



Coolabah Metals Limited

(ACN 652 352 228)

Rights Issue Prospectus

This Prospectus contains the following offers:

- (a) a pro-rata non-renounceable rights issue of one (1) New Share for every two (2) existing Shares held by those Shareholders registered at the Record Date at an issue price of \$0.04 per New Share to raise up to \$1,788,750 (before costs), together with one (1) free-attaching New Option for every four (4) New Shares subscribed for and issued (**Offer**); and
- (b) 9,500,000 New Options to CPS Capital (and or its nominee/s) (**Lead Manager Offer**).

CPS Capital Group Pty Ltd (ABN 73 088 055 636) is the underwriter and lead manager to the Offer. Refer to Sections 5.4 and 5.5 for details regarding the terms of the Lead Manager Mandate and Underwriting Agreement respectively.

The Offer closes at 5:00pm (AWST) on Thursday, 9 May 2024.

Important Notice

This is an important document and should be read in its entirety. This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. If you have any queries about any part of the Prospectus, please contact your professional adviser without delay. The Securities offered by this Prospectus should be considered speculative.

Corporate Directory

Directors

Cameron Provost
Managing Director

Stephen Woodham
Non-Executive Chairperson

David Ward
Non-Executive Director

Company Secretary

Alan Armstrong

Registered Office and Principal Place of Business

Level 8, 216 St Georges Terrace
Perth WA 6000

Telephone: 08 9481 0389
Email: alan@miningcorporate.com.au
Website: <https://coolabahmetals.com.au>

ASX Code

CBH

Share Registry*

Xcend Pty Ltd
Level 1, 139 Macquarie Street
Sydney NSW 2000

Solicitors

Nova Legal Pty Ltd
Level 2, 50 Kings Park Road
West Perth WA 6005

Auditor*

Hall Chadwick Audit (WA) Pty Ltd
283 Rokeby Road
Subiaco WA 6008

Lead Manager & Underwriter

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

Telephone: +61 8 9223 2222

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

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IMPORTANT INFORMATION

GENERAL

This Prospectus is dated 18 April 2024 and was lodged with ASIC on that date. Neither ASIC nor ASX, nor any of their officers, take any responsibility for the contents of this Prospectus.

This Prospectus expires 13 months from the date it was lodged with ASIC. No Securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. An application will be made to ASX for the quotation of the Securities the subject of this Prospectus in accordance with the timetable set out at the commencement of this Prospectus.

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities or options to acquire continuously quoted 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 information that would be included in a prospectus for an initial public offering.

This document is important and it should be read in its entirety. The Securities to be issued pursuant to this Prospectus should be viewed as a speculative investment and Eligible Shareholders should refer to Section 3 for details of certain risk factors which are considered to be relevant for the purposes of the Offer. Eligible Shareholders should consult their stockbroker, solicitor, accountant or other professional adviser if necessary.

No person is authorised to give any information or to make any representation in relation to the Offer which is not contained in this Prospectus and any such information may not be relied upon as having been authorised by the Directors.

A copy of this Prospectus can be downloaded from the Company's website at <https://coolabahmetals.com.au/>. The offer constituted by an electronic version of this Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. Any Shareholder may obtain a hard copy of this Prospectus by contacting the Company.

A number of terms and abbreviations used in this Prospectus have defined meanings set out in Section 7.

OVERSEAS SHAREHOLDERS

Securities will not be issued pursuant to this Prospectus in jurisdictions outside Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside of Australia and New Zealand may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the applicable securities law.

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 Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia and New Zealand.

This Prospectus does not, and is not intended to, constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer or issue. This Prospectus has not been, nor will it be lodged, filed or registered with any regulatory authority under the securities laws of any other country.

RISK FACTORS

Refer to Section 3 for details of the risks associated with an investment in the Company. As with any securities investment, there are risks associated with investing in the Company. Investors should be aware that an investment in the Company involves risks that may be greater than risks associated with an investment in some other companies. The principal risks that could affect the financial and market performance of the Company are detailed in Section 3 of this Prospectus. The Securities on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can be effectively managed is limited.

Risks of investing in the Company's existing assets and general risks are set out in Section 3 of this Prospectus.

Careful consideration should be given to all matters raised in this Prospectus and the relative risk factors prior to applying for Securities offered for subscription under this Prospectus. Investors should consider the risk factors described in Section 3, together with the information contained elsewhere in this Prospectus, before deciding whether to apply for Securities.

TARGET MARKET DETERMINATION

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the various target markets for the offer of Securities issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website at <https://coolabahmetals.com.au/>. By making an application for Securities under this Prospectus, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

TIMETABLE AND IMPORTANT DATES

EVENT	DATE
Announcement of Placement and Rights Issue and lodgement of Appendix 3B with ASX	9 April 2024
Issue of Placement Shares	16 April 2024
Lodgement of Prospectus with ASIC and ASX	18 April 2024
Ex Date	23 April 2024
Record Date for determining shareholder entitled to participate in the Rights Issue	24 April 2024
Prospectus and Entitlement and Acceptance Form dispatched to Eligible Shareholders, and Company announces that this has occurred	30 April 2024
Opening date of the Rights Issue	30 April 2024
Last day to extend Closing Date of the Rights Issue	6 May 2024
Closing Date (5:00pm WST)*	9 May 2024
Securities quoted on a deferred settlement basis	10 May 2024
Last day for Company to announce the results of the Rights Issue, issue the New Shares under the Rights Issue and lodge an Appendix 2A	16 May 2024
Deferred settlement trading ends	16 May 2024
Commencement of trading of New Shares & New Options on ASX	17 May 2024

* The Directors may extend the Closing Date of the Offer by giving at least three (3) Business Days' notice to ASX prior to the Closing Date. As such the date the Securities are expected to commence trading on ASX may vary.

1. DETAILS OF THE OFFER

1.1 Offer

The Company is making a pro-rata non-renounceable entitlement issue (**Offer**) comprised of new fully paid ordinary shares in the capital of the Company (**New Shares**) on the basis of one (1) New Share for every two (2) existing Shares held, at an issue price of \$0.04 per New Share, together with one (1) free-attaching Option (exercisable at \$0.12 and expiring five (5) years from the date of issue) (**New Options**) for every four (4) New Shares subscribed for and issued.

In the calculation of any Entitlement, fractions will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus and assuming no Options are exercised or other Shares are issued prior to the Record Date), approximately 44,718,750 New Shares will be issued pursuant to the Offer to raise up to approximately \$1,788,750 (before costs).

As at the date of this Prospectus, the Company has 45,025,000 Options on issue, all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 2.4 for information on the exercise price and expiry date of the Options on issue.

All of the New Shares offered under the Offer will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to Shares.

The New Options will be exercisable at \$0.12 and expiring five (5) years from the date of issue. In the event that the Company can satisfy the ASX requirements for quotation of a new class of securities (which includes, among other things, there being a minimum of 100,000 New Options on issue, with at least 50 holders holding a marketable parcel), the Company will seek quotation of the New Options. The Company makes no guarantee that any such application for quotation will be successful. Please refer to Section 4.2 for the full terms and conditions of the New Options.

Details of the purpose and effect of the Offer and the proposed use of funds raised are set out in Section 2.

The Offer is fully underwritten by CPS Capital Group Pty Ltd (ACN 088 055 636) (AFSL: 294848) (**CPS Capital** or **Underwriter**). Refer to Section 5.4 for a summary of the terms of the Underwriting Agreement.

CPS Capital has also been appointed as lead manager to the Offer. Refer to Section 5.4 for a summary of the terms of the Lead Manager Mandate.

Please refer to Section 1.5 for details on how to apply for New Shares and New Options under the Offer.

1.2 Lead Manager Offer

The Lead Manager Offer is an offer of up to 9,500,000 New Options to CPS Capital (or their nominee/s) (**Lead Manager Options**), in part consideration for agreeing to lead manage and underwrite the Offer.

The New Options offered under the Lead Manager Offer will be issued on the terms and conditions set out in Section 4.2. The Company will apply for Official Quotation of the New Options to be issued under the Lead Manager Offer.

The purpose of the Lead Manager Offer is to satisfy part of the Company's obligations under the Underwriting Agreement and to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued on exercise of the New Options subscribed for by the Underwriter (or their nominee/s).

Only CPS Capital (or its nominee/s) may apply under the Lead Manager Offer. A personalised Lead Manager Offer Application Form in relation to the Lead Manager Offer will be issued to the Underwriter together with a copy of this Prospectus. You should not complete an Lead Manager Offer Application Form unless specifically directed to do so by the Company.

1.3 Minimum Subscription

There is no minimum subscription under the Offer.

1.4 Opening and Closing Dates

The Offer will open for receipt of acceptances on **Tuesday, 30 April 2024**.

The Offer will close at **5:00pm AWST on Thursday, 9 May 2024**, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine and provided that the Company gives ASX notice of the change at least three (3) Business Days prior to the Closing Date.

1.5 How to Accept the Offer

Your acceptance of any New Shares under the Offer must be made by following the instructions on the online Entitlement and Acceptance Form available at one of the three links set out below and paying the application monies electronically by BPAY or EFT in accordance with the instructions set out in the Entitlement and Acceptance Form. You will need to provide your SRN or HIN and postcode to access the online application system.

(a) How to access the Entitlement and Acceptance Form

If you already have an online account with Xcend share registry	https://investor.xcend.app • Log in • Once you have successfully signed in, click on the relevant entity • Click on "Statements" • Download the Prospectus and Entitlement and Acceptance Form
If you don't have an online account with Xcend share registry but wish to register for one	https://investor.xcend.app/register • Follow the prompts to set up your username and password • You will receive an email to activate your account • Upon confirmation that your account has been activated, click on the "Register new investor" button • Select "Coolabah Metals Limited" from the dropdown menu • Enter your Holder Number • Click on "Register investor" • Once you have successfully registered, click on the relevant entity

	• Click on “Statements” • Download the Prospectus and Entitlement and Acceptance Form
If you don't have an online account with Xcend share registry but want to use Xcend for this Offer only	https://investor.xcend.app/sha • Select Coolabah Metals Limited from the dropdown list • Enter your holder number SRN / HIN (from your latest Holding Statement) • Enter Postcode (Aust only) or Country (if not Australia) • Tick box “I am not a robot”, then “Login Single Holder” • Once you have successfully signed in, click on the relevant entity • Click on “Statements” • Download the Prospectus and Entitlement and Acceptance Form

(b) **What Eligible Shareholders may do**

The Entitlement and Acceptance Form sets out the number of New Shares you are entitled to subscribe for. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (i) if you wish to accept your **full** Entitlement:
 - (A) take up all of your Entitlement in accordance with the instructions on the accompanying Entitlement and Acceptance Form; and
 - (B) pay the application monies for the amount indicated on your Entitlement and Acceptance Form (in full) by BPAY or EFT, so that it is received by no later than 5.00pm WST on the Closing Date; or
- (ii) if you only wish to accept **part** of your Entitlement:
 - (A) select the number of New Shares you wish to accept; and
 - (B) pay the appropriate application monies, by BPAY or EFT so that is received no later than 5.00pm WST on the Closing Date; or
- (iii) if you wish to accept your full Entitlement **and** apply for additional Shortfall Securities:
 - (A) select the number of Shortfall Securities you wish to apply for in addition to your full Entitlement; and
 - (B) pay the application monies for the amount indicated on your Entitlement and Acceptance Form plus any additional Shortfall Securities you wish to apply for (in full) by BPAY or EFT, so that it is received by no later than 5.00pm WST on the Closing Date;

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 Company's absolute discretion as per the

allocation policy set out in Section 1.6. 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; or

- (iv) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

(c) **Payment options**

(i) **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®:

- (A) 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; and
- (B) 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 New Shares which is covered in full by your application monies.

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 unique customer reference number (**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).

(ii) **Electronic Funds Transfer**

For payment by Electronic Funds Transfer (**EFT**), please follow the instructions on the Entitlement and Acceptance Form. Multiple acceptances must be paid separately. You should be aware of your financial institution's cut-off time and any associated fees with processing an EFT. It is your responsibility to ensure funds are submitted correctly by the Closing Date and processed in time. Please note that should you choose to pay by EFT:

- (A) 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; and
- (B) 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 New Shares which is covered in full by your Application monies.

Please ensure you use your unique payment reference number located on the Entitlement and Acceptance Form. This will ensure your payment is processed correctly. Failure to do so may result in your funds not being allocated to your application and your Entitlement subsequently not being issued.

It is your responsibility to ensure that your payment of application monies is received by the share registry by no later than 5:00 pm (WST) on the Closing Date. You should

be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of New Shares will be refunded. No interest will be paid on any application monies received or refunded.

1.6 Shortfall

Any Entitlement not taken up pursuant to the Offer will form part of 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 (3) months following the Closing Date of the Offer although it is intended that the Shortfall Offer will close promptly following the Closing Date for the Offer under the terms of the Underwriting Agreement.

The issue price for each New Share to be issued under the Shortfall Offer shall be \$0.04 being the price at which New Shares have been offered under the Offer.

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Securities regardless of the size of their present holding by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. Separate application forms may be provided, together with a copy of this Prospectus, to other investors who are not currently Shareholders who are invited to participate in the Shortfall Offer. It is possible that there may be few or no Shortfall Securities available for issue, depending on the level of take up of Entitlements by Eligible Shareholders. There is also no guarantee that in the event Shortfall Securities are available for issue, they will be allocated to all or any of the Eligible Shareholders who have applied for them.

The Directors (in consultation with the Underwriter) reserve the right to issue Shortfall Securities at their absolute discretion, subject to any restrictions imposed by the Corporations Act and the Listing Rules. As such, there is no guarantee that Applicants under the Shortfall Offer will receive any Shortfall Securities applied for under the Shortfall Offer.

The Directors and the Underwriter reserve the right to issue to an Applicant a lesser number of Shortfall Securities than the number for which the Applicant applies, or to reject or scale back an Application for Shortfall Securities, or to not proceed with placing the Shortfall Securities. In that event, Application Monies will be refunded by the Company (without interest) in accordance with the provisions of the Corporations Act. The Company and the Underwriter will have no liability to any Applicant who receives less than the number of Shortfall Securities they applied for under the Shortfall Offer.

All decisions regarding the allocation of Shortfall Securities will be made by the Directors in consultation with the Underwriter and will otherwise be subject to the terms of the Underwriting Agreement. It is presently intended that Shortfall Securities will be allocated as follows:

- (a) to Eligible Shareholders who apply for an excess of their full Entitlement so long as the issue of Shortfall Shares to that Eligible Shareholder would not take their voting power to in excess of 19.99%; and then
- (b) to other parties identified by the Directors and Underwriter, which may include parties who are not currently Shareholders; and then
- (c) to the Underwriter in accordance with the Underwriting Agreement.

No New Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%.

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.

1.7 Non-renounceable

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

1.8 Underwriting Agreement

The Offer is fully underwritten by CPS Capital. Refer to Section 5.4 for details regarding the terms of the Underwriting Agreement.

1.9 Lead Manager Mandate

CPS Capital has also been appointed as lead manager to the Placement and Offer. The terms of the appointment of CPS Capital as are summarised in Section 5.4 of this Prospectus.

1.10 ASX Listing

Application for Official Quotation of the New Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the New Shares offered pursuant to this Prospectus before the expiration of three (3) months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Shares and will repay all application monies for the New Shares within the time prescribed under the Corporations Act, without interest.

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

The Company will also apply for Official Quotation of the New Options issue pursuant to this Prospectus in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the New Options offered pursuant to this Prospectus, or if the Company does not meet the minimum requirements to be granted Official Quotation of the New Options, then those Options will still be issued, however will not be quoted on ASX.

1.11 Issue of Securities

The Securities issued pursuant to the Offer will be allotted in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus. Shortfall Securities issued pursuant to the Shortfall Offer will be allotted pursuant to the terms of the Underwriting Agreement.

Where the number of Securities issued is less than the number applied for, or where no allotment is made, surplus Application Monies will be refunded without interest to the Applicant as soon as practicable.

Pending the allotment and 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 the Securities issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Securities issued under the Shortfall Offer (if any) as soon as practicable after their issue.

1.12 CHESS and Issuer Sponsorship

The Company is a participant in Clearing House Electronic Sub-Register System (**CHESS**), for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares allotted 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 CHESS and issuer sponsorship.

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.

1.13 Risks

As with any securities investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 3 of this Prospectus. The Securities on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

1.14 Overseas Shareholders

The Offer and Shortfall Offer does 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 Securities that these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

New Zealand

The Offer is not being made to the public in New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the Offer is being made in reliance on the *Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016*.

This document 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.

Nominees and custodians

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident in other jurisdictions are responsible for ensuring that applying for Shares under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

1.15 Representations

The return of the Application Form or otherwise applying for Securities under the Offer will be taken by the Company to constitute a representation by the Applicant that it:

- (a) has received a printed or electronic copy of this Prospectus accompanying the form and has read it in full;
- (b) agrees to be bound by the terms of this Prospectus and the Constitution;
- (c) has obtained all necessary approvals and complied with all relevant laws and regulations for the purposes of Section 1.14 (to the extent that they are applicable) and confirms its eligibility in respect of an offer of securities under the applicable Offer;
- (d) declares that all details and statements in the Application Form are complete and accurate;
- (e) declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under the Application Form;
- (f) acknowledges that once the Application Form is returned or payment is made its acceptance may not be varied or withdrawn;
- (g) agrees to being issued the number of new securities that it applies for (or such other number issued in accordance with this Prospectus);
- (h) authorises the Company to register it as the holder(s) of the Securities issued to it under the applicable Offer;
- (i) acknowledges that the information contained in this Prospectus is not investment advice or a recommendation that the New Shares are suitable for it, given its investment objectives, financial situation or particular needs; and
- (j) authorises the Company and its officers or agents to do anything on its behalf necessary for the new securities to be issued to it, including correcting any errors in its Application Form or other form provided by it and acting on instructions received by the share registry using the contact details in the Application Form.

1.16 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the securities of the Company.

1.17 Privacy Disclosure

If you complete an application for Securities, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, 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 Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

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

1.18 Enquiries

This document is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

If you have any questions regarding your Entitlement or the Offer, please contact the Company Secretary on (08) 9481 0389, from 8.30am (WST) to 5.00pm (WST), Monday to Friday.

2. PURPOSE AND EFFECT OF THE OFFER

2.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$1,788,750 (before costs). The funds raised from the Offer are intended to be used in accordance with the table set out below:

Item	Amount (\$)	Proportion (%)
Mundi Mundi Fluorite Project	\$447,078	24.99%
Existing projects	\$400,000	22.36%
Future acquisitions	\$500,000	27.95%
Working capital ¹	\$250,000	13.98%
Expenses of the Offer ²	\$191,672	10.72%
Total	\$1,788,750	100%

Notes:

1. Funds allocated to working capital will be used for administration costs and corporate overheads, including director fees, ASX listing fees and fees for service providers.
2. Refer to Section 5.11 of this Prospectus for details regarding the estimated expenses of the Offer.

The above table is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events (such as project and general market risk factors affecting the Company) and new circumstances have the potential to affect the ultimate way funds will be applied. The Directors reserve the right to alter the way funds are applied on this basis.

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

2.2 Effect of the Offer

The principal effect of the Offer, assuming all Securities offered under the Prospectus are issued, will be to:

- (a) increase cash reserves by approximately \$1,597,078 (after deducting estimated cash expenses of the Offer) immediately after completion of the Offer;
- (b) increase the number of Shares on issue from 89,437,501 as at the date of this Prospectus to 134,156,251 Shares; and
- (c) increase the number of Options on issue from 45,025,000 as at the date of this Prospectus to 65,704,688 Options.

A summary of the Shares and Options the Company will have on issue after the Offer is outlined in Section 2.4.

2.3 Pro-forma statement of financial position

Set out in Annexure B is an unaudited pro-forma statement of financial position of the Company prepared using the audited statement of financial position of the Company as at

31 December 2023 and on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

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

The unaudited pro-forma statement of financial position has been prepared for illustrative purposes only and gives effect to the transactions described in the notes to the pro-forma statement of financial position and the assumptions described therein as if they had occurred as of 31 December 2023. The historical and pro-forma financial information is presented in abbreviated form, insofar as it does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

2.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Shares offered under the Prospectus are issued (ignoring the effects of rounding of fractional Entitlements, and assuming no further Shares are issued prior to the Record Date), is set out below.

Security	Number
Shares¹	
Shares on issue as at the date of this Prospectus ²	89,437,501
New Shares to be issued pursuant to the Offer ³	44,718,750
Total Shares on issue on completion of the Offer	134,156,251
Options	
Options on issue as at the date of this Prospectus ⁴	37,475,000
Unlisted Options on issue as at the date of this Prospectus ⁵	7,550,000
New Options to be issued pursuant to the Offer ³	11,179,688
New Options to be issued pursuant to the Lead Manager Offer	9,500,000
Total Options on issue on completion of the Offer	65,704,688
Performance Rights	
Performance Rights ⁶	5,000,000
Total Performance Rights on issue on completion of the Offer	5,000,000

Notes:

1. The rights and liabilities attaching to the existing Shares and New Shares are summarised in Section 4.1.
2. Figures include 17,887,500 Shares issued on or around 16 April 2024 as part of the Placement. 13,750,000 Shares are subject to escrow until 28 July 2024. Holders of escrowed Shares will receive an Entitlement in respect of the escrowed Shares. New Shares issued in respect of such Entitlement will be issued on the same terms as the other New Shares issued under the Offer and will not be subject to escrow requirements.
3. Based on the capital structure of the Company as at the date of this Prospectus (assuming no existing Options are exercised prior to the Record Date), a maximum of 44,718,750 New Shares and 11,179,687 New Options may be issued under the Offer to raise up to approximately \$1,788,750 (before costs).

4. These Options are exercisable at \$0.20 and expiring on 12 December 2025.
5. These Options are exercisable at \$0.25 on or before 31 March 2025 (escrowed until 28 July 2024).
6. These Performance Rights expire 20 July 2025. The Performance Rights will vest upon the Company announcing assay results from rock chip samples collected in-situ from any of the Hampden Lithium Project Tenements, which record a grading of at least 1% Li₂O.

2.5 Details of substantial holders

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

Shareholder	Shares	%
Bacchus Resources Pty Ltd	6,000,000	6.71%

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

2.6 Effect on control of the Company

As at the date of this Prospectus, the Underwriter is a shareholder of the Company and the extent to which New Shares are issued pursuant to the Underwriting Agreement will increase the Underwriter's voting power in the Company.

The Underwriter's present relevant interest and changes under several scenarios are set out in the table below.

Event	Shares held by Underwriter	Voting power of Underwriter
Fully subscribed	225,000	0.17%
75% subscribed	11,404,687	8.50%
50% subscribed	22,584,375	16.83%
25% subscribed	33,764,062	25.17%
0% subscribed	44,943,750	33.50%

The number of Shares held by the Underwriter and its voting power in the table above show the potential effect of the underwriting of the Offer. However, it is unlikely that no Shareholders will take up entitlements under the Offer. The underwriting obligations and therefore potential voting power of the Underwriter will reduce by a corresponding amount for the amount of entitlements under the Offer taken up by Shareholders. Furthermore, the voting power of the Underwriter will also be reduced to the extent that sub-underwriters take up any Shortfall. Any relevant interest acquired by the Underwriter or sub-underwriters will also be diluted if any Optionholders exercise and convert their Options to Shares.

The Company and the Underwriter have confirmed that no sub-underwriter nor existing Shareholder will increase its voting power to above 20% as a result of the Offer or Shortfall Offer.

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

There will be no change to any Shareholder's voting power as a result of the issue of the New Options. Where New Options are exercised into Shares, the voting power of the Shareholders who exercise the New Options will increase. The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

The Company considered GN 17 in seeking to put in place appropriate strategies to mitigate the potential control effects of the Offer. In the Board's opinion, in the current commercial environment and having explored all options, the underwriting by the Underwriter of a non-renounceable entitlement issue was the most commercially feasible option available to the Company in the context of the Company's current requirement for capital.

No Shares will be issued to an applicant under the Offer or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. To that end, in exercising their discretion regarding the shortfall, the Company will not do so in a manner which is likely to exacerbate a potential unacceptable control effect on the Company (having regard to paragraph 7(b)(iii) of GN 17).

By reference to paragraphs 8 and 9 of GN 17:

- (a) CPS Capital have been appointed to assist with procuring applications for any Shortfall Securities;
- (b) CPS Capital has and will continue to seek out sub-underwriters which will reduce the control impact;
- (c) sufficient time and detailed disclosure have been given to Shareholders and other investors to assess the Securities being offered; and
- (d) the acquisition of New Shares by CPS Capital is in its capacity as such pursuant to a negotiated Underwriting Agreement (i.e. it is not facilitation of a capital raising by a contract to subscribe for Shortfall before the Offer is made).

The Company has a clear need for funds which has not been contrived (noting paragraph 9 of GN 17), and having regard to all available options, the Company has considered that entering into the Underwriting Agreement with the Underwriter provides the Company with the highest degree of certainty in the time available that the Offer will be successful.

The Company did consider the issue of renounceability of the Offer. Having regard to paragraphs 19-22 of GN 17, the fact that the Offer is non-renounceable should not be considered a significant factor given the Company considers that a market for rights is unlikely (given low liquidity in trading of the New Shares) and the additional costs to make the Offer renounceable.

In light of the above, the Company considers that the structure of the Offer should not give rise to unacceptable circumstances.

2.7 Potential dilution

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 33% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

Examples of how the dilution may impact Shareholders is set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlement	% if full Entitlement taken up	% if no Entitlement taken up
Shareholder 1	5,000,000	5.59%	2,500,000	5.59%	3.73%
Shareholder 2	1,000,000	1.12%	500,000	1.12%	0.75%
Shareholder 3	500,000	0.56%	250,000	0.56%	0.37%
Shareholder 4	250,000	0.28%	125,000	0.28%	0.19%
Shareholder 5	125,000	0.14%	62,500	0.14%	0.09%

Note: The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer pursuant to the terms of the Underwriting Agreement. Percentages have been calculated on the basis of there being 89,437,501 Shares on issue at the date of this Prospectus and 134,156,251 Shares on issue on completion of the Offer. Refer to Section 2.4 for further details of the Company's capital structure.

3. RISK FACTORS

3.1 Introduction

The New Shares offered under this Prospectus should be considered speculative because of the nature of the Company's business.

Whilst the Directors recommend that Shareholders take up their entitlement to Securities, there are however numerous risk factors involved. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which the New Shares and New Options will trade (subject to satisfying ASX of the quotation requirements).

The following is a summary of the more material matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports. However, the summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisors before deciding whether to apply for the Securities.

3.2 Company specific

(a) Limited History

No assurance can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Projects. Until the Company is able to realise value from the Projects (or any other tenements the Company may acquire in the future), it is likely to incur ongoing operating losses.

(b) Tenement Access and Third Party Risks

Under Commonwealth and the applicable State legislation, the Company may be required to obtain the consent of and/or pay compensation to holders of third-party interests which overlay areas within the Tenements. The Tenements overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities including Crown land, pastoral lease, State forests, wild river preservation areas and areas covered by native title claims and determinations.

Any delays in respect of conflicting third-party rights, obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas.

(c) Tenure Risk

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements will be approved.

The Tenements are subject to the applicable mining acts and regulations in Queensland and New South Wales. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Tenements comprising the Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in

Queensland and New South Wales and the ongoing expenditure budgeted for by the Company. However the consequence of forfeiture or involuntary surrender of a granted tenements for reasons beyond the control of the Company could be significant.

(d) Mineral Resources and Ore Reserve Estimates

There are no current Mineral Resource or Ore Reserves (as defined by the JORC Code) identified by the Company on the Projects.

Whilst the Company intends to undertake exploration activities with the aim of defining a Mineral Resources, no assurance can be given that the exploration will result in the determination of a Mineral Resource. Even if a Mineral Resources is identified, no assurance can be provided that this can be economically extracted. Mineral Resource and Ore Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which are valid when originally calculated may change significantly when new information or techniques become available.

In addition, by their very nature, Mineral Resource and Ore Reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate.

(e) Potential Acquisitions

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

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

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

(f) Native Title Risks

The effect of present laws in respect of native title that apply in Australia is that mining tenements (including applications for mining tenements) may be affected by native title claims or procedures, which may prevent or delay the granting of mining tenements, or affect the ability of the Company to explore and develop the mining tenements.

The Company's tenements may be subject to native title claims. If so, before carrying out exploration activity on these tenements, the Company must notify the claimant group of the details of such exploration and give the claimant group the right to carry out a heritage survey over the land to determine if any sites or objects of significance exist. The Company must meet all of the claimant group's costs in carrying out such survey. Further, exploration licenses in NSW are granted subject to a standard conditions that the licence holder is not able to conduct any activities on any land or

waters within the exploration area on which Native Title has not been extinguished under the *Native Title Act 1993* (Cth) without the prior written consent of the Minister. The Company might experience delays and cost overruns in the event it is unable to access the land required for its operations for these reasons.

The grant of any future tenure to the Company over areas that are covered by registered claims or determinations will likely require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act.

The Company may also be required to follow the standard procedures set out in any applicable Indigenous Land Use Agreements (**ILUA**) to ensure site or objects of significance to Aboriginal people are identified before carrying out any ground disturbing works. The Company might experience delays and cost overruns in the event it is unable to access the land required for its operations for these reasons.

The Company is aware that the Tenements are within the area of a number of registered native title claims and ILUAs. The Company does not anticipate that these native title claims and ILUAs will have any significant impact on the Company's intended exploration program. In any event, the Company will closely monitor the potential effect of native title claims and ILUAs involving the Tenements.

(g) Aboriginal Heritage Sites

A mining or exploration licence may contain places or objects of Aboriginal cultural heritage significance. The existence of Aboriginal heritage sites within the Company's projects may lead to restrictions on the areas that the Company will be able to explore and mine.

A mining or exploration licence may contain places or objects of Aboriginal cultural heritage significance. The existence of Aboriginal heritage sites within the Company's projects may lead to restrictions on the areas that the Company will be able to explore

The Company is aware that there are Aboriginal heritage sites recorded within the area of the Tenements.

Approvals are required if these sites will be impacted by exploration or mining activities. The Company does not anticipate that these sites will have any impact on the Company's intended exploration program. In any event, the Company will review the location of each site when planning its exploration programs so as to ensure that activities near Aboriginal sites meet the requirements under the applicable legislation.

(h) Landowner and Access Risk

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to gain access to land in Australia. Negotiations with both Native Title parties and land owners/occupiers are generally required before the Company can access land for exploration or mining activities.

The Company will be required to negotiate access arrangements and pay compensation to land-owners, local authorities and traditional land users. The Company's ability to resolve access and compensation issues will have an impact on the future success and financial performance of the Company. Legal processes are available in the case of disputes, but in preference the Company has made respectful and fair land-owner interactions an integral component of its strategy.

Investors should be aware that any delay in obtaining agreement in respect of compensation due to landholders whose land comprises the Tenements may

adversely impact or delay the Company's ability to carry out exploration or mining activities on its Tenements.

(i) Tenements held on Trust

Some of the Tenements cannot be transferred unless consent of the Minister or Secretary of the Department of Regional NSW (as applicable) is obtained. Under the Acquisition Agreement, if any of the rights of the beneficial owners of the Tenements is not for any reason whatsoever not capable of being legally transferred to, conferred upon or exercised by the Company in the Company's name, the Vendor transfer such rights to be exercised by the Company in the name of the Vendor as and with effect from settlement of the Acquisition Agreement and the Vendor shall hold such rights exclusively on trust for the benefit of the Company.

(j) The Company does not expect to declare any dividends in the foreseeable future

The Company does not anticipate declaring or paying any dividends to Shareholders in the foreseeable future. Consequently, investors may need to rely on sales of their Securities to realise any future gains on their investment.

(k) Foreign jurisdiction risk – Canadian government regulation

The Company's operating activities are subject to laws and regulations governing exploration of property, health and worker safety, employment standards, waste disposal, protection of the environment, land and water use, prospecting, taxes, labour standards, occupational health standards, toxic wastes, the protection of endangered and protected species and other matters.

While the Company understands that it is currently in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects. Where required, obtaining necessary permits and licences can be a complex, time consuming process and the Company cannot be sure whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all.

The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with any future exploration or development of its properties. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or other activities and could result in material fines, penalties or other liabilities.

Adverse changes in Canadian government policies 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 Canada may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(l) Sovereign risk – Canadian government regulation

The Company's key projects are located in Quebec, Canada and Australia. Possible sovereign risks associated with operating in Canada include, without limitation,

changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares.

3.3 Mining Industry Risks

(a) Exploration Risk

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Projects, or any other tenements that may be acquired in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

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

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Company's projects, a reduction in the cash reserves of the Company and possible relinquishment of the Company's projects.

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

(b) Regulatory Risks

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time consuming process and there is a risk that the Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the tenements.

(c) **Operating and Development Risks**

The Company's ability to achieve production, development, operating cost and capital expenditure estimates on a timely basis cannot be assured.

The business of mining involves many risks and may be impacted by factors including ore tonnes, grade and metallurgical recovery, input prices (some of which are unpredictable and outside the control of the Company), overall availability of free cash to fund continuing development activities, labour force disruptions, cost overruns, changes in the regulatory environment and other unforeseen contingencies. Other risks also exist such as environmental hazards (including discharge of pollutants or hazardous chemicals), industrial accidents, occupational and health hazards, cave-ins and rock bursts. Such occurrences could result in damage to, or destruction of, production facilities, personal injury or death, environmental damage, delays in mining, increased production costs and other monetary losses and possible legal liability to the owner or operator of the mine. The Company may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities for which it was not responsible.

In addition, the Company's profitability could be adversely affected if for any reason its production and processing of or mine development is unexpectedly interrupted or slowed. Examples of events which could have such an impact include unscheduled plant shutdowns or other processing problems, mechanical failures, the unavailability of materials and equipment, pit slope failures, unusual or unexpected rock formations, poor or unexpected geological or metallurgical conditions, poor or inadequate ventilation, failure of mine communications systems, poor water condition, interruptions to gas and electricity supplies, human error and adverse weather conditions.

(d) **Mine Development Risk**

Possible future development of mining operations of the Projects 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 of any of the Projects, its operations may be disrupted by a variety 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 Projects reach that stage and will be managed with ongoing consideration of stakeholder interests.

(e) **Environmental**

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

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

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become even more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities, including under Canadian laws and regulations. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(f) Failure to Satisfy Expenditure Commitments

The tenements comprising the Company's projects are governed by the mining acts and regulations in Australia. Each granted Tenement 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 the tenements if conditions are not met or if insufficient funds are available to meet expenditure commitments.

(g) Force Majeure

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

3.4 General Risks

The future prospects of the Company's business may be affected by circumstances and external factors beyond the Company's control. Financial performance of the Company may be affected by a number of business risks that apply to companies generally and may include economic, financial, market or regulatory conditions.

(a) Reliance on Key Personnel

The Company's operational success will depend substantially on the continuing efforts of senior executives. The loss of services of one or more senior executives may have an adverse effect on the Company's operations. Furthermore, if the Company is unable to attract, train and retain key individuals and other highly skilled employees and consultants, its business may be adversely affected.

(b) Additional Requirements for Capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to maintain its funds and/or generate income from its operations, the Company may require further financing in the future. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain

additional financing as needed, it may be required to reduce the scope of its operations and scale back exploration expenditure as the case may be.

(c) **Environmental risk**

The operations and proposed activities of the Company are subject to state and federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or field 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.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Further, the Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

(d) **Royalties**

The Company's mining projects may be subject to State royalties. In the event that State royalties are increased in the future, the profitability and commercial viability of the Company's projects may be negatively impacted

(e) **General Economic Climate**

Factors such as inflation, currency fluctuation, interest rates and supply and demand have an impact on operating costs, commodity prices and stock market prices. The Company's future revenues and securities price may be affected by these factors, as well as by fluctuations in the price of commodities, which are beyond the Company's control.

(f) **Currency fluctuations**

Currency fluctuations may affect the value of the Company's cash holdings, the Company's capital costs and the costs that the Company incurs at its activities. Most of the Company's operating and capital expenses are incurred in Australian and Canadian dollars. Changes in these foreign currencies could materially and adversely affect the Company's profitability, results of activities and financial position.

(g) **Changes in Legislation and Government Regulation**

Government legislation in Australia or any other relevant jurisdiction, including changes to the taxation system, may affect future earnings and relative attractiveness of investing in the Company. Changes in government policy or statutory changes may affect the Company and the attractiveness of an investment in it.

(h) **Competition for Projects**

The Company competes with other companies, including mineral exploration and production companies. Some of these companies have greater financial and other resources than the Company. As a result, such companies may be in a better position

to compete for future business opportunities and there can be no assurance that the Company can effectively compete with these companies. In the event that the Company is not able to secure a new project or business opportunity this may have an adverse effect on the operations of the Company, its possible future profitability and the trading price of its securities, including the Securities offered under this Prospectus.

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

If the Company achieves success leading to mineral production, the revenue it will derive through the sale 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 precious and base metals, technological advancements, forward selling activities and other macro-economic factors. 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.

(j) **Market Conditions**

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

- (i) general economic outlook;
- (ii) introduction of tax changes or other new legislation;
- (iii) interest rates and inflation rates;
- (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 and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the Shares regardless of the Company's performance.

(k) **Climate Change Risks**

Climate change is a risk the Company has considered, particularly related to its operations in the mining industry. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

There may be relatively few or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is above or below the price that Shareholders paid.

(l) Reports regarding the Company and the Projects

If securities or industry analysts do not publish or cease publishing research or reports about the Company, its business or its market, or if they change their recommendations regarding the Company's Securities adversely, the price of its Securities and trading volumes could be adversely affected.

The market for the Company's Securities trading on ASX may be influenced by any research or reports compiled by securities or industry analysts. If any of the analysts who may cover the Company and its products change previously disclosed recommendations on the Company or for that matter its competitors, the price of its Securities may be adversely affected.

(m) If the Company's goodwill or intangible assets become impaired, it may be required to record a significant charge to earnings

Under Generally Accepted Accounting Standards the Company reviews its intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is required to be tested for impairment at least annually.

(n) Litigation Risks

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

(o) Insurance

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature

or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.

3.5 Speculative investment

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

Therefore, the New Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

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

4. RIGHTS ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The New Shares offered under the Offer will rank equally in all respects with existing Shares on issue.

Full details of the rights and liabilities attaching to the Shares are:

- (a) set out in the Constitution, a copy of which can be inspected during office hours at the Company's registered office during the Offer period; and
- (b) in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights attaching to the Shares. This summary is not exhaustive and does not constitute a definite statement of the rights and liabilities of the Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) General meetings

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

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

(b) Voting rights

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

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative or if a determination has been made, by direct vote;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote (even though he or she may represent more than one member); and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall (or where a Direct Vote has been lodged), 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 the Share, but in respect of partly paid Shares, shall have such number of votes being equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable in respect of those Shares (excluding amounts credited).

(c) Dividend rights

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

respect of such Shares. The Directors may rescind a decision to pay a dividend if they decide, before the payment date, that the Company's financial position no longer justifies the payment.

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

The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied. Pending any application of the reserves, the Directors may invest or use the reserves in the business of the Company or in other investments as they think fit. Any amount set aside as a reserve is not required to be held separately from the Company's other assets and may be used by the Company or invested as the Directors think fit.

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 and 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) **Restricted Securities**

The Company shall comply in all respects with the requirements of the Listing Rules with respect to Restricted Securities.

Without limiting the generality of the above:

- (i) a holder of Restricted Securities must not Dispose of, or agree or offer to Dispose of, the Securities during the escrow period applicable to those Securities except as permitted by the Listing Rules or the ASX;
- (ii) if the Restricted Securities are in the same class as quoted Securities, the holder will be taken to have agreed in writing that the Restricted Securities are to be kept on the Company's issuer sponsored subregister and are to have a Holding Lock applied for the duration of the escrow period applicable to those Securities;
- (iii) the Company will refuse to acknowledge any Disposal (including, without limitation, to register any transfer) of Restricted Securities during the escrow period applicable to those Securities except as permitted by the Listing Rules or the ASX;
- (iv) a holder of Restricted Securities will not be entitled to participate in any return of capital on those Securities during the escrow period applicable to those Securities except as permitted by the Listing Rules or the ASX; and
- (v) if a holder of Restricted Securities breaches a Restriction Deed or a provision of this Constitution restricting a Disposal of those Securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those Securities for so long as the breach continues.

(e) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any

part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. No member is obliged to accept any Shares, securities or other assets in respect of which there is any liability.

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

(f) **Shareholder liability**

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

(g) **Transfer of Shares**

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 or the ASX Listing Rules, the Shares are freely transferable.

(h) **Variation of rights**

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

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

(i) **Alteration of Constitution**

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

4.2 Terms and conditions of New Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each New Option is \$0.12 (**Exercise Price**).

(c) **Expiry Date**

Each New Option will expire at 5:00 pm (WST) on the date that is five (5) years from the date of issue. An 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 Option certificate (**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**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, 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) **Quotation of Options**

The Company will seek quotation of the New Options in accordance with the Listing Rules and Corporations Act, subject to satisfaction of the minimum quotation conditions of the ASX Listing Rules. In the event that quotation of the New Options cannot be obtained, the New Options will remain unquoted.

(i) **Shares issued on exercise**

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

(j) **Reconstruction of capital**

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

(k) **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 Shareholders during the currency of the New Options without exercising the Options.

(l) **Transferability**

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

5. ADDITIONAL INFORMATION

5.1 Nature of this Prospectus

This Prospectus is issued under the special prospectus content rules for continuously quoted securities in section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company, to issue a prospectus for continuously quoted securities (and options to acquire continuously quoted securities) with modified disclosure requirements if they satisfy certain requirements.

The information in this Prospectus principally concerns the terms and conditions of the Offer and the information reasonably necessary to make an informed assessment of:

- (a) the effect of the Offer on the Company; and
- (b) the rights and liabilities attaching to the New Shares and New Options offered pursuant to this Prospectus.

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 securities in an entity that is not already listed on a stock exchange. Shareholders should therefore also have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company.

5.2 Continuous reporting and disclosure obligations

As the Company is admitted to the official list of ASX, the Company is a “disclosing entity” for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Investors are encouraged to check and monitor any further announcements made by the Company to ASX prior to securities being issued under the Offer. To do so, please refer to the Company’s ASX announcements platform via www.asx.com.au.

By virtue of section 713 of the Corporations Act, the Company is entitled to issue a “transaction-specific” prospectus in respect of the Offer.

In general terms, a “transaction-specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, profits and losses or prospects of the issuing company.

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

- (a) it is subject to regular reporting and disclosure obligations;

- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of 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 of the Company for the financial year ended 30 June 2023;
 - (ii) any half-year financial report of the Company lodged with ASIC after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC; and
 - (iii) all continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC (see below).

As at the date of this Prospectus, there is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules that investors or their professional advisers:

- (a) would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Shares the subject of this Prospectus; and
- (b) would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Offer. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

The following announcements have been lodged with ASX in respect of the Company since the Company lodged its annual financial report for the financial year ended 30 June 2023 on 29 September 2023.

Date	Title
16 April 2024	Notice Under Section 708A
16 April 2024	Application for quotation of securities – CBH
9 April 2024	Proposed issue of securities – CBH
9 April 2024	Proposed issue of securities – CBH
9 April 2024	Grant offered for Mundi Mundi Project and Capital Raising
5 April 2024	Trading Halt
14 March 2024	Half Year Accounts
30 January 2024	Quarterly Activities Report and Appendix 5B

24 January 2024	Change of Share Registry
27 December 2023	High-grade gold from RC drilling at Gunpowder Creek
16 November 2023	Results of Meeting
16 November 2023	AGM Presentation
10 November 2023	Follow-up drilling commences at Gunpowder Creek
30 October 2023	Quarterly Activities Report and Appendix 5B
18 October 2023	Letter to Shareholders - Notice of Annual General Meeting
18 October 2023	Notice of Annual General Meeting/Proxy Form
29 September 2023	Appendix 4G and Corporate Governance Statement
29 September 2023	Annual Report to shareholders

5.3 Market Price of Shares

The highest and lowest closing prices of Shares on the ASX during the three (3) months preceding the date of this Prospectus, and the closing price on the trading day before the date of this Prospectus, are set out below.

	Price	Date
Highest	\$0.055	17 – 22 January 2024
Lowest	\$0.041	28 March – 8 April 2024
Last	\$0.046	17 April 2024

5.4 Lead Manager Mandate

The Company has also entered into a separate agreement with CPS Capital pursuant to which it appointed CPS Capital as lead manager to the Placement (**Lead Manager Mandate**).

Pursuant to the Lead Manager Mandate, the Company has agreed to pay CPS Capital:

- (a) a management fee of 2% (plus GST) and placing fee of 4% (plus GST), of the total amount raised under the Placement (totally approximately \$42,390 excluding GST); and
- (b) subject to shareholder approval, issue CPS Capital (or its nominees) 9,500,000 New Options.

CPS Capital is also entitled to be reimbursed for reasonable costs and expenses incidental to the Offer.

The Lead Manager Mandate may be terminated by the Company by seven (7) days written notice. In this event any outstanding expenses will be immediately payable. CPS Capital may terminate the Lead Manager Mandate if the Company breaches any of the terms of the Lead

Manager Mandate or if any warranty or representation given by the Company is not complied with or provides to be untrue in any respect.

The Lead Manager Mandate otherwise contains a number of indemnities, acknowledgements, representations and warranties that are considered standard for an agreement of this type.

5.5 Underwriting Agreement

By an agreement between CPS Capital and the Company (**Underwriting Agreement**), CPS Capital has agreed to fully underwrite the Offer up to the value of \$1,788,750 (being the total amount to be raised under the Offer).

The Underwriter and the Company may appoint sub-underwriters to sub-underwrite the Offer, subject to ensuring that no sub-underwriter (together with their associates) acquires a relevant interest in more than 19.99% of the issued share capital of the Company.

Pursuant to the Underwriting Agreement, the Company has agreed to pay CPS Capital (or its nominees) an underwriting fee of 6% (plus GST) of the total amount raised under the Offer (totalling approximately \$107,325 excluding GST).

CPS Capital will be responsible for any fees payable to any sub-underwriters or other brokers involved in the Offer and introduced by CPS Capital. Further, the Lead Manager Options may be granted to parties that assist with raising funds under the Offer.

CPS Capital is also entitled to be reimbursed for reasonable costs and expenses incidental to the Offer.

The obligation of CPS Capital to underwrite the Offer is subject to certain conditions precedent and events of termination as set out in Annexure A, which are customary for an agreement of this nature. If those conditions are not satisfied or if those termination events occur, CPS Capital may terminate the Underwriting Agreement.

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

5.6 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 other legal proceedings pending or threatened against the Company.

5.7 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director has, or had within two years before lodgement of this Prospectus with ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid (in cash or securities or otherwise) and no benefits have been given or agreed to be given to any Director:

- (d) to induce him to become, or to qualify him as, a Director; or
- (e) for services rendered by him in connection with the formation or promotion of the Company or the Offer.

Remuneration

The remuneration (including superannuation unless stated otherwise) paid to the Directors for the two financial years prior to the date of this Prospectus, and proposed to be paid to the Directors for the current financial year (on an annualised basis), is set out below.

Director	FY 2022	FY 2023	FY 2024
Stephen Woodham ¹	-	\$90,775	\$60,000
Cameron Provost ²	-	\$287,941	\$195,000
David Ward ³	-	\$65,070	\$48,000

Notes:

- 1 Mr Stephen Woodham was appointed as director on 28 July 2021. In addition to the fees in the above table, Mr Woodham also received (during the Financial Year ending 30 June 2023):
 - (a) fees of \$13,375 which were paid or due to Locksley Resources Ltd for geological services rendered, a company of which Mr Woodham is the managing director of.
 - (b) fees of \$92,000 which were paid to Locksley Holdings Pty Ltd for motor vehicle and trailer rentals, a company which Mr Woodham is a director of.
- 2 Mr Cameron Provost was appointed as director on 28 July 2021.
- 3 Mr David Ward was appointed as director on 28 July 2021.

Further information relating to the remuneration of Directors can be found in the Company's annual financial report for the financial year ended 30 June 2023, which was announced to ASX on 29 September 2023.

Securities

The securities in which the Directors and their associates have or are proposed to have relevant interests in at the date of this Prospectus are set out below.

Director	Shares	Entitlement to New Shares	Options	Entitlement to New Options
Stephen Woodham ¹	2,175,001	1,087,500	3,287,500	271,875
Cameron Provost ²	500,000	250,000	1,250,000	62,500
David Ward ³	750,000	375,000	1,675,000	93,750

Notes

- 1 Comprising:
 - (a) One (1) Share held directly;
 - (b) 2,175,000 Shares (2,100,000 Shares escrowed until 28 July 2024), 2,200,000 Options (exercisable at \$0.25 and expiring 31 March 2025, escrowed until 28 July 2024), 1,087,500 listed Options

(exercisable at \$0.20 and expiring 12 December 2025) held indirectly by Alphda Pty Ltd <Alphda Family Trust A/C>, an entity which Mr Woodham controls.

- 2 Shares and Options held indirectly by CDPVL Group Pty Ltd <Provost Family Trust A/C>, an entity which Mr Provost controls. 500,000 Shares and 1,000,000 unlisted Options (exercisable at \$0.25 and expiring 31 March 2025) are subject to escrow until 28 July 2024.
- 3 Comprising:
 - (a) 50,000 Shares and 700,000 Shares (escrowed until 28 July 2024); and
 - (b) 1,000,000 unlisted Options (exercisable at \$0.25 and expiring 31 March 2025) are subject to escrow until 28 July 2024 and 675,000 listed Options (exercisable at \$0.20 and expiring 12 December 2025),

all of which are held directly by Mr Ward directly.

As at the date of this Prospectus, the Directors do intend to participate in the Offer.

5.8 Related party transactions

There are no related party transactions entered into in relation to the Offer that have not otherwise been disclosed in this Prospectus.

5.9 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:

- (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 Offer; or
- (c) the Offer,

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:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Nova Legal has acted as solicitors to the Company in relation to the Offer. The Company estimates it will pay Nova Legal \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Nova Legal has been paid fees totalling \$175,636 (including disbursements and GST), for legal services provided to the Company.

CPS Capital has been appointed as lead manager and underwriter to the Offer and will be paid the fees set out in Section 5.4 and 5.5 for those services. During the 24 months preceding lodgement of this Prospectus with ASIC, CPS Capital has been paid fees totalling \$238,187 (excluding GST and disbursements) for capital raising services provided to the Company.

Xcend Pty Ltd has been appointed to conduct the Company's share registry functions and to provide administrative services in respect of the processing of Entitlement and Acceptance Forms receive pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

5.10 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, any 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 lodgement of this Prospectus with ASIC.

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

CPS Capital has given its written consent to being named as lead manager and underwriter to the Offer.

Xcend Pty Ltd has given its written consent to being named as the share registry to the Company in this Prospectus.

5.11 Estimated expenses of the Offer

The estimated cash costs of the Offer (exclusive of GST) are set out below:

Item	Amount (\$)
ASIC lodgement fee	\$3,206
ASX quotation fee	\$56,141
Legal fees	\$10,000
Underwriting Fees	\$107,325

Printing, registry and other expenses	\$15,000
Total	\$191,672

5.12 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on the number set out in the Corporate Directory to this Prospectus and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website as set out in the Corporate Directory to this Prospectus.

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.

6. 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.



**Cameron Provost
Managing Director
Coolabah Metals Limited**

7. DEFINITIONS

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a Shareholder who applies for New Shares pursuant to the Offer or a Shareholder of other party who applies for Shortfall Shares pursuant to the Shortfall Offer.

Application Form means an Entitlement and Acceptance Form.

Application Money means the aggregate amount of money payable for Shares applied for in the Entitlement and Acceptance Forms.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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

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

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 the commencement of this Prospectus (unless extended).

Company means Coolabah Metals Limited (ACN 652 352 228).

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

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

CPS Capital or **Underwriter** means CPS Capital Group Pty Ltd (ABN 75 088 055 636) (AFSL 294848).

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

Eligible Shareholders means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date and have a registered address in Australia or New Zealand.

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

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

Lead Manager Mandate means the lead manager mandate between the Company and CPS Capital, as summarised in Section 5.4.

Lead Manager Offer means the offer of New Options to CPS Capital, the subject of this Prospectus.

Lead Manager Options means an Option issued to CPS Capital.

New Options means the free Options offered under the Offer.

New Share means a new Share offered pursuant to the Offer and having the terms and conditions set out in Section 4.1.

Offer means the non-renounceable rights issue offer of New Shares and free-attaching New Options, the subject of this Prospectus.

Offer Period means the period commencing on the Opening Date and ending on the Closing Date.

Official Quotation means official quotation on ASX.

Opening Date means the date specified in the timetable set out at the commencement of this Prospectus.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement means the Placement announced by the Company on or around 9 April 2024.

Placement Shares means the 17,887,500 Shares to be issued under the Placement.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Section means a section of this Prospectus.

Securities means the New Shares and New Options offered under this Prospectus.

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

Shareholder means a holder of a Share.

Shortfall means those Shares under the Offer not applied for by Shareholders under their Entitlement (if any).

Shortfall Shares means those New Shares issued pursuant to the Shortfall.

Annexure A – Underwriting Agreement

CPS Capital may terminate its obligations under the Underwriting Agreement if:

- (a) **(Offer Withdrawn):** the 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;
- (c) **(Corrective Disclosure):**
 - (i) the Underwriter, having elected not to exercise its right to terminate its obligations under this Agreement as a result of an occurrence as described in clause 10.2(j)(4), 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
 - (ii) the Company lodges a corrective document without the prior written agreement of the Underwriter (which agreement the Underwriter may not unreasonably withhold).
- (d) **(Misleading Documents):** subject always to clause 10.3, it transpires that there is a statement in the Offer Document that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Offer Document or if any statement in the Offer Document becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Offer Document is or becomes misleading or deceptive or likely to mislead or deceive;
- (e) **(Restriction on issue):** the Company is prevented from issuing the Underwritten Shares within the time required by this 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;
- (f) **(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 Offer, provided that the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn;
- (g) **(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;
- (h) **(Indictable offence):** subject always to clause 10.3, a director or senior manager of the Company is charged with an indictable offence;
- (i) **(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 at the close of trading:
 - (i) for at least two consecutive Business Days in the period between the Execution Date and the Business Day prior to the Settlement Date; or
 - (ii) on the Business Day immediately prior to the Settlement Date; or
- (j) **(Default):** default or breach by the Company under this 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;

- (k) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in this Agreement is or becomes untrue or incorrect to a material respect;
- (l) **(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;
- (m) **(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;
- (n) **(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;
- (o) **(Prescribed Occurrence)**: a Prescribed Occurrence occurs;
- (p) **(Suspension of debt payments)**: the Company suspends payment of its debts generally;
- (q) **(Event of Insolvency)**: an Event of Insolvency occurs in respect of the Company;
- (r) **(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;
- (s) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are brought after the Execution Date commenced against the Company;
- (t) **(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);
- (u) **(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;
- (v) **(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);
- (w) **(Force Majeure)**: a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of seven days occurs;
- (x) **(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;
- (y) **(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, Indonesia, Japan, Russia or 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

- (z) **(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.

Capitalised words that are not defined above have the meaning set out in the Underwriting Agreement. The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

Annexure B – Pro Forma Statement of Financial Position

	31 December 2023 Audited	Notes	Pro-Forma Unaudited
	\$		\$
ASSETS			
Current Assets			
Cash and cash equivalents	2,911,906	(1) (2)	4,508,984
Trade and other receivables	112,330		112,330
Prepayments	45,771		45,771
Total Current Assets	3,070,007		4,667,085
Non-Current Assets			
Exploration expenditure	2,266,500		2,266,500
Property, plant and equipment	137,910		137,910
Total Non-Current Assets	2,404,410		2,404,410
Total Assets	5,474,417		7,071,495
LIABILITIES			
Current Liabilities			
Trade and other payables	222,400		222,400
Total Current Liabilities	222,400		222,400
Net Assets	5,252,017		6,849,095
EQUITY			
Issued capital	9,173,606	(1)	10,962,356
Reserves	469,975		469,975
Accumulated losses	(4,391,564)	(2)	(4,583,236)
Total Equity	5,252,017		6,849,095

The above pro forma unaudited Consolidated Statement of Financial Position has been prepared on the basis that there have been no material movements in the assets and liabilities of the Group between 30 June 2022 and the completion of the Offer other than:

- 1 completion of the Offer, by way of full subscription and issue of 44,718,750 New Shares at an issue price of \$0.04 per New Share to raise up to \$1,788,750 (before costs); and
- 2 expenses of the Offer (assuming full subscription) are estimated at \$191,672 have been offset against proceeds of the Offer.