse change or material adverse disruption to the political or economic conditions of financial markets in Australia, the United Kingdom, the United States of America or the international financial markets or any change or development involving a prospective change in national or international political, financial or economic conditions, including but not limited to the collapse of a major bank or financial institution.</p> |
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The Underwriting Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

7.5 Interests of Directors

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

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

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

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

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 2.1.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Securityholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive

Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

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

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

Director	Proposed remuneration for the FY ending 30 June 2024 (\$)	Remuneration for the FY ending 30 June 2023 (\$)
Jardee Kininmonth	291,308	505,268 ¹
Patrick Walta	741,517 ⁵	Nil ²
Justin Tremain	56,610	79,560 ³
Elizabeth Henson	68,788	149,293 ⁴

Notes:

1. Comprising \$240,000 in salary, \$11,077 in leave entitlements, \$228,991 in share-based payments and \$25,200 in post-employment benefits.
2. Appointed on 17 November 2023.
3. Comprising \$72,000 in director's fees and \$7,560 in post-employment benefits.
4. Comprising \$64,057 in director's fees, \$409 in consulting fees and \$84,827 in share-based payments.
5. Comprising \$224,000 in salary, \$24,640 in superannuation and an estimated \$492,877 in share-based payments.

7.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;

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

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

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

CPS Capital Group Pty Ltd acted as Underwriter to the Entitlement Offer. The Company will pay the Underwriter the fees set out in Section 2.3. During the 24 months preceding lodgement of this Prospectus with the ASIC, the Underwriter has not received any other fees from the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$97,522 (excluding GST and disbursements) for legal services provided to the Company.

7.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

CPS Capital Group Pty Ltd has given its written consent to being named as the Underwriter to the Entitlement Offer in this Prospectus. The Underwriter (including

its related entities) is not a Securityholder of the Company and currently has no relevant interest in any of the Company's securities.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

7.8 Expenses of the Offers

In the event that all Entitlements are accepted, the total expenses of the Offers are estimated to be approximately \$256,709 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	\$3,206
ASX fees	\$28,874
Underwriting fees	\$198,999
Legal fees	\$15,000
Printing and distribution	\$5,000
Miscellaneous	\$5,000
Total	\$256,079

8. DIRECTORS' AUTHORISATION

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

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

9. GLOSSARY

\$ means Australian dollars.

£ means Pound Sterling.

AIM means the AIM market of the London Stock Exchange plc.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX Listing Rules means the listing rules of the ASX.

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

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

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

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at Section 1.1 (unless extended).

Company means Future Metals NL (ACN 124 734 961).

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

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

CRN means Customer Reference Number in relation to BPAY®.

Depository Interest Holder means a holder of Depository Interests.

Depository Interest means the depository interests issued by Computershare Investor Services PLC representing Shares which may be traded through CREST in dematerialised form.

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

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

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

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

Entitlement Offer means the pro-rata non-renounceable entitlement issue pursuant to this Prospectus.

GMT means Greenwich mean time.

New Option means an Option issued on the terms set out in Section 5.2.

Offers means the Entitlement Offer and Underwriter Offer.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a right to acquire a Share.

Prospectus means this prospectus.

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

Section means a section of this Prospectus.

Securities means Shares, Options and Performance Rights as the context requires.

Securityholder means a Shareholder or a Depositary Interest Holder.

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

Shareholder means a holder of a Share.

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

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

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 3.7.

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

UK Depositary means Computershare Investor Services PLC.

Underwriter means CPS Capital Group Pty Ltd (AFSL 294848).

Underwriter Offer means the offer of Underwriter Options to the Underwriter (or its nominees) pursuant to this Prospectus.

Underwriter Option means an Option issued on the terms set out in Section 5.3.

WST means western standard time as observed in Perth, Western Australia.