*A copy of this preliminary short form base shelf prospectus has been filed with the securities regulatory authorities in the Provinces of British Columbia, Alberta, Ontario and Saskatchewan but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form base shelf prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form base shelf prospectus is obtained from the securities regulatory authorities.*

*This preliminary short form prospectus is a base shelf prospectus. This preliminary short form base shelf prospectus has been filed under legislation in the Provinces of British Columbia, Alberta, Ontario and Saskatchewan that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.*

*No securities regulatory authority has expressed an opinion about these securities, and it is an offence to claim otherwise. This preliminary short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws. Accordingly, the securities may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as such terms are defined in Regulation S under the U.S. Securities Act), unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the benefit of, U.S. persons. Refer to the "Plan of Distribution" section of this Prospectus.*

***Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Graphene Manufacturing Group Ltd. At Unit 5, 848 Boundary Road, Richlands, QLD 4077, Australia (Telephone: (617) 3040-5716) and also available electronically at www.sedar.com.*

**PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS**

*New Issue* December 19, 2022

**GRAPHENE MANUFACTURING GROUP LTD.**
**CDN$75 Million**
**ORDINARY SHARES**
**WARRANTS**
**UNITS**
**SUBSCRIPTION RECEIPTS**
**DEBT SECURITIES**

Graphene Manufacturing Group Ltd. ("**GMG**" or the "**Company**") may offer for sale hereunder and issue, from time to time, in one or more series or issuances, of: (i) ordinary shares in the capital of the Company ("**Ordinary Shares**"); (ii) warrants to purchase Ordinary Shares ("**Warrants**"); (iii) units comprising Ordinary Shares and Warrants ("**Units**"); (iv) subscription receipts exercisable for Ordinary Shares, Warrants or Units ("**Subscription Receipts)**; and (v) debt securities ("**Debt Securities**" and together with the Ordinary Shares, Warrants, Units, and Subscription Receipts, the "**Securities**") of the Company, with the total gross proceeds not to exceed CDN$75 million during the 25-month period that this short form base shelf prospectus (including any amendments hereto) (the "**Prospectus**") remains effective. The Securities may be offered hereunder in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in an accompanying shelf prospectus supplement ("**Prospectus Supplement**").

In addition, the Securities may be offered and issued in consideration for the acquisition of other businesses, assets or securities by the Company or a subsidiary of the Company. The consideration for any such acquisition may consist of any of the Securities separately, a combination of Securities or any combination of among other things, Securities, cash and assumption of liabilities.

The specific terms of the Securities in respect of which this Prospectus is being delivered will be set forth in the applicable Prospectus Supplement and will include the number of Securities offered, the offering price and any other specific terms.

All applicable information permitted under applicable laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

The Ordinary Shares are listed and posted for trading on the TSX Venture Exchange (the "**TSXV**") under the trading symbol "GMG". On December 19, 2022, being the last complete trading day of the Ordinary Shares prior to the date of this Prospectus, the closing price of the Ordinary Shares on the TSXV was C$2.28.

Unless otherwise specified in the applicable Prospectus Supplement, the Warrants, the Units and the Subscription Receipts (collectively, the "**Non-Listed Securities**") will not be listed on any securities or stock exchange or on any automated dealer quotation system. **There is currently no market through which the Non-Listed Securities may be sold and purchasers may not be able to resell such Non-Listed Securities purchased under this Prospectus. This may affect the pricing of the Non-Listed Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Non-Listed Securities and the extent of issuer regulation. Refer to the "*Risk Factors*" section of this Prospectus.**

Prospective investors should be aware that the acquisition and disposition of the Securities may have tax consequences. Such consequences for investors are not described fully herein. Prospective investors should carefully review the tax discussion, if any, contained in any applicable Prospectus Supplement with respect to a particular offering of the Securities and consult their own tax advisors with respect to their own particular circumstances.

**An investment in the Securities being offered is highly speculative and involves significant risks that prospective investors should consider before purchasing such Securities. Prospective investors should carefully review the risks outlined in this Prospectus (including any Prospectus Supplement) and in the documents incorporated by reference as well as the information under the heading "*Cautionary Note Regarding Forward-Looking Information*" and consider such risks and information in connection with an investment in the Securities. See "*Risk Factors*" for a more complete discussion of these risks.**

This Prospectus constitutes a public offering of Securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell the Securities. GMG may offer and sell Securities to, or through, underwriters or dealers and also may offer and sell Securities directly to other purchasers or through agents pursuant to exemptions from registration or qualification under applicable securities laws. The Prospectus Supplement relating to each issue of Securities offered thereby will set forth the names of any underwriters, dealers or agents involved in the offering and sale of the Securities, if any, and will set forth the terms of the offering of the Securities, the method of distribution of Securities, including, to the extent applicable, the proceeds to the Company and any fees, discounts or any other compensation payable to underwriters, dealers or agents, if any, and any other material terms of the plan of distribution.

**No underwriter has been involved in the preparation of this Prospectus or performed any review of the content of this Prospectus.**

The Company's head and registered office is located at Unit 5, 848 Boundary Road, Richlands, QLD 4077, Australia.

**TABLE OF CONTENTS**

## ABOUT THIS PROSPECTUS

You should rely only on the information contained in or incorporated by reference in this Prospectus and any applicable Prospectus Supplement in connection with an investment in the Securities. GMG has not authorized anyone to provide you with different information. GMG is not making an offer of the Securities in any jurisdiction where such offer is not permitted. You should assume that the information appearing in this Prospectus or any Prospectus Supplement is accurate only as of the date on the front of those documents and that information contained in any document incorporated by reference herein or therein is accurate only as of the date of that document unless specified otherwise. Such information may also be amended, supplemented or updated by the subsequent filing of additional documents deemed by law to be or otherwise incorporated by reference into this Prospectus and by any subsequently filed prospectus amendments. GMG's business, financial condition, results of operations and prospects may have changed since those dates.

This Prospectus provides a general description of the Securities that the Company may offer. Each time the Company sells securities under this Prospectus, it will provide you with a Prospectus Supplement that will contain specific information about the terms of that offering. A Prospectus Supplement may also add, update or change information contained in this Prospectus. Before investing in any securities, you should read both this Prospectus and any applicable Prospectus Supplement together with additional information described below under "Documents Incorporated by Reference".

In this Prospectus and any Prospectus Supplement, unless the context otherwise requires, the terms "we", "our", "us", the "Company" or "GMG" refers to Graphene Manufacturing Group Ltd. and each of its direct and indirect subsidiaries.

## NOTICE REGARDING PRESENTATION OF FINANCIAL INFORMATION

The financial statements incorporated by reference in this Prospectus and any Prospectus Supplement, and the selected consolidated financial data derived therefrom included in this Prospectus and any Prospectus Supplement, are presented in Australian dollars. Unless stated otherwise or the context otherwise requires, in this Prospectus and any Prospectus Supplement, references to "AUD$" "A$" or "$" are to Australian dollars, references to "CDN$" or "C$" are to Canadian dollars and references to "US$" are to United States dollars.

The annual financial statements incorporated by reference in this Prospectus and any Prospectus Supplement, and the selected consolidated financial data derived therefrom included in this Prospectus and any Prospectus Supplement, have been prepared in accordance with International Financial Reporting Standards, and the interim consolidated financial statements, incorporated by reference in this Prospectus and any Prospectus Supplement, and the selected consolidated financial data derived therefrom included in this Prospectus and any Prospectus Supplement have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus and any Prospectus Supplement, and the documents incorporated by reference into this Prospectus and any Prospectus Supplement, contains "forward-looking information" (within the meaning of applicable Canadian securities law, and also referred to herein as "forward-looking" statements) concerning future events or future performance with respect to the Company's projects, business approach and plans, including, without limitation: capital and operating and cash flow estimates; business transactions including new business partnerships and the expected benefits therefrom; requirements for additional capital; the Company's intention to enter into, and operate in, new jurisdictions; the amount of proceeds the Company intends to raise; the Company's intention to complete future offerings; the Company's expected expenditures; the Company's strategy; future results of current and anticipated services; the Company's ability to grow its customer base; and the use of proceeds from any offerings conducted by the Company in connection with this Prospectus. Forward-looking information contained in this Prospectus includes, but is not limited to, statements regarding:

- the Company's strategies and objectives;
- limited operating history and negative operating cash flow;
- the Company's future cash requirements;
- general business and economic conditions;
- the Company's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations;
- the timing and pricing of proposed financings if applicable;
- the anticipated completion of financings;
- the anticipated receipt of regulatory approval/acceptance of financings;
- the anticipated use of the proceeds from the financings;
- use of available funds; and
- business objectives and milestones.

These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Actual results could differ materially from the conclusions, forecasts and projections contained in such forward-looking information. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "is expected", "anticipates", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements is necessarily based on estimates and assumptions made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments. In making the forward-looking statements in this Prospectus and any Prospectus Supplement, the Company has applied several material assumptions including, but not limited to, the assumptions relating to:

- general business and economic conditions;
- conditions in the financial markets generally;
- the Company's ability to attract and retain key staff, and to retain consultants to provide the specialized information and skills involved in understanding the graphene manufacturing and marketing businesses;
- its ability to carry out current planned manufacturing, production, and sales and marketing programs for its graphene and graphene-enhanced products and solutions with its current financial resources;
- its graphene-enhanced products and solutions not achieving the expected performance benefits which could negatively impact adoption by prospective customers;
- its rates of production for graphene or graphene-enhanced products, may not be enough to meet customer demand, or it may take longer than expected to achieve those rates;
- the quality of the Company's graphene or graphene-enhanced products may vary which could affect the expected performance benefits or specifications required by its customers; and
- the growth of global markets in which the Company operates.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- escalation of the COVID-19 public health crisis;
- the Company's inability to obtain any necessary permits;
- the Company's inability to obtain consents or authorizations required for its activities;
- the Company's ability to continue its projected growth;
- the Company's ability to raise the necessary capital or to be fully able to implement its business strategies;
- uncertainty of additional funding;
- the negative cash flow of the Company;
- uninsured or uninsurable risks;
- contractual risks;
- unforeseen expenses;

- dilution;
- there may not be an active or liquid market for the Securities or other securities qualified for distribution hereunder;
- the market price of the Ordinary Shares may be adversely affected by stock market volatility;
- the Company's ability to carry out current planned research and development programs for the development of its commercial coin cell and/or pouch G+AI Battery prototype;
- the Company's ability to carry out current planned manufacturing, production, and sales and marketing programs for its graphene and graphene-enhanced products and solutions with its current financial resources;
- the technical feasibility of the Company's graphene powder and graphene-enhanced products in commercial applications;
- the Company's failure to economically commercialize its products;
- the Company's ability to adapt to new advances in material sciences;
- the Company's graphene-enhanced products and solutions not achieving the expected performance benefits which could negatively impact adoption by prospective customers;
- the Company's ability of production for graphene or graphene-enhanced products, may not be enough to meet customer demand, or it may take longer than expected to achieve those rates;
- the quality of the Company's graphene or graphene-enhanced products may vary which could affect the expected performance benefits or specifications required by its customers;
- the growth of global markets in which the Company operates;
- the forward-looking information in this Prospectus or in the documents incorporated by reference in this Prospectus may prove inaccurate; and
- the risks discussed in the section of this Prospectus entitled *"Risk Factors"*.

This list is not exhaustive of the factors that may affect the Company's forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information. Investors should carefully consider the risks set out below under the heading "Risk Factors", elsewhere in this Prospectus and in documents incorporated by reference herein, as well as those contained in the Company's AIF (as defined herein) and Annual MD&A (as defined herein).

## DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in each of the Provinces of British Columbia, Alberta, Ontario and Saskatchewan (collectively, the "**Commissions**"). Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of GMG at Unit 5, 848 Boundary Road, Richlands, QLD 4077, Australia (Telephone: (+61) 7 3040-5716). These documents are also available via the Company's profile on SEDAR, which can be accessed online at www.sedar.com.

The following documents of the Company, which have been filed by the Company with the Commissions, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

(a) the annual information form of the Company dated October 18, 2022 for the year ended June 30, 2022 (the "**Annual Information Form**" or "**AIF**");

(b) the audited consolidated financial statements of the Company for the years ended June 30, 2022 and 2021 together with the report of the independent auditor thereon and the notes thereto, as amended and refiled on November 23, 2022 (the "**Annual Financial Statements**");

(c) the Company's management's discussion and analysis of the financial condition and results of operations for the year ended June 30, 2022, as amended and refiled on November 23, 2022 (the "**Annual MD&A**");

(d) the management information circular of the Company dated October 18, 2022, prepared in connection with the Company's annual and special meeting of shareholders held on November 24, 2022, filed on SEDAR on October 26, 2022;

(e) the Company's unaudited condensed interim consolidated financial statements for the three months ended September 30, 2022 and 2021 together with the notes thereto, filed on SEDAR on November 25, 2022 (the "**Interim Financial Statements**");

(f) the Company's management's discussion and analysis of the financial condition and results of operations for the period ended September 30, 2022, filed on SEDAR on November 25, 2022 (the "**Interim MD&A**");

(g) the material change report dated July 28, 2022 in connection with the Company's announcement of the appointment of Frederick Kotzee as Chief Financial Officer;

(h) the material change report dated August 26, 2022 in connection with the Company's announcement of the appointment of Frederick Kotzee to the Company's board of directors and the appointment of Anjana Reddy as a Company Secretary;

(i) the material change report dated November 14, 2022 in connection with the Company's announcement of: (i) the bought deal offering of units of the Company for gross proceeds of approximately C$5.75 million (the "**Bought Deal Offering**"); and (ii) the size and pricing of the Bought Deal Offering; and

(j) the material change report dated December 1, 2022 in connection with the Company's announcement of the closing of the Bought Deal Offering.

However, these documents are not incorporated by reference to the extent their contents are modified or superseded by a statement contained in this Prospectus or in any other subsequently filed document that is also incorporated by reference in this Prospectus.

Any material change reports (excluding confidential material change reports) or of any other type required to be incorporated by reference into a short form prospectus pursuant to National Instrument 44-101 - *Short Form Prospectus Distribution*s that are filed by the Company with a Commission after the date of this Prospectus and prior to the termination of an offering under any Prospectus Supplement shall be deemed to be incorporated by reference in this Prospectus.

**Any statement contained in this Prospectus or in a document incorporated or deemed to be**

**incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Prospectus, except as so modified or superseded.**

A Prospectus Supplement containing the specific terms of an offering of Securities will be delivered to purchasers of such Securities together with this Prospectus and will be deemed to be incorporated by reference into this Prospectus as of the date of such Prospectus Supplement, but only for the purposes of the offering of the Securities covered by that Prospectus Supplement.

Upon a new annual information form and related annual financial statements being filed by the Company with, and where required, accepted by, the applicable securities regulatory authority during the currency of this Prospectus, the previous annual information form, the previous annual financial statements and all interim financial statements, material change reports and information circulars and all Prospectus Supplements filed prior to the commencement of the Company's financial year in which a new annual information form is filed shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities hereunder.

Reference to the Company’s website in any documents that are incorporated by reference into this Prospectus do not incorporate by reference the information on such website into this Prospectus, and the Company disclaims any such incorporation by reference.

## MARKETING MATERIALS

Any “template version” of any “marketing materials” (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements* ("**NI 41-101**")) pertaining to a distribution of Securities will be filed under the Company’s corporate profile on SEDAR at www.sedar.com. In the event that such marketing materials are filed subsequent to the date of filing of the applicable Prospectus Supplement pertaining to the distribution of the Securities to which such marketing materials relates and prior to the termination of such distribution, such filed versions of the marketing materials will be deemed to be incorporated by reference into the Prospectus for purposes of future offers and sales of Securities hereunder.

Upon a new annual information form and the related audited annual financial statements and management's discussion and analysis being filed by the Company with, and, where required, accepted by, the applicable securities commissions or similar regulatory authorities during the currency of this Prospectus, the previous audited annual financial statements and related management's discussion and analysis, and all interim financial statements and related management's discussion and analysis, material change reports and business acquisition reports filed prior to the commencement of the Company's financial year in which the annual information form and the related annual financial statements and management's discussion and analysis are filed shall be deemed no longer to be incorporated into this Prospectus for purposes of further offers and sales of Securities hereunder. Upon new interim financial statements and related management’s discussion and analysis being filed by us with the applicable securities commissions or similar regulatory authorities during the currency of this Prospectus, all interim financial statements and related management's discussion and analysis filed prior to the new interim consolidated financial statements and related management's discussion and analysis shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities hereunder.

## THE COMPANY

*The following description of the Company and its business is derived from selected information about the Company contained in the documents incorporated by reference into this Prospectus. This description does not contain all of the information about the Company and its business that you should consider before investing in the Securities. You should carefully read the entire Prospectus and any applicable Prospectus Supplement, including the section entitled "Risk Factors", as well as the documents incorporated by reference into this Prospectus and the applicable Prospectus Supplement, before making an investment decision.*

### Name, Address and Incorporation

The Company was incorporated in Australia under the Corporations Act 2001 on August 10, 2016, under the name "Graphene Manufacturing Australia Pty Ltd.". The Company's head office and registered office is located at Unit 5, 848 Boundary Road, Richlands, QLD 4077, Australia. On January 15, 2019, the Company changed its name to "Graphene Manufacturing Group Pty Ltd.". On August 12, 2021, the Company completed the dissolution of its wholly-owned subsidiary, Cuspis Capital Ltd. ("**Cuspis**") and currently has no subsidiary companies.

On April 2, 2021, the Company effected each of the following actions: (i) completed a split of the Ordinary Shares (the "**Split**") at a ratio of 22 post-Split Ordinary Shares for every one pre-Split Ordinary Share; (ii) converted from a proprietary company to a public company; (iii) changed its name from "Graphene Manufacturing Group Pty Ltd. ACN 614 164 877" to "Graphene Manufacturing Group Ltd. ACN 614 164 877"; and (iv) adopted a new Company constitution.

The Ordinary Shares of the capital of the Company commenced trading on the TSXV under the symbol "GMG" on April 15, 2021.

### Intercorporate Relationships

Following completion of the Company's Qualifying Transaction, the Company had one wholly-owned subsidiary, Cuspis. On August 12, 2021, the Company completed the dissolution of its Cuspis and as of the date hereof, the Company has no subsidiaries.

### Summary Description of Business

Graphene, a 2-dimensional allotrope of carbon is one atom thick, and it forms the fundamental building block for few layered and multilayered graphene. Isolated in 2004 by Andre Geim and Konstantin Novoselov, the discovery led to the Nobel Prize in Physics in 2010[1]. The Company believes that graphene is one of the strongest and thinnest known materials, and it is an extraordinary conductor of heat and electricity.[2] As of December 2018, over 53,000 graphene technology patents have been filed by various

[1] https://www.nobelprize.org/prizes/physics/2010/press-release/

[2] https://www.forbes.com/sites/startswithabang/2019/06/18/there-are-6-strongest-materials-on-earth-that-are-harder-than-diamonds/?sh=47d84e3b3412

parties.[3] As of September 2022, a search on Google Patents revealed over 135,000 patents that involve graphene. Research has indicated that graphene-based materials are promising materials for a myriad of applications.[4, 5] GMG graphene, in its powder form, consists of few and multilayered graphene.

The Company is a clean-technology focused company which aims to offer energy saving products and solutions and energy storage products, enabled by graphene manufactured in-house via a proprietary production process. In 2017 and 2018, the Company developed and proved its proprietary production process to decompose natural gas (i.e. methane) into its elements, carbon (including as graphene) and hydrogen (and some residual hydrocarbon gases). This process produces high quality, low input costs, scalable, tuneable and low contaminant graphene suitable for use in clean-technology applications.[6] While GMG graphene may be suitable for a wide range of industries, the Company's initial focus has been developing applications for energy savings and energy storage.[7]

Further details regarding the business of the Company or its operations, assets and history, can be found in the Company's AIF and other documents incorporated by reference into this Prospectus. Refer to the "*Documents Incorporated by Reference*" section of this Prospectus. Readers are encouraged to thoroughly review these documents as they contain important information about the Company.

## RISK FACTORS

***An investment in the Company's Securities is speculative and involves a high degree of risk. In addition to the other information included or incorporated by reference in this Prospectus or any applicable Prospectus Supplement, you should carefully consider the risks and uncertainties described in the documents incorporated by reference in this Prospectus and any applicable Prospectus Supplement, together with all of the other information contained in this Prospectus, before purchasing the Company's Securities. The occurrence of any of such risks could have a material adverse effect on our business, financial condition, results of operations and future prospects. In these circumstances, the market price of the Securities, including the Ordinary Shares, could decline, and you may lose all or part of your investment. The risks described herein are not the only risks the Company faces; risks and uncertainties not currently known to by the Company or that it currently deems to be immaterial may also materially and adversely affect its business, financial condition and results of operations. Investors should also refer to the other information set forth or incorporated by reference in this Prospectus or any applicable Prospectus Supplement, including our consolidated financial statements and related notes.***

[3] Yang, X.; Yu, X.; Liu, X. Obtaining a Sustainable Competitive Advantage from Patent Information: A Patent Analysis of the Graphene Industry. *Sustainability* 2018, *10*, 4800.
[4] Angew. Chem. Int. Ed. 2012, 51, 7640 – 7654 (From Nanographene and Graphene Nanoribbons to Graphene Sheets: Chemical Synthesis).
[5] Khan M.F. Shahil, Alexander A. Balandin, Thermal properties of graphene and multilayer graphene: Applications in thermal interface materials, Solid State Communications, Volume 152, Issue 15, 2012, Pages 1331-1340, ISSN 0038-1098, https://doi.org/10.1016/j.ssc.2012.04.034.
[6] There is limited data availability of graphene produced by competitors. The high quality and low-cost characteristics of GMG's graphene is relative to competitors and based on anecdotal evidence gathered from various sources including the internet, and market discussions and anticipated cost benefits from scaling future production.
[7] Development is undertaken both in-house and in partnership with third parties i.e. universities and customers.

***This Prospectus also contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors, including the risks described herein. See "Cautionary Note Regarding Forward-Looking Information."***

***The principal risk factors to which the Company's business and its Securities are subject are presented in detail in the AIF under the heading "Risk Factors", as well as the risk factors described under the heading "Risk Factors" in any applicable Prospectus Supplement. See "Documents Incorporated by Reference".***

***The following is an abbreviated list of risk factors. These risk factors, as well as risks currently unknown to the Company, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company, or its business, property or financial results, each of which could cause investors to lose part or all of their investment.***

**Risk Relating to the Offering of Securities**

***Market for the Ordinary Shares***

The Ordinary Shares are listed and posted for trading on the TSXV. An investment in the Securities is highly speculative. The market prices for securities of clean-technology and graphene companies have experienced substantial volatility in the past. The market has from time-to-time experienced significant price and volume fluctuations, often based on factors unrelated to financial performance or prospects. In addition, because of the nature of the clean-technology and graphene industries, certain factors can have an adverse impact on the market price of the Ordinary Shares, including, without limitation:

- the Company's announcements and the public's reaction;
- the Company's financial condition or results of operations as reflected in the Company's interim and annual financial statements;
- the Company's operating performance and the performance of competitors and other similar companies;
- macroeconomic developments in North American and globally and market perceptions of the attractiveness of particular industries;
- government regulations;
- changes in earnings estimates or recommendations by research analysts who track the Securities or securities of other companies in the clean-technology or graphene industries;
- the size of the Company's public float may limit the ability of some institutions to invest in the Ordinary Shares;
- general market conditions;
- announcements relating to litigation;
- the arrival or departure of key personnel; and

- the factors listed under the heading "*Cautionary Note Regarding Forward-Looking Information*".

***Absence of a public market for some of the Securities***

There is no public market for the Non-Listed Securities and, unless otherwise specified in the applicable Prospectus Supplement, the Company does not intend to apply for listing of the Non-Listed Securities on any securities exchanges. If the Non-Listed Securities are traded after their initial issuance, they may trade at a discount from their initial offering prices depending on prevailing interest rates (as applicable), the market for similar securities and other factors, including general economic conditions and the Company's financial condition. There can be no assurance as to the liquidity of the trading market for the Non-Listed Securities or that a trading market for these securities will develop at all.

***Future sales of issuance of debt or equity securities***

Given the Company's plans and expectations that additional capital and personnel will be needed, the Company may need to issue additional debt or equity securities. The Company cannot predict the size of future sales and issuances of debt or equity securities or the effect, if any, that future sales and issuances of debt or equity securities will have on the market price of the Ordinary Shares. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Ordinary Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in the Company's earnings per share.

***Nature of investment risk***

An investment in the Securities of the Company carries a high degree of risk and should be considered as a speculative investment. The Company has a limited history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business.

***Price may not Represent the Company's Performance or Intrinsic Fair Value***

The market price of a publicly-traded stock is affected by many variables not directly related to the corporate performance of the Company, including the market in which it is traded, the strength of the economy generally, the availability of the attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of the Ordinary Shares on the TSXV in the future cannot be predicted.

***Securities or Industry Analysts***

The trading market for the Ordinary Shares could be influenced by research and reports that industry and/or securities analysts may publish about the Company, its business, the market or its competitors. The Company does not have any control over these analysts and cannot assure that such analysts will cover the Company or provide favourable coverage. If any of the analysts who may cover the Company's business change their recommendation regarding the Company's stock adversely, or provide more favourable relative recommendations about its competitors, the stock price would likely decline. If any analysts who may cover the Company's business were to cease coverage or fail to regularly publish reports on the Company, it could lose visibility in the financial markets, which in turn could cause the stock price or trading volume to decline.

***Need for additional financing and possible effects of dilution***

The Company may issue equity securities to finance its activities, including future acquisitions and investments. If the Company were to issue additional Ordinary Shares, existing holders of such Ordinary Shares may experience dilution in their holdings. Moreover, when the Company's intention to issue additional equity securities becomes publicly known, the price of the Ordinary Shares may be adversely affected.

***Dividends***

The Company has not paid any dividends on the outstanding Ordinary Shares, nor is there any intention of paying dividends in the foreseeable future. Any decision to pay dividends on the Ordinary Shares will be made by the board of directors of the Company (the "**Board**") on the basis of its earnings, financial requirements and other conditions.

***TSXV Listing***

The Company may fail to meet the continued listing requirements for the Ordinary Shares to remain listed on the TSXV. If the TSXV delists the Ordinary Shares from trading on its exchange, the Company could face significant material adverse consequences, including: (i) a limited availability of market quotations for the Ordinary Shares; (ii) a determination the Ordinary Shares are a "penny stock" which will require brokers trading in the Ordinary Shares to more stringent rules and possibly resulting in a reduced level of trading activity in the secondary market for the Ordinary Shares; (iii) a limited amount of news and analysts coverage for the Company; and (iv) a decreased ability to issue additional securities or obtain additional financing in the future.

***Discretion in the use of proceeds***

The Company currently intends to allocate the net proceeds, if any, received from any offering of Securities as described under the heading "*Use of Proceeds*"; however, the Company will have discretion in the actual application of such net proceeds, and may elect to allocate net proceeds differently from that described under the heading "*Use of Proceeds*" if determined by the Board to be in the Company's best interests to do so. Shareholders of the Company may not agree with the manner in which the Board and management choose to allocate and spend the net proceeds. The failure by the Company to apply these funds effectively could have a material adverse effect on the Company's business.

**Risks Relating to the Company's Business**

***COVID-19 Public Health Crisis***

The ongoing management of the COVID-19 pandemic globally could adversely affect the Company, in particular, it could materially and adversely impact the Company's business, including without limitation, employee health, workforce availability and productivity, limitations on travel, supply chain disruptions, increased insurance premiums, and restrictions to the Company's ability to conduct its business. While the Company does not currently generate revenue from operations, future revenues and cash resources may be negatively affected and demand for the Company's products may decrease as partners and potential customers defer expenditure. Any such disruptions or closures could have a material adverse effect on the Company's business. In addition, parties with whom the Company does business or on whom the Company is reliant may also be adversely impacted by the COVID-19 pandemic which may in turn cause further disruption to the Company's business. Any long-term closures or suspensions may also result in the loss of personnel or the workforce in general as employees seek employment elsewhere.

At this time, is not possible for the Company to predict the duration of the adverse results of the outbreak and its effects on the Company's business. Risks include, but are not limited to, the ability of the Company to develop and commercialize products and raise funds, the ability of the Company to conduct operations in the event of safety lockdowns, the inability to travel for professionals and contractors involved in production, regional and international travel and quarantine restrictions within the country, and the disruption of shipping material and samples to and from the Company's head office.

***Global Economic Factors***

Global events such as the COVID-19 pandemic and the conflict in Ukraine have led to significant global economic volatility, including an inflationary environment and rapid increases in the costs of labour, consumables and equipment. As a result of this higher capital and operating cost environment, the Company will potentially face increased costs in connection with its business and operations. This could, in turn, impede the Company's ability to develop its graphene manufacturing projects and related technologies, or to achieve estimated production, revenue or cost levels, or to receive an adequate return on invested capital, any which could have a material adverse effect on its business, results of operations and financial condition.

***Performance and Scalability***

In order to achieve its business objectives, the Company will have to successfully scale its graphene production and internally developed or co-developed products and solutions, while ensuring quality and reliability. As a consequence, there is a risk that the Company may not continue to maintain or continue to demonstrate product quality. For example, energy savings resulting from the Company's TXR customer offering may not continue to provide customers with substantial energy savings in future.

In addition, there is a risk that the Company may produce a high-quality prototype, but may not be able to develop a scalable production process or seek a suitable licensee. For example, the groundwork done on the G+AI Batteries in partnership with the University of Queensland ("**UQ**") has yielded superior performance results such as high energy density. Despite these results and the research project that has commenced with UQ, GMG may be unable to build a methodology for continuous commercial production of cathode materials for the G+AI Battery. Thus, even if a high-performance technology is developed, there may be challenges associated with scaling production of cathodes or cathode material and commercialising the product. Even if GMG develops a high-quality product, which can be produced on a large scale, the Company may not be able to satisfy the specification requirements of prospective customers. For example, if GMG successfully develops a G+AI battery, or cathode or cell which is a component of such a battery, it may not satisfy certain requirements of the electric vehicle industry or other target industries. The occurrence of any of the foregoing circumstances could have a material adverse effect on its business, results of operations and financial condition.

***Product Development and Technological Change***

Given that the Company does not have a sustained history of successful use of the Company's graphene powder and graphene-enhanced products in commercial applications, there can be no assurance that broad successful commercial applications may be technically feasible. A significant portion of the scientific and engineering data related to the Company's products has been generated by the Company's own laboratories or laboratory environments at our customers or third-parties, like universities and national laboratories, and results are accordingly subject to the well known risk that laboratory data is not always representative in commercial applications.

Additionally, the industries in which the Company operates are characterized by rapid technological change and frequent new product introductions. Part of the Company’s business strategy is to monitor such change and take steps to remain technologically current, but there is no assurance that such strategy will be successful. If the Company is not able to adapt to new advances in materials sciences, or if unforeseen technologies or materials emerge that are not compatible with the Company’s products and services or that could replace its products and services, the Company’s revenues, business results of operations and financial condition would likely be adversely affected.

***Technology May Not Be Effectively Commercialized***

Most of the Company’s products and solutions are currently in the research and development and commercialization phases, at various stages of progression. Accordingly, there is a risk that the Company's technology and the Company's products will not perform as expected (e.g. lubricants, coolants, and G+AI Batteries) in certain applications and therefore, the Company may encounter delays to commercialization or may run the risk that the technologies will never be successfully commercialized. As a result, the Company may never receive revenues or an economic return on its investments in research and development activities.

***Financial and Accounting Risks***

Internal controls cannot provide absolute assurance with respect to the reliability of financial reporting and financial statement preparation. Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

***Liquidity and future financing risk***

The Company will likely operate at a loss until its business becomes established. The business may require additional financing in order to fund future operations, expansion, acquisition and investment plans. The Company’s ability to secure any required financing to sustain operations and expansion plans will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. Moreover, future activities may require the Company to alter its capitalization significantly and, if additional financing is raised by issuance of additional Ordinary Shares from treasury, control may change and shareholders may suffer dilution. The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company’s financial condition and results of operations.

***The Company’s financial condition would be adversely impacted if its intangible assets become impaired.***

Intangibles are evaluated quarterly and are tested for impairment at least annually or when events or changes in circumstances indicate the carrying value of each segment, and collectively the Company taken as a whole, might exceed its fair value. If the Company determines that the value of its intangible assets is less than the amounts reflected on its balance sheet, it will be required to reflect an impairment of its intangible assets in the period in which such determination is made. An impairment of its intangible assets would result in the Company's recognition of an expense in the amount of the impairment in the relevant period, which would also result in the reduction of its intangible assets and a corresponding reduction in its net income in the Consolidated Statement of Income and Other Income in the relevant period.

***Tax risk and accounting requirements***

The Company is subject to various taxes including, but not limited to the following: income tax; goods and services tax; sales tax; land transfer tax; payroll tax; and equivalent taxes imposed by the taxing authorities in other jurisdictions, as relevant. The Company's tax filings will be subject to audit by various taxation authorities. While the Company intends to base its tax filings and compliance on the advice of its tax advisors, there can be no assurance that its tax filing positions will never be challenged by a relevant taxation authority resulting in a greater than anticipated tax liability. The Company is also subject to numerous accounting requirements, and changes in existing accounting or taxation rules or practices, or varying interpretations of current rules or practices, could have a significant adverse effect on the Company's financial results, the manner in which it conducts its business or the marketability of any of its products.

In the future, the geographic scope of the Company's business may expand, and such expansion will require the Company to comply with the tax laws and regulations of multiple jurisdictions. Requirements as to taxation vary substantially among jurisdictions. Complying with the tax laws of these jurisdictions can be time consuming and expensive and could potentially subject the Company to penalties and fees in the future if the Company were to inadvertently fail to comply. In the event the Company was to inadvertently fail to comply with applicable tax laws, this could have a material adverse effect on the business, results of operations and financial condition of the Company.

***Forward-Looking Statements May Prove Inaccurate***

Investors are cautioned not to place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, assumptions and uncertainties are found in this Prospectus under the heading "*Cautionary Note Regarding Forward-Looking Information*".

## USE OF PROCEEDS

Unless otherwise specified in the applicable Prospectus Supplement, the net proceeds from the sale of the Securities will be used to advance the Company's business objectives, to fund ongoing operations and/or working capital requirements, to repay indebtedness outstanding from time to time, and to fund discretionary capital programs and potential future acquisitions.

The management of the Company will retain broad discretion in allocating the net proceeds of any offering of Securities under this Prospectus and the Company's actual use of the net proceeds will vary depending on the Company's operating and capital needs from time to time.

Each Prospectus Supplement will contain specific information concerning the use of proceeds from the particular sale of Securities, including a description of the business objectives and milestones to be accomplished in respect of such sale.

The Company has no history of earnings and has negative cash flow from operating activities since inception. To the extent that the Company has negative operating cash flow in future periods, the Company may need to allocate a portion of proceeds from the offering of the Securities to fund such negative cash flow. See "*Risk Factors – Negative Cash Flow from Operating Activities*".

All expenses relating to an offering of the Securities and any compensation paid to underwriters, dealers or agents, as the case may be, will be paid out of the proceeds from the sale of such Securities, unless otherwise stated in the applicable Prospectus Supplement.

The Company may, from time to time, issue securities (including Securities) other than pursuant to this Prospectus.

## CONSOLIDATED CAPITALIZATION

The applicable Prospectus Supplement will describe any material change, and the effect of such material change, on the share and loan capitalization of the Company that will result from the issuance of securities pursuant to such Prospectus Supplement.

The following table sets forth the consolidated capitalization of the Company as September 30, 2022 as well as at the date hereof. This table should be read in conjunction with the Interim Financial Statements and the Interim MD&A, which are incorporated by reference in this Prospectus.

| Designation of security | Outstanding as at September 30, 2022 | Outstanding as at the date of the Prospectus |
|---|---|---|
| Ordinary Shares | 79,103,586 | 81,791,728 |
| Preference Shares | Nil | Nil |
| Warrants | 2,756,887 | 4,273,450 |
| 2021 Broker Warrants (1) | 84,287 | 24,275 |
| Stock Options | 4,498,559 | 4,498,559 |
| 2022 Broker Warrants(2) | Nil | 62,755 |
| Restricted Share Units | 905,120 | 1,114,343 |
| Performance Share Units | 77,359 | 111,867 |
| Loan Capital | Nil | Nil |

(1) These warrants were issued under the Company's overnight marketed offering, which closed on September 2, 2021 (the "**2021 Broker Warrants**"). Each 2021 Broker Warrant entitled the holder to acquire one unit of the Company (a "**2021 Broker Unit**") at an exercise price of C$2.05 per 2021 Broker Unit for a period of 36 months from the date of issuance. Each Broker Unit consisted of one Ordinary Share and one-half of one warrant (each full warrant, a "**2021 Underlying Broker Warrant**"). Each 2021 Underlying Broker Warrant entitled the holder to one Ordinary Share at an exercise price of C$2.60 for a period of 36 months from the date of issuance of the 2021 Broker Warrants.

(2) These warrants were issued under the Bought Deal Offering which closed on November 30, 2022 (the "**2022 Broker Warrants**"). Each 2022 Broker Warrant entitles the holder to acquire one unit of the Company (a "**2022 Broker Unit**") at an exercise price of C$2.75 per 2022 Broker Unit for a period of 24 months from the date of issuance. Each 2022 Broker Unit consists of one Ordinary Share and one warrant (a "**2022 Underlying Broker Warrant**"). Each 2022 Underlying Broker Warrant entitles the holder to one Ordinary Share at an exercise price of C$3.35 per 2022 Underlying Broker Warrant for a period of 48 months from the date of issuance of the 2022 Broker Warrants.

## PLAN OF DISTRIBUTION

The Company may sell the Securities, separately or together: (a) to one or more underwriters or dealers; (b) through one or more agents; or (c) directly to one or more other purchasers. Each Prospectus Supplement will set forth the terms of the applicable offering, including the name or names of any underwriters or agents, the purchase price or prices of the Securities and the proceeds to the Company from the sale of the Securities. Only those underwriters, dealers or agents named in a Prospectus Supplement will be the underwriters, dealers or agents in connection with the Securities offered thereby.

In addition, Securities may be offered and issued in consideration for the acquisition (an "**Acquisition**") of other businesses, assets or securities by the Company or its subsidiaries. The consideration for any such

Acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, securities, cash and assumption of liabilities.

The Securities may be sold from time to time in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices. This Prospectus and any Prospectus Supplement may also cover the initial resale of the Securities purchased pursuant thereto.

The prices at which the Securities may be offered may vary as between purchasers and during the period of distribution. If, in connection with an offering of Securities to which a Prospectus Supplement pertains, the underwriters have made a bona fide effort to sell all of the Securities at the initial offering price fixed in the applicable Prospectus Supplement, the public offering price may be decreased and thereafter further changed, from time to time, to an amount not greater than the initial public offering price fixed in such Prospectus Supplement, in which case the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Securities is less than the gross proceeds paid by the underwriters to the Company.

Underwriters, dealers or agents who participate in the distribution of Securities may be entitled under agreements to be entered into with the Company to indemnification by the Company against certain liabilities, including liabilities under Canadian securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. The underwriters, dealers or agents with whom the Company enters into agreements may be customers of, engage in transactions with, or perform services for the Company in the ordinary course of business.

In connection with any offering of Securities, except as otherwise set out in a Prospectus Supplement relating to a particular offering of Securities, the underwriters or dealers, as the case may be, may over-allot or effect transactions intended to fix or stabilize the market price of the Securities at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Unless otherwise specified in a Prospectus Supplement, there is no market through which the Company's Warrants, Subscription Receipts or Debt Securities may be sold, and holders may not be able to resell any such Securities purchased under this Prospectus or any Prospectus Supplement. Unless otherwise specified in the applicable Prospectus Supplement, the Securities (excluding any Ordinary Shares) will not be listed on any securities exchange. This may affect the pricing of such Securities on the secondary market, the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation. Refer to the "*Risk Factors*" section of this Prospectus.

Unless otherwise specified in a Prospectus Supplement, the Securities have not been, and will not be, registered under the U.S. Securities Act, or any securities or "blue sky" laws of any of the states of the United States. Accordingly, the Securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, absent registration or pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. In addition, until 40 days after closing of an offering of Securities, an offer or sale of the Securities within the United States by any dealer, whether or not participating in such offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made other than in accordance with an available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

## PRIOR SALES

Prior sales of Ordinary Shares and securities convertible or exchangeable into Ordinary Shares will be provided as required in a Prospectus Supplement with respect to the issuance of Securities pursuant to such Prospectus Supplement.

## PRICE RANGE AND TRADING VOLUME

The Ordinary Shares are listed for trading on the TSXV under the trading symbol “GMG”. The following table sets forth the high and low trading prices and aggregate trading volume of the Ordinary Shares as reported by the TSXV for the periods indicated.

| **Month Ended** | **High** (C$) | **Low** (C$) | **Volume** (# of Ordinary Shares) |
|---|---|---|---|
| October 31, 2021 | $3.35 | $1.88 | 5,309,736 |
| November 30, 2021 | $7.25 | $3.48 | 16,017,630 |
| December 31, 2021 | $5.95 | $4.79 | 5,102,856 |
| January 31, 2022 | $5.83 | $2.95 | 5,698,101 |
| February 28, 2022 | $4.61 | $3.00 | 3,266,489 |
| March 31, 2022 | $5.00 | $2.57 | 2,988,613 |
| April 30, 2022 | $4.70 | $3.55 | 1,642,048 |
| May 31, 2022 | $4.30 | $2.90 | 2,608,443 |
| June 30, 2022 | $3.75 | $2.68 | 2,088,706 |
| July 31, 2022 | $4.16 | $2.65 | 1,826,807 |
| August 31, 2022 | $4.01 | $3.23 | 1,748,936 |
| September 30, 2022 | $3.80 | $2.83 | 1,215,264 |
| October 31, 2022 | $3.70 | $2.91 | 1,875,044 |
| November 30, 2022 | $3.87 | $2.53 | 2,877,964 |
| December 1 to 19, 2022 | $2.78 | $2.28 | 834,104 |

## DIVIDEND POLICY

There are no restrictions that would prevent GMG from paying dividends on the Ordinary Shares (other than those imposed on all companies under the *Australian Corporations Act 2001* (Cth)); however, GMG has neither declared nor paid any dividends on the Ordinary Shares since incorporation and has not established any dividend or distribution policy. The payment of dividends, if any, in the future, rests within the sole discretion of the Board. The payment of dividends will depend upon GMG’s earnings, its capital requirements and its financial condition, as well as other relevant factors. GMG intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on the Ordinary Shares in the foreseeable future.

## DESCRIPTION OF SECURITIES OFFERED UNDER THIS PROSPECTUS

The following is a summary of the material attributes and characteristics of the Securities as at the date of this Prospectus. This summary does not purport to be complete.

**Ordinary Shares**

The Company is authorized to issue an unlimited number of Ordinary Shares. As of the date hereof, there are 81,791,728 Ordinary Shares issued and outstanding (on a non-diluted basis) as fully paid and non-assessable ordinary shares in the capital of the Company. The following is a summary of the material rights, privileges and conditions attaching to the Ordinary Shares and is subject to, and qualified by, reference to the articles and by-laws of the Company.

There are no special rights or restrictions of any nature attached to any of the Ordinary Shares. The holders of the Ordinary Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Ordinary Share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Company.

**Warrants**

The Company may issue Warrants to purchase Ordinary Shares. This section describes the general terms that will apply to any Warrants issued pursuant to this Prospectus.

Warrants may be offered separately or together with other Securities and may be attached to or separate from any other Securities. Unless the applicable Prospectus Supplement otherwise indicates, each series of Warrants will be issued under a separate warrant indenture to be entered into between the Company and one or more banks or trust companies acting as warrant agent. The warrant agent will act solely as the Company's agent and will not assume a relationship of agency with any holders of warrant certificates or beneficial owners of Warrants. The applicable Prospectus Supplement will include details of the warrant indentures, if any, governing the Warrants being offered. The specific terms of the Warrants, and the extent to which the general terms described in this section apply to those Warrants, will be set out in the applicable Prospectus Supplement.

Notwithstanding the foregoing, the Company will not offer Warrants for sale separately to any member of the public in Canada unless the offering is in connection with and forms part of the consideration for an acquisition or merger transaction or unless the Prospectus Supplement containing the specific terms of the Warrants to be offered separately is first approved for filing by the Commissions in each of the provinces of Canada where the Warrants will be offered for sale.

The Prospectus Supplement relating to any Warrants that the Company offers will describe the Warrants and the specific terms relating to the offering. The description will include, where applicable:

- the designation and aggregate number of Warrants;
- the price at which the Warrants will be offered;
- the currency or currencies in which the Warrants will be offered;
- the date on which the right to exercise the Warrants will commence and the date on which the right will expire;
- the designation, number and terms of the Ordinary Shares, as applicable, that may be purchased upon exercise of the Warrants, and the procedures that will result in the adjustment of those numbers;
- the exercise price of the Warrants;

- the designation and terms of the Securities, if any, with which the Warrants will be offered, and the number of Warrants that will be offered with each Security;
- if the Warrants are issued as a Unit with another Security, the date, if any, on and after which the Warrants and the other Security will be separately transferable;
- any minimum or maximum amount of Warrants that may be exercised at any one time;
- any terms, procedures and limitations relating to the transferability, exchange or exercise of the Warrants;
- whether the Warrants will be subject to redemption or call and, if so, the terms of such redemption or call provisions;
- material Canadian federal income tax consequences of owning the Warrants; and
- any other material terms or conditions of the Warrants.

Warrant certificates will be exchangeable for new warrant certificates of different denominations at the office indicated in the Prospectus Supplement. Prior to the exercise of their Warrants, holders of Warrants will not have any of the rights of holders of the Securities subject to the Warrants. The Company may amend the warrant indenture(s) and the Warrants, without the consent of the holders of the Warrants, to cure any ambiguity, to cure, correct or supplement any defective or inconsistent provision or in any other manner that will not prejudice the rights of the holders of outstanding Warrants, as a group.

**Units**

The Company may issue Units comprised of one or more of the other Securities described in this Prospectus in any combination. Each Unit will be issued so that the holder of the Unit is also the holder of each of the Securities included in the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each included Security. The unit agreement, if any, under which a Unit is issued may provide that the Securities included in the Unit may not be held or transferred separately, at any time or at any time before a specified date. The particular terms and provisions of Units offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the Prospectus Supplement filed in respect of such Units.

**Subscription Receipts**

The Company may issue Subscription Receipts, separately or together, with Ordinary Shares, Warrants, Units, or Debt Securities as the case may be. The Subscription Receipts will be issued under a subscription receipt agreement. This section describes the general terms that will apply to any Subscription Receipts that we may offer pursuant to this Prospectus.

The applicable Prospectus Supplement will include details of the subscription receipt agreement covering the Subscription Receipts being offered. The Company will file a copy of the subscription receipt agreement relating to an offering with the Commissions after the Company has entered into it. The specific terms of the Subscription Receipts, and the extent to which the general terms described in this section apply to those Subscription Receipts, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the number of Subscription Receipts;

- the price at which the Subscription Receipts will be offered and whether the price is payable in instalments;
- conditions to the exchange of Subscription Receipts into Ordinary Shares, Warrants or Units, as the case may be, and the consequences of such conditions not being satisfied;
- the procedures for the exchange of the Subscription Receipts into Ordinary Shares, Warrants or Units;
- the number of Ordinary Shares, Warrants or Units that may be exchanged upon exercise of each Subscription Receipt;
- the designation and terms of any other Securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each Security;
- the dates or periods during which the Subscription Receipts may be exchanged into Ordinary Shares, Warrants or Units;
- terms applicable to the gross or net proceeds from the sale of the Subscription Receipts plus any interest earned thereon;
- material Canadian federal income tax consequences of owning the Subscription Receipts;
- any other rights, privileges, restrictions and conditions attaching to the Subscription Receipts; and
- any other material terms and conditions of the Subscription Receipts.

Certificates representing the Subscription Receipts will be exchangeable for new certificates representing the Subscription Receipt of different denominations at the office indicated in the Prospectus Supplement. Prior to the exchange of their Subscription Receipts, holders of Subscription Receipts will not have any of the rights of holders of the Securities subject to the Subscription Receipts.

Under the subscription receipt agreement, a Canadian purchaser of Subscription Receipts will have a contractual right of rescission following the issuance of Ordinary Shares, Warrants or Units, as the case may be, to such purchaser, entitling the purchaser to receive the amount paid for the Subscription Receipts upon surrender of the Ordinary Shares, Warrants or Units, as the case may be, if this Prospectus, the applicable Prospectus Supplement, and any amendment thereto, contains a misrepresentation, provided such remedy for rescission is exercised within 180 days of the date the Subscription Receipts are issued. This right of rescission does not extend to holders of Subscription Receipts who acquire such Subscription Receipts from an initial purchaser, on the open market or otherwise, or to initial purchasers who acquire Subscription Receipts in the United States or other jurisdictions outside Canada.

Such subscription receipt agreement will also specify that the Company may amend any subscription receipt agreement and the Subscription Receipts, to cure any ambiguity, to cure, correct or supplement any defective or inconsistent provision or in any other manner that will not materially and adversely affect the interests of the holder.

**Debt Securities**

This section describes the general terms that will apply to any Debt Securities issued pursuant to this Prospectus. We may issue Debt Securities independently or together with other securities, and Debt Securities sold with other securities may be attached to or separate from such other securities. Debt

Securities will generally be issued under one or more trust indentures between the Company and one or more banks or trust companies acting as trustee.

The Company will not offer Debt Securities pursuant to this Prospectus unless a Prospectus Supplement containing the specific terms of the Debt Securities so offered is filed with the securities commissions or similar regulatory authorities in each of the provinces of Canada where the Debt Securities will be offered for sale. A Prospectus Supplement, in respect of any Debt Securities issued under this Prospectus, will include the following, where applicable:

- the aggregate principal amount of Debt Securities being offered and the offering price;
- the denomination and currency in which the Debt Securities will be offered;
- the date or dates on which the Debt Securities will mature and the portion of the outstanding principal payable upon maturity;
- the rate or rates at which the Debt Securities will bear interest, the date or dates on which such interest will begin to accrue and be payable and the record dates for any such interest;
- the circumstances that will constitute an "event of default" under the Debt Securities and the consequences of an event of default under the Debt Securities;
- the terms and conditions upon which the Company may be required to redeem, repay or repurchase the Debt Securities pursuant to any sinking fund or analogous provisions or otherwise;
- the terms and conditions upon which the Company may be permitted to redeem the Debt Securities, in whole or in part, at its option;
- the terms, if any, upon which the Debt Securities may be converted into or exchanged for Ordinary Shares or other securities of the Company;
- whether the Debt Securities will be senior debt or subordinated to other indebtedness of the Company;
- the terms, if any, upon which the Company may be permitted or restricted from the issuance of additional securities, the incurring of additional indebtedness or subject to other material negative covenants;
- whether the Company will issue the Debt Securities as global securities and, if so, the identity of the depositary of the global securities;
- whether the Debt Securities will be listed on any exchange;
- material United States and Canadian federal income tax consequences of purchasing the Debt Securities; and
- any other material terms or conditions of the Debt Securities.

The statements made in this Prospectus relating to any Debt Securities to be issued under this Prospectus or the applicable trust indenture are summaries of certain anticipated provisions thereof and are subject to, and are qualified in their entirety by reference to, all of the provisions of the applicable Debt Securities and any applicable trust indenture. Prospective investors should refer to the terms of specific Debt Securities being offered, including the applicable trust indenture.

A Prospectus Supplement may also add, update or change information contained in this Prospectus or in documents the Company has incorporated by reference. However, no Prospectus Supplement will offer a security that is not described in this Prospectus.

## DENOMINATIONS, REGISTRATION AND TRANSFER

The Securities will be issued in fully registered form in either global or definitive form and in denominations and integral multiples as set out in the applicable Prospectus Supplement. Other than in the case of book-entry only Securities, Securities may be presented for registration of transfer (with the form of transfer endorsed thereon duly executed) in the city specified for such purpose at the office of the registrar or transfer agent designated by the Company for such purpose with respect to any issue of Securities referred to in the Prospectus Supplement. No service charge will be made for any transfer, conversion or exchange of the securities, but we may require payment of a sum to cover any transfer tax or other governmental charge payable in connection therewith. Such transfer, conversion or exchange will be effected upon such registrar or transfer agent being satisfied with the documents of title and the identity of the person making the request. If a Prospectus Supplement refers to any registrar or transfer agent designated by the Company with respect to any issue of Securities, we may at any time rescind the designation of any such registrar or transfer agent and appoint another in its place or approve any change in the location through which such registrar or transfer agent acts.

In the case of book-entry only Securities, a global certificate or certificates representing the Securities will be held by a designated depository for its participants. The Securities must be purchased or transferred through such participants, which includes securities brokers and dealers, banks and trust companies. The depository will establish and maintain book-entry accounts for its participants acting on behalf of holders of the Securities. The interests of such holders of Securities will be represented by entries in the records maintained by the participants. Holders of Securities issued in book-entry only form will not be entitled to receive a certificate or other instrument evidencing their ownership thereof, except in limited circumstances. Each holder will receive a customer confirmation of purchase from the participants from which the Securities are purchased in accordance with the practices and procedures of that participant.

## CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

The applicable Prospectus Supplement will describe certain Canadian federal income tax consequences to investors of acquiring, holding and disposing of Securities.

The applicable Prospectus Supplement will also describe certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Securities by an initial investor who is a U.S. person (within the meaning of the U.S. Internal Revenue Code), if applicable.

## AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditor of the Company is BDO Audit Pty Ltd. ("**BDO**"), located at Level 10, 12 Creek Street, Brisbane, Queensland, 4000, Australia. BDO is independent of the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The transfer agent and registrar for the Ordinary Shares is Computershare Investor Services Inc. at its principal office in the city of Vancouver, British Columbia.

## LEGAL MATTERS

Unless otherwise specified in an applicable Prospectus Supplement, certain legal matters in connection with the Securities offered hereby will be passed upon on behalf of the Company by DuMoulin Black LLP.

## INTERESTS OF EXPERTS

### Names of Experts

Certain legal matters relating to the Offering and this Prospectus will be passed upon by DuMoulin Black, on behalf of the Company.

**Interests of Experts**

As of the date hereof, the partners and associates of DuMoulin Black LLP, as a group, beneficially own, directly and indirectly, less than one percent of the outstanding Ordinary Shares.

## PROMOTERS

Craig Nicol, the Managing Director, CEO and Corporate Secretary of the Company, is considered to be a promoter of the Company as he took the initiative in founding and organizing the business of the Company. Mr. Nicol, through Como Industries Pty Ltd, a company jointly owned by Craig Nicol and his spouse Diny Nicol, has ownership and control of 12,638,527 Ordinary Shares and 826,540 options exercisable into Ordinary Shares (each, an "**Option**") representing 15.45% of the issued and outstanding Ordinary Shares and 18.37% of the issued and outstanding Options, respectively in each case as of the date of this Prospectus.

## STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may only be exercised within two business days after receipt or deemed receipt of a prospectus, the accompanying prospectus supplement relating to securities purchased by a purchaser and any amendment thereto.

In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission, revisions of the price or damages if the prospectus, the accompanying prospectus supplement relating to securities purchased by a purchaser and any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

Original purchasers of Units, Warrants (if offered separately), Debt Securities and Subscription Receipts, other than original purchasers who acquire Units, Warrants, Debt Securities or Subscription Receipts in the United States, will have a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Unit, Warrant, Subscription Receipt and Debt Security, as the case may be. The contractual right of rescission will entitle such original purchasers to receive, in addition to the amount paid on original purchase of the Unit, Warrant, Subscription Receipt or Debt Security, as the case may be, the amount paid upon conversion, exchange or exercise upon surrender of the underlying securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of purchase of the convertible, exchangeable or exercisable security under this Prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 131 of the *Securities Act* (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 131 of the *Securities Act* (British Columbia) or otherwise at law.

In an offering of Warrants, Subscription Receipts or Debt Securities (or Units comprised partly thereof), investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in certain provincial securities legislation, to the price at which the Warrants, Debt Securities or Subscription Receipts (or Units comprised partly thereof) are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal advisor.

**CERTIFICATE OF GRAPHENE MANUFACTURING GROUP LTD.**

December 19, 2022

This short form base shelf prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form base shelf prospectus, as required by the securities legislation of the provinces of British Columbia, Alberta, Ontario, and Saskatchewan.

| | |
|---|---|
| *"Craig Nicol"* | *"Frederick Kotzee"* |
| Craig Nicol | Frederick Kotzee |
| **Chief Executive Officer** | **Chief Financial Officer** |

**ON BEHALF OF THE BOARD OF DIRECTORS**

| | |
|---|---|
| *"Guy Outen"* | *"William Ollerhead"* |
| Guy Outen | William Ollerhead |
| **Director** | **Director** |

## CERTIFICATE OF THE PROMOTER

December 19, 2022

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of British Columbia, Alberta, Ontario and Saskatchewan.

*"Craig Nicol"*

Craig Nicol
**Promoter**