

Critical Resources Limited
ACN 145 184 667

Prospectus

For offers by the Company of:

- 100 Shares at an issue price of \$0.03 each to remove trading restrictions on Shares issued before the Closing Date (**Cleansing Offer**); and
- 7,600,000 Options and 40,000,000 Performance Rights to the Relevant Personnel (as applicable) to remunerate and incentivise their performance (**Incentive Offers**).

Important: This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. This is an important document that should be read in its entirety. If you are in any doubt or have any questions about this document, you should promptly consult your stockbroker, accountant or other professional adviser.

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Important Information

General

This Prospectus is issued by Critical Resources Limited (ACN 145 184 667) (**Company**).

The Prospectus is dated 29 June 2021, and a copy of this Prospectus was lodged with ASIC on that date. Neither ASIC or ASX take responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities will be issued pursuant to this Prospectus later than 13 months after the date of this Prospectus.

This Prospectus is a transaction-specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act), options over continuously quoted securities and performance rights over continuously quoted securities and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Persons wishing to apply for Securities pursuant to an Offer must do so using the relevant Application Form attached to or accompanying this Prospectus. Before applying for Securities, investors should carefully read this Prospectus.

Any investment in the Company should be considered highly speculative. Investors who are in any doubt or have any questions about this document should promptly consult their stockbroker, accountant or other professional adviser before deciding to apply for Securities under the Offers.

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

Prospectus availability

A copy of this Prospectus can be downloaded from the Company's website at www.criticalresources.com.au. There is no facility for online applications.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company at admin@criticalresources.com.au or the Company Secretary on +61 8 9389 4499.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including at www.asx.com.au). The contents of any website, or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. 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. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision on whether or not to invest in the Company or its Securities.

Foreign restrictions

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to extend such an invitation. No action has been taken to register this Prospectus or otherwise to permit the offering of Securities in any jurisdiction outside Australia and New Zealand.

Risk factors

Before deciding to invest in the Company, investors should read the entire Prospectus and in particular, in considering the prospects of the Company, investors should consider the risk factors that could affect the financial performance and assets of the Company. Investors should carefully consider these factors in light of their personal circumstances (including financial and tax issues). See section 3 for further information.

Financial amounts

All references in this Prospectus to "\$", "A\$", "AUD", "dollars" or "cents" are references to Australian currency.

Any discrepancies between the totals and sums of components in tables contained in this Prospectus are due to rounding.

Definitions and time

A number of terms and abbreviations used in this Prospectus have defined meanings which are set out in the Definitions section of this Prospectus.

All references to time relate to the time in Perth, Western Australia unless otherwise stated or implied.

Governing law

This Prospectus and the contracts that arise from the acceptance of applications under this Prospectus are governed by the law applicable in Western Australia and each applicant submits to the exclusive jurisdiction of the courts of Western Australia.

Key Numbers and Dates

Key Numbers	Amount
Cleansing Offer¹	
Shares offered under the Cleansing Offer	100
Issue price per Share under the Cleansing Offer	\$0.03
Incentive Offer A²	
Options offered under Incentive Offer A ³	7,600,000
Performance Rights offered under Incentive Offer A ⁴	10,000,000
Incentive Offer B⁵	
Performance Rights offered under Incentive Offer B ⁶	30,000,000

Notes:

- 1 See section 1.1 for further details of the Cleansing Offer.
- 2 See section 1.2 for further details of Incentive Offer A.
- 3 See section 4.8 for the terms of Options offered under Incentive Offer A.
- 4 See section 4.9 for the terms of Performance Rights offered under Incentive Offer A.
- 5 See section 1.3 for further details of Incentive Offer B.
- 6 See section 4.10 for the terms of Performance Rights offered under Incentive Offer B.

Key Dates	Date
Prospectus lodged with ASIC	29 June 2021
Opening Date (8:00am (WST))	30 June 2021
Closing Date (5:00pm (WST))	1 July 2021

Note: The above timetable is indicative only. The Company reserves the right, subject to the Corporations Act, the Listing Rules and other applicable laws, to vary the dates, including by extending the Closing Date of the Offer or accepting late acceptances, either generally or in particular cases, without notice.

1 Details of the Offers

1.1 Cleansing Offer

1.1.1 Overview

Under the Cleansing Offer, the Company is offering 100 Shares at an issue price of \$0.03 each to remove trading restrictions on Shares issued before the Closing Date.

The Cleansing Offer will only be extended to persons who are directly invited by the Company. An Application Form will only be provided to these persons, together with a copy of this Prospectus.

1.1.2 Purpose

The primary purpose of the Cleansing Offer is to remove any trading restrictions that attach to:

- the following Shares that are proposed to be issued prior to the Closing Date (**Relevant Shares**):

Number	Issue price	Proposed issue date	Purpose of the issue
31,944,444	\$0.02	30 June 2021	Exercise of Options that were issued by the Company on 22 May 2019.

- any other Shares issued prior to the Closing Date.

Accordingly, the Company is seeking to raise only a nominal amount under the Cleansing Offer as its purpose is not to raise capital. Expenses of the Cleansing Offer will be paid out of the Company's existing cash reserves.

The Company is lodging this Prospectus under section 708A(11) of the Corporations Act to cleanse Shares issued on or before the Closing Date so that subsequent trading is not subject to secondary trading restrictions under the Corporations Act.

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to offer those securities for sale within 12 months of the date of their issue.

The Corporations Act provides an exception to section 707(3) where an entity issues a cleansing notice under section 708A(5) of the Corporations Act, however the Company will have been suspended from trading on the ASX for more than 5 days during the period of 12 months before the day on which the Relevant Shares will be issued and is therefore ineligible to rely on this exception pursuant to section 708A(5)(b) of the Corporations Act. Accordingly, the Company is lodging this Prospectus in accordance with section 708A(11) of the Corporations Act.

Relevantly, section 708A(11) provides that a sale offer does not need disclosure to investors if:

- the relevant securities are in a class of securities of the company that are quoted on the ASX; and
- a prospectus is lodged with ASIC either:
 - on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or

- before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- the prospectus is for the offer of Securities issued by the company that are in the same class of securities as the relevant securities.

1.1.3 Offer period

The Cleansing Offer will open on the Opening Date and close on the Closing Date.

1.1.4 Minimum subscription

The Cleansing Offer has no minimum subscription.

1.1.5 Oversubscriptions

No oversubscriptions will be accepted by the Company.

1.1.6 Capital raising fees

No capital raising fees are payable by the Company in relation to the Offers.

1.1.7 Shares

The Shares offered under the Cleansing Offer will rank equally with the Shares on issue at the date of this Prospectus. The rights and liabilities attaching to Shares are set out in section 4.7.

1.1.8 Issue date

Any issue of Shares under the Cleansing Offer is anticipated to occur on or about the Closing Date. Following this, holding statements will be sent to investors as required by ASX. It is the responsibility of investors to determine their allocation prior to trading in the Shares. Investors who sell their Shares before they receive their holding statement will do so at their own risk.

1.1.9 Quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the Shares offered under the Cleansing Offer. If approval for quotation of the Shares is not granted within 3 months after the date of this Prospectus (or any later time permitted by law), the Company will not issue any Shares under the Cleansing Offer.

1.1.10 Application monies

All Application Monies for Shares to be issued pursuant to the Cleansing Offer will be held in trust on behalf of applicants until the Shares are issued or, if the Shares are not issued, until the Application Monies are returned to applicants. All interest earned on Application Monies (including those which do not result in the issue of Shares) will be retained by the Company.

1.1.11 Application Forms

An application under the Cleansing Offer may only be made by an eligible person using a Cleansing Offer Application Form. A completed Application Form must be sent to the Company by:

- post or delivery to 45 Ventnor Avenue, West Perth WA 6005; or
- email to admin@criticalresources.com.au,

so that it is received before the Closing Date.

The Company may accept or reject an application under the Cleansing Offer in its absolute discretion. The Company's decision as to whether to treat an application as valid and how to construe, amend or complete an Application Form is final.

1.2 Incentive Offer A

1.2.1 Overview

This Prospectus also includes Incentive Offer A, under which the Company is offering 7,600,000 Options on the terms in section 4.8 and 10,000,000 Performance Rights on the terms in section 4.9 to the Chief Executive Officer of the Company, Mr Alexander Biggs, as referred to in the Company's announcement to ASX on 8 June 2021.

The Options are proposed to be issued in three separate classes as set out below.

Tranche	Number of Options	Exercise Price	Expiry Date
Tranche 1	1,300,000	\$0.05	3 years from the date of issue
Tranche 2	1,300,000	\$0.07	3 years from the date of issue
Tranche 3	5,000,000	\$0.10	3 years from the date of issue

Each class of Option is subject to vesting conditions and vest upon the later of the date three months after the date of issue and the satisfaction of the following.

Tranche	Vesting Condition
Tranche 1	Company's 30 day volume weighted average price of its fully paid ordinary shares being equal to or above \$0.05 at any time after the date of issue.
Tranche 2	Company's 30 day volume weighted average price of its fully paid ordinary shares being equal to or above \$0.07 at any time after the date of issue.
Tranche 3	No secondary vesting condition.

The terms and conditions of the Options are set out in section 4.8 of this Prospectus.

The Performance Rights are proposed to be issued in three distinct classes and will vest and become convertible into ordinary Shares in the Company on a one-for-one basis, on the date that is the later of three months after the date of issue and the satisfaction of the following milestones.

Tranche	Number of Performance Rights	Milestone	Expiry Date
Tranche 1	2,500,000	The Company successfully announcing on the ASX Markets Announcement Platform a JORC 2012 compliant Mineral Resource with a minimum tonnage of 0.5 million tonnes and a minimum grade of 5% zinc (or 5% zinc equivalent) at the Company's Halls Peak project in NSW	3 years from the date of issue
Tranche 2	2,500,000	The Company successfully announcing on the ASX Markets Announcement Platform a JORC 2012 compliant Mineral Resource with a minimum tonnage of 1.0 million tonnes and a	3 years from the date of issue

Tranche	Number of Performance Rights	Milestone	Expiry Date
		minimum grade of 5% zinc (or 5% zinc equivalent) at the Company's Halls Peak project in NSW	
Tranche 3	5,000,000	The Company's 30 day volume weighted average price of its fully paid ordinary shares being equal to or above \$0.125 at any time after the date of issue	3 years from the date of issue

The terms and conditions of the Performance Rights are set out in section 4.9 of this Prospectus.

1.2.2 Purpose

Incentive Offer A is being made to facilitate the secondary trading of any Shares issued upon the exercise of the Options or conversion of the Performance Rights. Issuing the Options and Performance Rights pursuant to this Prospectus will enable persons who are issued these Securities to on-sell the Shares that may be issued on exercise or conversion of these Securities, pursuant to ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80.

1.2.3 Applications

Applications for Options and Performance Rights under Incentive Offer A may only be made by the by completing the personalised Incentive Offer A Application Form issued to the CEO and must be received by the Company before the Closing Date. The Company will only provide a personalised Incentive Offer A Application Form to the CEO. No Application Monies are payable under Incentive Offer A.

1.2.4 Offer period

Incentive Offer A will open on the Opening Date and close on the Closing Date.

1.3 Incentive Offer B

1.3.1 Overview

This Prospectus also includes Incentive Offer B, under which the Company is offering 30,000,000 Performance Rights on the terms set out in section 4.10 to the Directors (as approved by Shareholders on 27 May 2021) and the Company Secretary as follows:

Tranche	Number of Performance Rights to each Director and the Company Secretary ¹	Milestone	Expiry Date
Tranche 1	2,000,000	The Company achieving a VWAP of at least \$0.05 over 20 consecutive trading days on which the Company's shares have actually traded	5 years from the date of issue
Tranche 2	2,000,000	The Company achieving a VWAP of at least \$0.075 over 20 consecutive trading days on which the Company's shares have actually traded	5 years from the date of issue

Tranche	Number of Performance Rights to each Director and the Company Secretary ¹	Milestone	Expiry Date
Tranche 3	2,000,000	The Company achieving a VWAP of at least \$0.10 over 20 consecutive trading days on which the Company's shares have actually traded	5 years from the date of issue

Notes:

- 1 Amounting to a total of 6,000,000 Performance Rights to each Director and the Company Secretary for a total of 30,000,000 Performance Rights under Incentive Offer B.

1.3.2 Purpose

Incentive Offer B is being made to facilitate the secondary trading of any Shares issued upon the conversion of the Performance Rights. Issuing the Performance Rights pursuant to this Prospectus will enable persons who are issued these Securities to on-sell the Shares that may be issued on conversion of these Securities, pursuant to ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80.

1.3.3 Applications

Applications for Performance Rights under Incentive Offer B may only be made by the Directors and the Company Secretary by completing the personalised Incentive Offer B Application Form issued to the Directors' and Company Secretary and must be received by the Company on or before the Closing Date. The Company will only provide personalised Incentive Offer B Application Forms to persons entitled to participate in Incentive Offer B. No Application Monies are payable under Incentive Offer B.

1.3.4 Offer period

Incentive Offer B will open on the Opening Date and close on the Closing Date.

1.4 Foreign investor restrictions

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to extend such an invitation. No action has been taken to register this Prospectus or otherwise to permit the offering of Securities in any jurisdiction outside Australia.

It is the responsibility of non-Australian resident investors to obtain all necessary approvals and comply with all relevant laws and regulations for the issue to them of Securities offered under this Prospectus. The return of an Application Form will constitute a representation and warranty that there has been no breach of such laws and regulations.

1.5 Investor representations

Sending an Application Form to the Company or otherwise applying for Securities under an Offer will be taken by the Company to constitute a representation by the investor that it (as applicable):

- has received a printed or electronic copy of this Prospectus accompanying the Application Form and has read it in full;
- agrees to be bound by the terms of this Prospectus and the Constitution;
- has obtained all necessary approvals and complied with all relevant laws and regulations for the purposes of section 1.4 (to the extent that they are applicable) and confirms its eligibility in respect of the offer of Securities under the Offer;

- declares that all details and statements in the Application Form are complete and accurate;
- 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;
- acknowledges that its application may not be withdrawn once received by the Company;
- agrees to being issued the number of Securities that it applies for (or such other number issued in accordance with this Prospectus);
- authorises the Company to register it as the holder of the Securities issued to it under the Offer;
- acknowledges that the information contained in this Prospectus is not investment advice or a recommendation that the Securities are suitable for it, given its investment objectives, financial situation or particular needs; and
- authorises the Company and its officers or agents to do anything on its behalf necessary for the Securities to be issued to it, including correcting any errors in the Application Form or other form sent by it and acting on instructions received by the Share Registry using the contact details in the Application Form.

1.6 CHESS and issuer sponsorship

The Company operates an electronic CHESS sub-register and an electronic issuer sponsored sub-register. These two sub-registers will make up the Company's register of Shares.

The Company will not issue certificates to security holders. Rather, holding statements (similar to bank statements) will be sent to security holders as soon as practicable after the issue date. Holding statements will be sent either by CHESS (for security holders who elect to hold Shares on the CHESS sub-register) or by the Share Registry (for security holders who elect to hold Shares on the issuer sponsored sub-register). The statements will set out the number of Securities issued under this Prospectus and the Holder Identification Number (for security holders who elect to hold Shares on the CHESS sub register) or Shareholder Reference Number (for security holders who elect to hold Shares on the issuer sponsored sub-register). Updated holding statements will also be sent to a security holder following the month in which the balance of its security holding changes, and otherwise as required by the Listing Rules and the Corporations Act.

1.7 Privacy

Persons who apply for Securities under this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Securities, to provide facilities and services to security holders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Securities will not be processed.

In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company or the Share Registry.

1.8 Tax

It is the responsibility of all investors to satisfy themselves of the particular tax treatment that applies to them in relation to the Offer, by consulting their own professional tax advisers. Neither Company or its Directors accept any liability or responsibility in respect of any tax consequences to an investor relating to this Prospectus.

1.9 Enquiries

Enquiries relating to this Prospectus can be directed to the Company at admin@criticalresources.com.au or by contacting the Company Secretary by telephone on +61 8 9389 4499.

2 Effect of the Offers

2.1 Capital structure

The capital structure of the Company at the date of this Prospectus, and its anticipated capital structure upon completion of the Offers, is set out below.

Security	Number
Existing Shares	1,018,900,858
Shares offered under the Cleansing Offer	100
Shares proposed to be issued prior to the Closing Date as a result of Options exercised	31,944,444
Total Shares	1,050,845,402
Existing Options ¹	43,334,000
Options offered under Incentive Offer A ²	7,600,000
Total Options	50,934,000
Performance Rights offered under Incentive Offer A ³	10,000,000
Performance Rights offered under Incentive Offer B ⁴	30,000,000
Total Performance Rights	40,000,000
Fully diluted Share capital	1,141,779,402

Notes:

- 1 This figure is comprised of the following unquoted Options:
 - (a) 40,000,000 Options exercisable at \$0.02 and expiring on 31 October 2021; and
 - (b) 3,334,000 Options exercisable at \$0.025 and expiring on 3 November 2022.
- 2 See section 1.2 for further details of Incentive Offer A.
- 3 See section 1.2 for further details of Incentive Offer A.
- 4 See section 1.3 for further details of Incentive Offer B.

2.2 Use of funds

No funds will be raised from the Offers. The Board will use any funds received from the exercise of Options in its discretion.

2.3 Control

The Offers are not anticipated to have a material impact on control (as defined by section 50AA of the Corporations Act) of the Company. In particular, no person is expected to have a voting power greater than 20% as a result of the Offers.

2.4 Cash reserves

After paying expenses of the Offers of approximately \$10,000 (exclusive of GST), there will be no net proceeds from the Offers. The expenses of the Offers will be met from the Company's existing cash reserves.

2.5 Financial position

The anticipated impact of the Offers on the Company's financial position is the receipt of up to \$3 less expenses of approximately \$10,000 (exclusive of GST).

3 Risk Factors

3.1 Overview

An investment in Securities offered under this Prospectus should be regarded as speculative. Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Company considers that the matters summarised in this section 3, which are not exhaustive, represent some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

3.2 Specific risks

3.2.1 Exploration risk

Mineral exploration and development is considered a high risk activity. There is no guarantee that exploration of the Company's Projects will result in the discovery of an economically viable resource. Even if an economically viable resource is discovered, there is no guarantee that the resource can be economically exploited.

Exploration of the Company's Projects may be unsuccessful, resulting in a reduction of the value of those Projects, diminution in the cash reserves of the Company and possible relinquishment of such Projects.

3.2.2 Development risks

The business of exploration, project development and mining contains risks by its very nature. To prosper, it depends on the successful exploration and/or acquisition of reserves, design and construction of efficient production and processing facilities, competent operation and managerial performance and proficient marketing of the product. In particular, exploration is a speculative endeavour and force majeure circumstances, cost over runs and other unforeseen events can hamper mining operations.

3.2.3 Litigation risks

The Company is exposed to possible litigation risks including contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

3.2.4 Going concern

The Company's annual report for the year ended 31 December 2020 includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.

As stated in the Company's March quarterly appendix 5B, at the end of the March quarter, the Company had cash and equivalents amounting to approximately \$1,212,000. The Company proposes to take steps to raise further cash to fund its operations as and when required. The Company expects it will be able to continue its operations and meet its business objectives on the basis that further cash will be raised at an appropriate time.

In addition, the Company expects to raise approximately \$638,889 through the conversion of 31,944,444 unquoted options exercised at \$0.02 prior to the Closing Date.

The following actions (either singularly or in combination) have been considered by the Board as potential ways to derive further funding for the Company:

- an agreement with institutional brokers for raising additional capital to fund the Company's ongoing exploration and development program whilst also providing working capital requirements;
- the successful commercial exploitation of the Group's mineral interests;
- a rights issue to Shareholders; and/or
- alliance with a cornerstone investor.

In the event that the Company is unable to secure sources of funding, the Company may be required to realise assets and extinguish liabilities other than in the normal course of business and at amounts different to those stated in this Prospectus.

3.2.5 Future capital requirements

The Company currently has no operating revenue and is unlikely to generate any operational revenue unless the Company's Projects are successfully developed and exploited. The future capital requirements of the Company will depend on many factors including its business development activities.

In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Prospectus. The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Any additional equity financing may be dilutive to Shareholders and may be undertaken at lower prices than the market price. Any debt financing, if available, may involve restrictions on financing and operating activities. There can be no assurance that additional finance will be available when needed.

Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development, or production on the Company's Projects or even loss of interest in the Company's Projects.

3.2.6 Title risk

The Company has been advised by the Ministry of Energy and Minerals, Sultanate of Oman that renewal of the exploration license covering Block 4 within the Company's Oman Copper Project, will be subject to public tender (please refer to the Company's announcement dated 9 April 2021). The Company is currently seeking clarification from the Omani Mining Authority and assessing its legal rights with respect to this issue. As at the date of this Prospectus, the Company confirms that the remaining exploration licenses that comprise the Oman Copper Project remain unaffected, however the Company notes that these exploration licenses are subject to annual expenditure requirements and renewals and there is no assurance that these expenditure requirements will be met or the renewals will be given.

Furthermore, the Company's interests in the exploration licenses comprising the Halls Peak-Gibson Project are subject to the relevant mining laws and regulations in New South Wales and cannot be guaranteed. Each of the Tenements carries annual expenditure and reporting requirements. There is therefore a risk that the Company could lose its interest in the Tenements for failing to meet the compliance requirements.

Similarly, all of the tenements comprising the Tshimpala Project and Kitolo and Kanuka Projects are subject to renewal conditions, which will be at the discretion of the relevant Ministries in Malawi and the DRC (respectively). The maintenance of tenements, or obtaining renewals often depends on the Company being successful in obtaining required statutory approvals for proposed activities. While the Company anticipates that subsequent renewals will be given as and when sought, there is no

assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.

3.2.7 Commodity price and exchange rate risk

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

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

3.2.8 Government regulations

The Company's current exploration activities are focused on the Oman Copper Project and it holds an interest in exploration licences on its African Projects. These Projects are therefore subject to laws and regulations in Africa and Oman controlling not only the mining of and exploration for mineral properties, but also the possible effects of such activities upon the environment and upon interests of native and/or indigenous peoples. Permits from a variety of regulatory authorities are required for many aspects of mine operation and reclamation. Future legislation and regulations could cause additional expense, capital expenditures, restrictions and delays in the development of the Company's Oman Copper Project, the extent of which cannot be predicted. The Company continues to review its options for advancing its African Projects, however, the Directors' note that as at the date of this Prospectus, there are no immediate plans to re-commence activities on these Projects.

The Company's ability to explore and develop the Projects and its other activities are also subject to obtaining necessary authorisation, permits and licences from relevant authorities. Such authorisations, permits and licences may not be granted in a timely manner or at all, or may be granted on conditions which impose significant additional cost on the Company and/or other participants in its joint ventures or which causes the Company and/or such other participants in its joint ventures to become unwilling to proceed with the relevant development or operations.

While it is possible that costs and delays associated with compliance with such laws, regulations and permits could become such that the Company will not proceed with the exploration or development of these Projects, the Company is not aware of any material environmental constraint affecting its proposed exploration or development activities that would preclude the development or operation of the Company's Projects.

3.2.9 Foreign jurisdiction risk

The Company's operations are predominantly in Oman and were previously focused in Africa, and are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties vary from country to country and include, but are not limited to, currency exchange rates; high rates of inflation; labour unrest; renegotiation or nullification of existing concessions, licenses, permits and contracts; changes in taxation policies; restrictions on foreign exchange; changing political conditions; currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or otherwise benefit residents of that country or region.

Changes, if any, in mining or investment policies or shifts in political attitude in any of the countries in which it operates may adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, economic empowerment or similar policies, employment, contractor selection and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements.

The occurrence of these various factors adds uncertainties which cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

3.2.10 Environmental and social risks

The Company's Projects are subject to laws and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mining projects, these projects would be expected to have a variety of environmental impacts should development proceed.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. Areas disturbed by the Company's activities will be rehabilitated as required by the conditions attaching to the tenements.

The Company's activities in Oman and Africa face greater inherent risks relating to security, enforcement of obligations, fraud, bribery and corruption than in Australia. Sanctions for non-compliance with these laws and regulations may include administrative, civil and criminal penalties, revocation of permits, reputational issues, increased licence conditions and corrective action orders. These laws sometimes apply retroactively. In addition, a party can be liable for environmental damage without regard to that party's negligence or fault. Increased costs associated with regulatory compliance and/or with litigation could have a material and adverse effect on the Company's financial performance.

3.2.11 Sovereign risk

The Company's exploration and development activities are partially focused in Oman and were previously focused in Africa and may be subject to the effect of political changes, war and civil conflict, terrorist attacks, changes in government policy, lack of law enforcement, labour unrest and the creation of new laws. These changes (which may include new or modified taxes or other government levies as well as other legislation) may impact on the profitability and viability of its properties.

3.2.12 Potential acquisitions

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

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

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

3.3 General risks

3.3.1 Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

3.3.2 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:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital;
- fear of global pandemics; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company or its Directors warrant the future performance of the Company or any return on an investment in the Company.

3.3.3 Securities investment risks

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

3.3.4 Coronavirus (COVID-19)

Global economic outlook is facing uncertainty due to the current COVID-19 pandemic, which has had and may continue to have a significant impact on capital markets and share prices. The Company's Share price may also be adversely affected by the economic uncertainty caused by COVID-19.

There is a risk that this uncertainty may continue for the foreseeable future, which could interrupt the Company's operations, impair deployment of its products to users and prevent users and suppliers from honouring their contractual obligations.

3.3.5 Unforeseen expenditure

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

3.3.6 General economic climate

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

3.3.7 Force majeure

Events may occur within or outside the markets in which the Company operates that could impact upon the global and Australian economies, the operations of the Company and the market price of its Securities. These events include acts of terrorism, outbreaks of international hostilities, fires, pandemics, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, and other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. Given the Company has only a limited ability to insure against some of these risks, its business, financial performance and operations may be materially adversely affected if any of the events described above occurs.

3.3.8 Speculative investment

The above list of risk factors should not be taken as exhaustive of the risks faced by the Company or by investors in the Company. Investors should consider an investment in the Company as highly speculative and should consult their professional advisors before deciding whether to participate in the Offer. The Shares offered under this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or their market value.

4 Additional Information

4.1 Continuous disclosure

Being 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 Offers. To do so, please refer to the Company's ASX announcements platform via www.asx.com.au.

4.2 Transaction-specific prospectus

Under section 713 of the Corporations Act (as modified by *ASIC Corporations (Offers of Convertibles) Instrument 2016/83*), the Company is entitled to issue a transaction-specific prospectus in respect of the Offers.

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:

- it is subject to regular reporting and disclosure obligations;
- copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and
- 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:
 - the annual financial report of the Company for the financial year ended 31 December 2020;
 - 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
 - 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).

This Prospectus contains information specific to the Offers. If investors require further information in relation to the Company, they are encouraged 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 by the Company since the Company lodged its annual financial report for the financial year ended 31 December 2020 on 26 March 2020.

Date	Title
08/06/2021	Appointment of CEO
02/06/2021	VTEM Lines Remodel Produces Likely Massive Sulphide Targets
31/05/2021	Change of Company Name
27/05/2021	Results of Meeting
27/05/2021	Chairman's Address to Shareholders
20/05/2021	Response to ASX Price and Volume Query
30/04/2021	Quarterly Activities Report
30/04/2021	Quarterly Cashflow Report
21/04/2021	Notice of Annual General Meeting
21/04/2021	Notice of Annual General Meeting & Proxy Form
19/04/2021	Details of Company Address
15/04/2021	Company Secretary Appointment/Resignation
09/04/2021	Oman Block 4 Exploration License Update
29/03/2021	2020 Corporate Governance Statement
26/03/2021	Annual Report to shareholders

4.3 Excluded information

In accordance with section 713(5) of the Corporations Act, information must be included in this Prospectus if the information:

- has been excluded from a continuous disclosure notice in accordance with the Listing Rules;
- is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - the assets and liabilities, financial position and performance, profits and losses and prospects of the body; and
 - the rights and liabilities attaching to the Securities being offered; and
 - would reasonably expect to find in this Prospectus.

In this regard, the Company notes that there is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules.

4.4 Determination by ASIC

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

4.5 Dividend Policy

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

4.6 Market price of Shares

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

Shares	Price	Date
High	\$0.036	28 May 2021
Low	\$0.014	17 May 2021
Last	\$0.027	29 June 2021

4.7 Rights and liabilities attaching to Shares

4.7.1 Overview

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

4.7.2 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 of the Company.

4.7.3 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:

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

4.7.4 Dividend rights

Subject to 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 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.

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

4.7.5 Winding-up

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

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

4.7.6 Shareholder liability

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

4.7.7 Transfer of shares

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

4.7.8 Future increase in capital

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

4.7.9 Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of 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.

4.7.10 Alteration of constitution

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

4.8 Terms of Options – Incentive Offer A

4.8.1 Entitlement

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

4.8.2 Exercise Price

The Options have an exercise price of:

Tranche	Number of Options	Exercise Price	Expiry Date
Tranche 1	1,300,000	\$0.05	3 years from the date of issue
Tranche 2	1,300,000	\$0.07	3 years from the date of issue
Tranche 3	5,000,000	\$0.10	3 years from the date of issue

4.8.3 Expiry Date

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

4.8.4 Exercise Period

The Options are exercisable at any time and from time to time on or prior to the Expiry Date.

4.8.5 Vesting Condition

Each Option is subject to vesting conditions and vest upon the later of the date three months after the date of issue and the satisfaction of the following:

Tranche	Vesting Condition
Tranche 1	Company's 30 day volume weighted average price of its fully paid ordinary shares being equal to or above \$0.05 at any time after the date of issue.
Tranche 2	Company's 30 day volume weighted average price of its fully paid ordinary shares being equal to or above \$0.07 at any time after the date of issue.
Tranche 3	No secondary vesting condition.

4.8.6 Notice of Exercise

The Options may be exercised 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 Option being

exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company, including cashless exercise as described in section 4.8.7.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds or in accordance with section 4.8.7 (**Exercise Date**).

4.8.7 Cashless exercise of Options

A holder of Tranche 1 and Tranche 2 Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or issue to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the date of the Notice of Exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

Where **Market Value** means the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding the date of the Notice of Exercise.

For the avoidance of doubt, the Tranche 3 Options may not be exercised on a cashless basis.

4.8.8 Timing and issue of Shares and quotation of Shares on exercise

As soon as practicable after the valid exercise of an Option, the Company will:

- issue, allocate or cause to be transferred to the Participant the number of Shares to which the Participant is entitled;
- issue a substitute Certificate for any remaining unexercised Options held by the Participant;
- if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

All Shares issued upon the exercise of Options will upon issue rank equally in all respects with the then issued Shares.

4.8.9 Restrictions on transfer of Shares

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

4.8.10 Dividend and voting rights

The Options do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

4.8.11 Transferability of the Options

The Options are not transferable, except with the prior written approval of the Company and subject to compliance with the Corporations Act.

4.8.12 Quotation of the Options

The Company will not apply for quotation of the Options on any securities exchange.

4.8.13 Adjustments for reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.

4.8.14 Participation in new issues

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

4.8.15 Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
- no change will be made to the Exercise Price.

4.9 Terms of Performance Rights – Incentive Offer A

4.9.1 Entitlement

Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder, on conversion, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

4.9.2 Milestone

The Performance Rights will vest and become convertible into ordinary shares (**Shares**) in the Company on a one-for-one basis, on the date that is the later of three months after the date of issue and the satisfaction of the following milestones:

Tranche	Number of Performance Rights	Milestone	Expiry Date
Tranche 1	2,500,000	The Company successfully announcing on the ASX Markets Announcement Platform a JORC 2012 compliant Mineral Resource with a minimum tonnage of 0.5 million tonnes and a minimum grade of 5% zinc (or 5% zinc equivalent) at the Company's Halls Peak project in NSW	3 years from the date of issue
Tranche 2	2,500,000	The Company successfully announcing on the ASX Markets Announcement Platform a JORC 2012 compliant Mineral Resource with a minimum tonnage of 1.0 million tonnes and a minimum grade of 5% zinc (or 5% zinc equivalent) at the Company's Halls Peak project in NSW	3 years from the date of issue
Tranche 3	5,000,000	The Company's 30 day volume weighted average price of its fully paid ordinary shares being equal to or above \$0.125 at any time after the date of issue	3 years from the date of issue

4.9.3 Consideration

The Performance Rights will be granted to the Executive (or their permitted nominee) for nil cash consideration.

4.9.4 Exercise Price

The Exercise Price of each vested Performance Right is nil.

4.9.5 Expiry Date

All unvested, or vested but unexercised, Performance Rights will expire automatically at 5.00 pm WST on the date specified in section 4.9.2 above.

4.9.6 Conversion

Upon vesting, each Performance Right will, at the Executive's election, convert into one Share (**Conversion**). The Executive may apply to exercise vested Performance Rights at any time prior to the Expiry Date by filling out a notice of exercise in the form provided by the Company and returning to the Company Secretary (**Notice of Exercise**).

4.9.7 Timing of Issue of Shares and Quotation of Shares on Exercise

As soon as practicable after the valid delivery of a Notice of Exercise by the holder to the Company, the Company will:

- issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
- if required, issue a substitute Certificate for any remaining unexercised Performance Rights held by the holder;
- if required and subject to section 4.9.11, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- in the event the Company is admitted to the official list of ASX, do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the Listing Rules.

4.9.8 Restrictions on Transfer of Shares

If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of the Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

4.9.9 Shares Issued on Exercise

All Shares issued upon the exercise of Performance Rights will upon issue rank pari passu in all respects with the then Shares of the Company.

4.9.10 Transfer

The Performance Rights are not transferable unless they have vested and only with the prior written approval of the Board and subject to compliance with the Corporations Act and the Listing Rules.

4.9.11 Quotation

No application for quotation of the Performance Rights will be made by the Company.

4.9.12 Voting Rights

The Performance Rights do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

4.9.13 Participation In Entitlements and Bonus Issues

Subject to the rights under sections 4.9.14 and 4.9.15 below, during the currency of any Performance Rights and prior to their exercise, the holder is not entitled to participate in any new issue of Shares of the Company such as bonus issues and entitlement issues, as a result of their holding of the Performance Rights.

4.9.14 Adjustment for Bonus Issue

- If Shares are issued by the Company pro rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of the Performance Rights is entitled, upon exercise of the Performance Rights, to receive, in addition to the Shares in respect of which the Performance Rights are exercised and without the payment of any further consideration, an allotment of as many additional Shares as would have been issued to a Shareholder who, on the date for determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Performance Rights are exercised.
- Additional Shares to which the holder of the Performance Rights becomes so entitled will, as from the time Shares are issued pursuant to the bonus issue and until those additional Shares are allotted, be regarded as Shares in respect of which the Performance Rights are exercised for the purposes of subsequent applications of section 4.9.14 above, and any adjustments which, after the time just mentioned, are made under section 4.9.15 below to the number of Shares, will also be made to the additional Shares.

4.9.15 Reorganisation of Capital

If there is a reorganisation of the issued Share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each holder of Performance Rights will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

4.9.16 Leaver

Where the holder of the Performance Rights ceases to be employed by the Company, all unvested Performance Rights will automatically be forfeited by the holder, unless the Board otherwise determines in its discretion to permit some or all of the Performance Rights to vest.

4.9.17 Change of Control

- If prior to the earlier of the conversion of the Performance Rights or the Expiry Date a Change in Control Event occurs, then each Performance Right will automatically vest and immediately convert into a Share.
- A Change of Control Event occurs when:
 - **takeover bid:** the occurrence of the offeror under a takeover offer in respect of all shares announcing that it has achieved acceptances in respect of more than 50.1% of shares and that takeover bid has become unconditional; or
 - **scheme of arrangement:** the announcement by the Company that the Company's shareholders have at a Court-convened meeting of the Company's shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Company Securities are to be either cancelled transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement.

4.9.18 Listings rules and other applicable laws

The terms of the Performance Rights are subject to the Listing Rules and any other applicable laws. The Company reserves the right to make changes to the terms of the Performance Rights to the extent necessary to comply with the Listing Rules or any other applicable law.

4.10 Terms of Performance Rights – Incentive Offer B

4.10.1 Conversion on achievement of milestone

Each Performance Right will automatically convert into one new ordinary fully paid share in the Company on satisfactory achievement of the following condition (**Vesting Condition**):

- **Tranche 1:** The Company achieves a VWAP of at least \$0.05 over 20 consecutive trading days on which the Company's shares have actually traded.
- **Tranche 2:** The Company achieves a VWAP of at least \$0.075 over 20 consecutive trading days on which the Company's shares have actually traded.
- **Tranche 3:** The Company achieves a VWAP of at least \$0.10 over 20 consecutive trading days on which the Company's shares have actually traded.

4.10.2 Lapse

A Performance Right will lapse on the earliest to occur of:

- subject to any automatic vesting in accordance with other terms, if applicable Vesting Condition has not been met; or
- the expiry date which will be 5:00PM WST on the five-year anniversary from the date of grant.

4.10.3 Transfer

The Performance Rights are not transferable.

4.10.4 No voting rights

The Performance Rights do not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company, subject to any voting rights under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.

4.10.5 No dividend rights

The Performance Rights do not entitle the holder to any dividends.

4.10.6 No rights to return of capital

The Performance Rights do not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

4.10.7 Rights on winding up

Upon the winding up of the Company, the Performance Rights may not participate in the surplus profits or assets of the Company.

4.10.8 Change of Control

All unvested Performance Rights automatically vest and are automatically exercised on the occurrence of a change of control, subject to the total number of ordinary shares that the

Performance Rights, in aggregate, convert into not being more than 10% of the issued ordinary capital of the Company as at the date of conversion.

4.10.9 Reorganisation

In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued shares, the number of Performance Rights to which each Performance Rights holder is entitled will be adjusted in the manner provided for in the ASX Listing Rules applicable at the time the reorganisation comes into effect.

4.10.10 No quotation

The Performance Rights will not be quoted on ASX. However if the Company is listed on the ASX, at the time of conversion of the Performance Rights into Shares in accordance with these terms, the Company will within seven (7) days after the later of conversion and any escrow period ending, apply for the official quotation of the Shares arising from the conversion on ASX.

4.10.11 Participation in entitlements and bonus issues

Holders of Performance Rights will not be entitled (in their capacity as a Holder of a Performance Right) to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.

4.10.12 No other rights

The Performance Rights give the holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Change of Control means a person who does not control the Company at the time the Performance Rights are issued achieving control of more than 50% of the ordinary voting Securities in the Company.

4.11 Substantial holders

Based on publicly available information at the date of this Prospectus, those persons with a voting power in the Company of at least 5% are set out below.

Shareholder	Shares	Voting power
Mr Jihad Malaeb	72,708,769	7.14%
JGM Property Investments Pty Ltd ¹	54,884,150	5.38%

Notes:

1 Comprising of:

- (a) 33,999,150 Shares held by JGM Property Investments Pty Ltd;
- (b) 13,135,000 Shares held by Markovic Family No 2 Pty Ltd;
- (c) 2,750,000 Shares held by John Markovic; and
- (d) 5,000,000 Shares held by JLM Corporation.

4.12 Director interests

4.12.1 Overview

Other than as set out below or elsewhere in this Prospectus, no existing or proposed Director holds at the date of this Prospectus, or has held in the 2 years before the date of this Prospectus, an interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offers; or
- the Offers,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to an existing or proposed Director to induce them to become, or qualify as, a Director or for services in connection with the formation or promotion of the Company or the Offers.

4.12.2 Remuneration

The cash remuneration (including superannuation) paid or to be paid to the Directors for the 2 years before the date of this Prospectus is set out below.

Director	Position	Financial year ended 31 December 2019	Financial year ended 31 December 2020	6 months to 30 June 2021
Robert Martin ¹	Non-Executive Chairman	N/A	N/A	\$30,000
Jihad Malaeb ²	Non-Executive Director	N/A	\$33,000	\$23,000
Jeremy Whybrow ³	Non-Executive Director	N/A	N/A	\$16,000
Michael Leu ⁴	Non-Executive Director	N/A	N/A	\$20,000

Notes:

- 1 Appointed 4 February 2021.
- 2 Appointed 27 January 2020.
- 3 Appointed 1 March 2021.
- 4 Appointed 4 February 2021.

4.12.3 Security holdings

The Securities in the Company in which the Directors have relevant interests (whether held directly or indirectly) at the date of this Prospectus are set out below.

Director	Shares	Voting Power	Options
Robert Martin	Nil	N/A	Nil
Jihad Malaeb	72,708,769	7.14%	5,833,834 ¹
Jeremy Whybrow	Nil	N/A	Nil
Michael Leu	Nil	N/A	Nil

Notes:

- 1 3,333,334 Options exercisable at \$0.02 and expiring 31 October 2021 and 2,500,500 Options exercisable at \$0.025 and expiring 3 November 2022.
- 2 Each Director is eligible to receive 6,000,000 Performance Rights pursuant to Incentive Offer B.

4.13 Expert and adviser interests

Other than as set out below or elsewhere in this Prospectus, no expert, promoter, underwriter or other person named in this Prospectus who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds, at the date of this Prospectus, or has held in the 2 years before the date of this Prospectus, an interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offers; or
- the Offers,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such persons for services in connection with the formation or promotion of the Company or the Offers.

AGH Law has acted as the legal adviser to the Company in relation to the Offers. The estimated fees payable to AGH Law for these services are \$5,000 (exclusive of GST). Further amounts may be paid to AGH Law in accordance with its usual time based rates.

4.14 Consents

Each of the parties referred to below:

- does not make the Offers;
- has not authorised or caused the issue of this Prospectus;
- does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below.

AGH Law has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as the legal adviser to the Company in relation to the Offers in the form and context in which it is named. AGH Law has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than references to its name.

There are a number of persons referred to elsewhere in this Prospectus who have not made statements included in this Prospectus and there are no statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in this Prospectus and did not authorise or cause the issue of this Prospectus.

4.15 Costs

The estimated costs of the Offers (exclusive of GST) are set out below.

Item	Amount
Legal	\$5,000
ASIC	\$3,206

Item	Amount
ASX	Nil
Printing, registry and other	\$1,794
Total	\$10,000

4.16 Litigation

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

4.17 Director statements

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 ASIC and the issue of this Prospectus and has not withdrawn that consent.

Definitions

Application Form means a Cleansing Offer Application Form, Incentive Offer A Application Form or Incentive Offer B Application Form (as applicable).

Cleansing Offer Application Form means the application form relevant to the Cleansing Offer.

Application Monies means the monies payable by and received from persons applying for Securities under the Offers.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

AWST means Australian Western Standard Time, being the time in Perth, Western Australia.

Board means the board of Directors.

Business Day means a day on which banks are open for business in Perth, Western Australia excluding a Saturday, Sunday or public holiday.

CEO means Mr Alexander Biggs.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Cleansing Offer means the offer of 100 Shares pursuant to this Prospectus.

Closing Date means the date that the Offer close being 5.00pm (AWST) on 1 July 2021 or such other time and date as the Company determines.

Company means Critical Resources Limited (ACN 145 184 667).

Company Secretary means Mr Chris Achurch.

Constitution means the constitution of the Company from time to time.

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

Director means a director of the Company.

DRC means Democratic Republic of the Congo.

Incentive Offers means Incentive Offer A and Incentive Offer B being made pursuant to this Prospectus.

Incentive Offer A means the offer of 10,000,000 Performance Rights and 7,600,000 Options to the CEO pursuant to this Prospectus.

Incentive Offer A Application Form means the personalised application form relevant to Incentive Offer A accompanying this Prospectus.

Incentive Offer B means the offer of 30,000,000 Performance Rights to the Directors and Company Secretary (or their nominees) pursuant to this Prospectus.

Incentive Offer B Application Form means the personalised application form relevant to Incentive Offer B accompanying this Prospectus.

Listing Rules means the ASX Listing Rules.

Offers means the Cleansing Offer, Incentive Offer A and Incentive Offer B and **Offer** means any one of these individually (as applicable).

Opening Date means the first date for receipt of applications under the Offers being 8.00am (AWST) on 30 June 2021, or such other time and date as the Company determines.

Option means an option to acquire a Share.

Performance Right means a right to acquire a Share subject to performance milestones.

Projects means the Oman Copper Project, the Halls Peak-Gibson Project, the Tshimpala Project, the Kitotolo- Katamba Project and the Kanuka Project.

Prospectus means this Prospectus dated 29 June 2021.

Relevant Personnel means the Directors, CEO and Company Secretary.

Securities means Shares, Options or Performance Rights (as applicable).

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

Shareholder means a registered holder of one or more Shares.

Share Registry means Computershare Investor Services Pty Ltd (ACN 078 279 277).

Corporate Directory

Directors

Robert Martin
Non-Executive Chairman

Jihad Malaeb
Non-Executive Director

Jeremy Whybrow
Non-Executive Director

Michael Leu
Non-Executive Director

Company Secretary

Chris Achurch

Registered Office

45 Ventnor Avenue
West Perth WA 6005

Telephone: +61 8 9389 4499

Email: admin@criticalresources.com.au

Website

www.criticalresources.com.au

ASX Code

CRR

Share Registry

Computershare Investor Services Pty Ltd
GPO Box 2975
Melbourne VIC 3001

Auditor

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Legal Adviser

AGH Law
Level 1, 50 Kings Park Road
West Perth WA 6005