

PROSPECTUS

INTERNATIONAL GRAPHITE LIMITED

ACN 624 579 326

21 February 2022

IMPORTANT NOTICE

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

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

For an offer of up to 50,000,000 Shares at an issue price of \$0.20 per Share to raise up to \$10,000,000 (Public Offer).

This Prospectus also contains the Secondary Offers detailed in Section 4.6 of this Prospectus. The Offers are conditional upon satisfaction of the Conditions, which are detailed further in Section 4.7. No Securities will be issued pursuant to this Prospectus until those Conditions are met.

JOINT LEAD MANAGERS

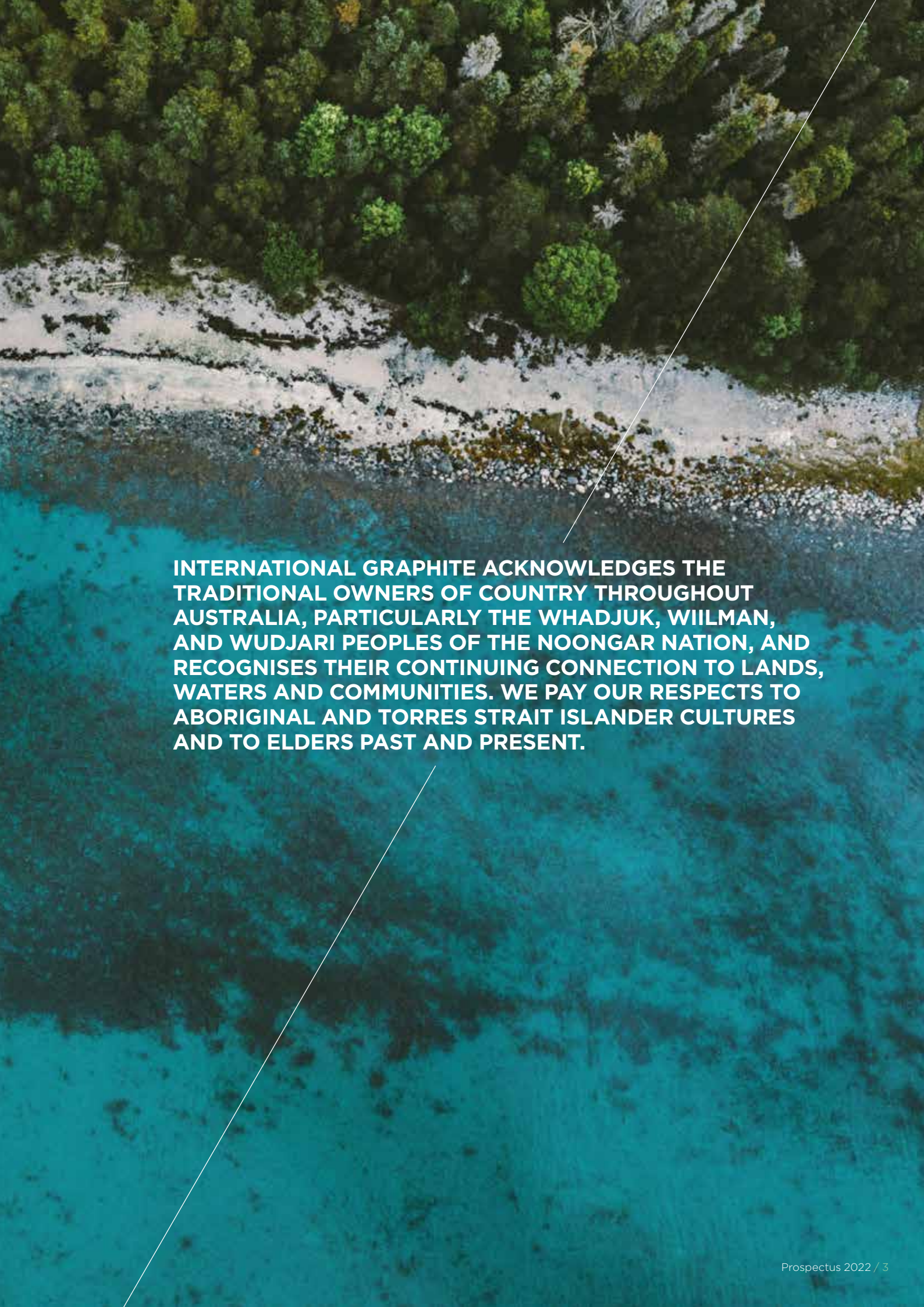


PAMPLONA GROUP
(AFSL: 426385)



PELTON
CAPITAL
(AFSL: 406040)





**INTERNATIONAL GRAPHITE ACKNOWLEDGES THE
TRADITIONAL OWNERS OF COUNTRY THROUGHOUT
AUSTRALIA, PARTICULARLY THE WHADJUK, WIILMAN,
AND WUDJARI PEOPLES OF THE NOONGAR NATION, AND
RECOGNISES THEIR CONTINUING CONNECTION TO LANDS,
WATERS AND COMMUNITIES. WE PAY OUR RESPECTS TO
ABORIGINAL AND TORRES STRAIT ISLANDER CULTURES
AND TO ELDERS PAST AND PRESENT.**

A close-up photograph of a woman with blonde hair, wearing a light blue button-down shirt and a black smartwatch, plugging a black and white charging cable into the charging port of a white electric vehicle. The scene is set outdoors during the day, with bright sunlight creating a warm, golden glow. The woman is smiling slightly, and her hands are focused on the task. The background is softly blurred, showing hints of a parking area and other vehicles.

**DECARBONISATION AND THE
QUEST FOR CLEAN ENERGY ARE
TRANSFORMING THE WAY WE
LIVE. DEMAND FOR RENEWABLE
POWER AND STORAGE BATTERIES,
AND THE MATERIALS REQUIRED TO
MAKE THEM, IS GROWING AT AN
UNPRECEDENTED RATE.**

IMPORTANT INFORMATION

This Prospectus is dated 21 February 2022 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Securities that are the subject of this Prospectus should be considered as highly speculative.

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Securities under this Prospectus will not be accepted by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

No Offering where Offering would be Illegal

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those set out below. Failure to comply with these restrictions may violate securities laws.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Securities or the offer, or to otherwise permit a public offering of the Securities in any jurisdiction outside Australia. This Prospectus has been prepared for publication in Australia and may not be distributed outside Australia except to institutional and professional investors in New Zealand and the United Kingdom in transactions exempt from local prospectus or registration requirements, as contemplated below.

Information for New Zealand Residents

The Public Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

The Public Offer and the content of this Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the Public Offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to the Public Offer. If you need to make a complaint about the Public Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Public Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Electronic Prospectus

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

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 (8) 9380 9277 during office hours or by emailing the Company at info@internationalgraphite.com.au.

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

Company Website

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

No Cooling-off Rights

Cooling-off rights do not apply to an investment in Securities issued under the Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

No Investment Advice

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

Risks

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Securities. There are risks associated with an investment in the Company.

The Securities offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Securities. Refer to Section D of the Investment Overview as well as Section 7 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

Forward-looking Statements

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

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

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

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

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

These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7.

Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Competent Persons Statement

The information in the Investment Overview Section of the Prospectus, included at Section 3, the Company and Projects Overview, included at Section 5, and the Independent Technical Assessment Report, included at Annexure A of the Prospectus, which relate to exploration targets, exploration results or mineral resources, is based on information compiled by Mr. Peter Langworthy. Mr. Langworthy has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr. Langworthy is the Managing Director of OMNI GeoX Pty Ltd (the Independent Geologist). Mr. Langworthy consents to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

Continuous Disclosure Obligations

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

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this 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.

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

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

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

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

Photographs and Diagrams

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

Definitions and Time

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

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

Privacy Statement

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

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

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

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

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Public Offer or how to accept the Public Offer please call the Company Secretary on +61 8 9380 9277.



CORPORATE DIRECTORY

Directors

Phillip Hearse
Executive Chairman

Andrew Worland
Non-Executive Director

David Pass
Non-Executive Director

Proposed Non-Executive Director¹

Matthew O'Kane

Company Secretary

Robert Hodby

Proposed ASX Code

IG6

Registered Office

18 Sangiorgio Court
Osborne Park, WA 6017
Telephone: +61 8 6165 4000

Head Office

Level 1, 333 Charles Street
North Perth, WA 6006
Email: info@internationalgraphite.com.au
Website: www.internationalgraphite.com.au

Investigating Accountant

Armada Accountants & Advisors

18 Sangiorgio Court
Osborne Park, WA 6017

Auditor

Armada Accountants & Advisors

18 Sangiorgio Court
Osborne Park, WA 6017

Independent Geologist

OMNI GeoX Pty Ltd

1 Coventry Pde
North Fremantle, WA 6159

Joint Lead Managers

Pamplona Capital Pty Ltd

AFSL No: 426385

329 Hay Street
Subiaco, WA 6008

Tel: 0434 144 188

Peloton Capital Pty Ltd

AFSL No: 406040

Level 8/2 Bligh St
Sydney, NSW 2000

Tel: +61 2 8651 7800

Share Registry²

Automic Group Pty Ltd

Level 5, 191 St Georges Terrace
Perth, WA 6000

Telephone: 1300 288 664

Legal advisers

Steinepreis Paganin

Level 4, The Read Buildings
16 Milligan Street
Perth, WA 6000

¹To be appointed upon the Company being admitted to Official Quotation.

²This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

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INTERNATIONAL GRAPHITE IS NOW ON TRACK TO BE WESTERN AUSTRALIA'S FIRST FULLY INTEGRATED MINE-TO-MARKET GRAPHITE PRODUCER - A NEW EMPLOYER CREATING NEW OPPORTUNITIES IN THE STATE, AND AN INTENDED FUTURE SUPPLIER TO THE GLOBAL BATTERY MINERALS MARKET.

”

1.0 CHAIRMAN'S LETTER

Dear Investor

Decarbonisation and the quest for clean energy are transforming the way we live. Demand for renewable power and storage batteries, and the materials required to make them, is growing at an unprecedented rate.

For that reason, it gives me great pleasure to invite you to become a Shareholder of International Graphite Limited (**International Graphite** or the **Company**) through the Company's initial public offering outlined in this Prospectus.

Graphite is a critical element in lithium-ion batteries and the primary material used for battery anodes. As world economies move to de-carbonise, the demand for graphite in battery applications, including electric vehicles and stationary industrial storage, is forecast to expand well beyond current global supply capability.

New graphite mines and processing facilities are essential to meeting this demand.

In 2018, I founded International Graphite with a vision to develop one of Australia's first vertically integrated graphite producers. Our operation would treat mined graphite concentrates and produce finished graphite products for specialised industrial applications and Battery Anode Material (**BAM**) to meet projected global demand for high performance batteries including lithium-ion batteries.

Having advised, in my capacity as a metallurgical engineer, on engineering and process design feasibility studies for graphite projects worldwide, the emerging demand for graphite products in the renewables industries was self-evident.

International Graphite has already developed extensive downstream graphite processing knowledge and technologies and established a facility at Collie, in Western Australia. Initially, this facility will undertake research and development activities and conduct pilot testing of graphite concentrates for spheroidised graphite for BAM applications, as well as produce micronised graphite. It is the Company's intention to expand the facility to commercial scale production.

In September 2021, the Western Australian government awarded the Company a \$2,000,000 grant to be used for development of a micronising production facility at Collie (subject to formal documentation to be agreed).

The Collie facility, together with the proposed acquisition of the Springdale Graphite Project, means International Graphite is now on track to be Western Australia's first fully integrated mine-to-market graphite producer – a new employer creating new opportunities in the State, and an intended future supplier to the global battery minerals market.



Clockwise from top left:

Micronised graphite | Collie facility, Western Australia | Equipment delivery at Collie | Research and development equipment.
Inspecting Springdale Project | Grant announcement by WA Minister for Regional Development, Hon. Alannah MacTiernan MLC.

The Springdale Graphite Project near Hopetoun in southern Western Australia has an Inferred Mineral Resource of 15.6Mt @ 6% TGC, including a high-grade Inferred Mineral Resource zone of 2.6Mt @ 17.5% TGC. We intend to expand the Inferred Mineral Resource and seek to develop a near term mining strategy. Based on prior exploration, the Board believes that there is extensive prospectivity for discovering additional resources on the Tenements.

International Graphite is led by a respected, knowledgeable and technology-based board and management team which has decades of combined experience in the graphite industry. As a team, we are committed to acting in the best interests of our Shareholders, stakeholders and the communities with whom we work and aim to operate with the highest standards of safety and environmental responsibility.

This Prospectus is seeking to raise a minimum of \$8,000,000 and up to a maximum of \$10,000,0000 via the issue of Shares at an issue price of \$0.20 per Share under the Public Offer. The purpose of the Public Offer is to provide funds to implement the Company's business strategies (explained in Section 5).

This Prospectus is issued for the purpose of supporting an application to list the Company on ASX. This Prospectus contains detailed information about the Company, its business and the Public Offer, as well as the risks of investing in the Company. The Securities offered by this Prospectus should be considered highly speculative. Before making an investment decision I urge you to read this Prospectus in its entirety and seek professional advice if required.

I look forward to you joining us as a Shareholder.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'P Hearse', with a stylized, flowing script.

Phillip Hearse

Executive Chairman

International Graphite Limited

2.0 KEY OFFER INFORMATION

INDICATIVE TIMETABLE¹

21 Feb 2022	Lodgement of Prospectus with the ASIC
21 Feb 2022	Exposure Period begins
1 March 2022	Opening Date of the Offers
5pm (WST) on 15 March 2022	Closing Date of the Offers
29 March 2022	Issue of Securities under the Offers (including, pursuant to the Acquisition)
30 March 2022	Dispatch of holding statements
31 March 2022	Expected date for quotation on ASX

1. The above dates are indicative only and may change without notice. Unless otherwise indicated, all time given are WST. The Exposure Period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to applicants.
2. If the Public Offer is cancelled or withdrawn before completion of the Public Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offers open.

KEY STATISTICS OF THE OFFER

	MINIMUM SUBSCRIPTION (\$8,000,000) ¹	MAXIMUM SUBSCRIPTION (\$10,000,000) ¹
Public Offer Price per Share	\$0.20	\$0.20
Shares currently on issue	75,158,330	75,158,330
Shares to be issued under the Public Offer	40,000,000	50,000,000
Shares to be issued under Vendor Offer ²	40,000,000	40,000,000
Gross Proceeds of the Public Offer	\$8,000,000	\$10,000,000
Shares on issue Post-Listing (undiluted)³	155,158,330	165,158,330
Market Capitalisation Post-Listing (undiluted)⁴	\$31,031,668	\$33,031,668
Options currently on issue	Nil	Nil
Options to be issued under the Advisor Offer ⁵	5,000,000	6,250,000
Options to be issued to KMP under the KMP Offer ⁶	8,000,000	8,000,000
Shares on issue Post-Listing (fully diluted)³	168,158,330	179,408,330
Market Capitalisation Post-Listing (fully diluted)⁴	\$33,631,666	\$35,881,666

Notes

1. Assuming the Minimum Subscription of \$8,000,000 and Maximum Subscription of \$10,000,000 is achieved under the Public Offer.
2. Refer to Section 9.2 for the key terms and conditions of the Acquisition Agreement.
3. Certain Securities on issue post-listing will be subject to ASX-imposed escrow. Refer to Section 5.11 for a disclaimer with respect to the likely escrow position.
4. Assuming a Share price of \$0.20, however the Company notes that the Shares may trade above or below this price.
5. Unquoted Advisor Options, exercisable at \$0.30 each, on or before the date that is 3 years from the date of issue of the Options. Refer to Section 10.3 for the terms and conditions of the Advisor Options.
6. Unquoted KMP Options, 3,200,000 of which are exercisable at \$0.30 each, on or before the date that is 5 years from the date of issue of the Options, 4,800,000 of which are exercisable at \$0.40 each, on or before the date that is 5 years from the date of issue of the Options. Refer to Section 8.4 for further information regarding the proportion of KMP Options to be issued to the Directors and Proposed Director (or their nominees) and Section 10.4 for the terms and conditions of the KMP Options.

3.0 INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

ITEM	SUMMARY	FURTHER INFORMATION
A. COMPANY		
Who is the issuer of this Prospectus?	International Graphite Limited (ACN 624 579 326) (International Graphite or Company).	Section 5.1
Who is the Company?	The Company is an Australian unlisted public company, incorporated on 21 February 2018. Since incorporation, the Company has focused on developing a downstream graphite processing business to treat mined graphite concentrates and produce finished graphite products for specialised industrial applications and Battery Anode Material (BAM) to meet projected global demand for high performance batteries including lithium-ion batteries. The Company is headed by experienced mining professionals with extensive processing experience and graphite technology knowledge.	Sections 5.1 and 5.4
Who is the Company Group?	The Company has two 100% owned subsidiaries each incorporated on 1 January 2022: (a) International Graphite Springdale Pty Ltd (ACN 656 298 145) (International Graphite Springdale) which will own the Tenements comprising the Springdale Graphite Project following the completion of the Public Offer Acquisition; and (b) International Graphite Collie Pty Ltd (ACN 656 298 163) (International Graphite Collie) which is the operating entity for the Company's downstream processing facilities in Collie.	Section 5.3 and Annexure A
What is the Company's interest in the Assets?	The Company holds the interests in the following assets: (a) subject to completion of the Acquisition, 100% of the Springdale Graphite Project; (b) 100% of the Collie Research and Development Processing Facilities; and (c) the provisional patent for a zero liquid discharge process for purification of graphite concentrates, (together, the Assets).	Section 5.3 and Annexure A

ITEM	SUMMARY	FURTHER INFORMATION
B. BUSINESS MODEL		
What is the Company's business model?	Following completion of the Offers, the Company's proposed business model will be to: (a) explore and develop the Springdale Graphite Project; (b) conduct a feasibility study on the Springdale Graphite Project; (c) install, commission and operate the Collie Research and Development Processing Facilities to produce high quality spheroidised product suitable for BAM and other graphite products; and (d) undertake feasibility studies for the construction and operation of the Collie Processing Facilities that would integrate the Springdale Graphite Project. The Company proposes to fund its exploration and development activities over the first two years following listing as outlined in the table at Section 5.8. A detailed explanation of the Company's business model is provided at Section 5.5.	Section 5.5
What are the key business objectives of the Company?	The Company's main objectives on completion of the Public Offer and ASX listing are: (a) systematically explore and upgrade the Inferred Mineral Resource estimate for the Springdale Graphite Project; (b) complete technical studies integrating the Springdale Graphite Project and the Company's proposed Collie Processing Facilities; (c) install, commission and operate the Collie Research and Development Processing Facilities, demonstrate capacity to produce spheroidised graphite and develop a process for purification of Springdale Graphite Project graphite concentrates; (d) focus on mineral exploration and other resource opportunities and acquisitions that have the potential to deliver growth for Shareholders and are a strategic fit for the Company; and (e) provide working capital for the Company.	Section 5.5
What are the key dependencies of the Company's business model?	The key dependencies of the Company's business model include: (a) completing the Acquisition of the Springdale Graphite Project; (b) maintaining title to the Springdale Graphite Project; (c) retaining and recruiting key personnel skilled in the mining and resources sector; (d) sufficient worldwide demand for graphite continuing; (e) successfully exploring, developing, permitting, financing, constructing and operating the Springdale Graphite Project; (f) successfully operating the Collie Research and Development Processing Facilities; (g) financing, establishing and successfully operating the Collie Processing Facilities; (h) establishing the Company in the graphite market; and (i) the market price of downstream graphite products remaining higher than the Company's costs of any future production (assuming successful exploration by the Company).	Section 5.5

ITEM	SUMMARY	FURTHER INFORMATION
C. KEY ADVANTAGES		
What are the key advantages of an investment in the Company?	The Directors and Proposed Director are of the view that an investment in the Company provides the following non-exhaustive list of advantages: (a) subject to raising the Minimum Subscription, the Company will have sufficient funds to implement its mineral exploration and development strategy; (b) a portfolio of quality assets in the Springdale area of Western Australia considered by the Board to be highly prospective for graphite; (c) a highly credible and experienced team to progress exploration and accelerate potential development of the Assets; (d) a mineral exploration and development company with the capacity to develop a vertically integrated graphite mining, processing and refining business to produce BAM for the international battery market place; (e) a downstream processing facility in Collie, Western Australia, in relatively close proximity to the Springdale Graphite Project; (f) strong community and Western Australian state government support for the Company's activities in Collie; (g) an assured long term consistent feed supply from Springdale with a secure chain of custody; (h) detailed market research to define the graphite products that the Company will produce, with the on-going support of world experts in sales and marketing of graphite products; (i) establishment in a secure country that offers low-cost power, existing modern infrastructure and services, and a skilled labour force; (j) projects which have the potential for cost-competitive production of premium high-quality products meeting world's best environmental practices and conformance to ISO standards; (k) a market risk mitigation strategy working closely with end-users early in the project development period to optimise the product mix; and (l) projects which have the potential for attractive long-term return to investors.	Section 5.6
D. KEY RISKS		
Limited history	The Company was incorporated on 21 February 2018 to develop a downstream graphite processing business and as such, it has limited operating history and limited historical financial performance. The Company has agreed to acquire the Springdale Graphite Project from Comet Resources pursuant to the Acquisition Agreement. Exploration has previously been conducted on the Springdale Graphite Project and an Inferred Mineral Resource estimate has been delineated on the Project. However, the Company is yet to conduct its own exploration activities and will not commence these activities until the Company has been admitted to the Official List. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or development of its Tenements. Until the Company is able to realise value from the Springdale Graphite Project and the Collie Processing Facilities, it is likely to incur ongoing operating losses.	Section 7

ITEM	SUMMARY	FURTHER INFORMATION
Contractual risk	The Company's interest in the Springdale Graphite Project is subject to completion occurring under the Acquisition Agreement. The ability of the Company to achieve its stated objectives will depend on the performance by the Company and Comet Resources of their obligations under the Acquisition Agreement. If the Company is unable to satisfy its undertakings under the Acquisition Agreement, the Company's interest in the Springdale Graphite Project matter may be jeopardised.	Section 7
Exploration and operating	The mineral exploration licences comprising the Springdale Graphite Project are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal or adverse weather conditions and unanticipated operational and technical difficulties which may affect extraction costs, industrial and environmental accidents, industrial disputes and other factors beyond the control of the Company. The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Springdale Graphite Project and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Springdale Graphite Project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Springdale Graphite Project.	Section 7
Access	The Tenements comprising the Springdale Graphite Project overlap certain third-party interests that may limit the Company's ability to conduct exploration and mining activities including private land and Crown Reserves. The Company is in the process of securing access agreements with private landowners to enable access and exploration at Springdale Graphite Project following completion of the Acquisition. The Company will need to pay reasonable compensation for access and then pay reasonable compensation for future access to explore and undertake mining and processing activities on the Tenements in accordance with the Mining Act. The Company considers that the likelihood of being unable to enter into access agreements with the landowners is low, however the consequence could be delays in commencing exploration activities on the Tenements.	Section 7

ITEM	SUMMARY	FURTHER INFORMATION
Protection of intellectual property rights	The commercial value of the Company's intellectual property assets is dependent on any relevant legal protections. These legal mechanisms, however, do not guarantee that the intellectual property will be protected or that the Company's competitive position will be maintained. No assurance can be given that employees or third parties will not breach confidentiality agreements, infringe or misappropriate the Company's intellectual property or commercially sensitive information, or that competitors will not be able to produce non-infringing competitive products. In addition, there can be no assurance that any intellectual property which the Company (or entities it deals with) may have an interest in now or in the future will afford the Company commercially significant protection of technologies, or that any of the projects that may arise from technologies will have commercial applications.	Section 7
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment. The Company may not be able to replace its senior management or key personnel with persons of equivalent expertise and experience within a reasonable period of time or at all and the Company may incur additional expenses to recruit, train and retain personnel. Loss of such personnel and the potential inability to hire new key personnel may also have an adverse effect on the performance of the Company.	Section 7
Other risks	For additional specific risks please refer to Section 7.2. For other risks with respect to the industry in which the Company operates and general investment risks, many of which are largely beyond the control of the Company and its Directors, please refer to Sections 7.3 and 7.4.	Sections 7.2, 7.3 and 7.4

ITEM	SUMMARY	FURTHER INFORMATION																																																		
E. DIRECTORS AND KEY MANAGEMENT PERSONNEL																																																				
Who are the Directors and Proposed Directors?	The Board currently consists of: (a) Phillip Hearse – Executive Chairman; (b) Andrew Worland – Non-Executive Director; and (c) David Pass – Non-Executive Director. Upon completion of the Acquisition, Matthew O’Kane will be appointed as a Non-Executive Director. As such, the Board will consist of the following at listing: (a) Phillip Hearse – Executive Chairman; (b) Andrew Worland – Non-Executive Director; (c) David Pass – Non-Executive Director; and (d) Matthew O’Kane - Non-Executive Director. The profiles of each of the Directors and the Proposed Director are set out in Section 8.1.	Section 8.1																																																		
Who are the other key management personnel involved in the Company?	The Company’s other key management personnel is Robert Hodby – Chief Financial Officer and Company Secretary	Section 8.2																																																		
What are the significant interests of Directors and Proposed Directors in the Company?	As at the date of this Prospectus, the Directors have relevant interests in Securities as follows: <table><tr><th>Name</th><th>Shares</th><th>Options</th><th>% Undiluted</th><th>% Diluted</th></tr><tr><td>Phillip Hearse</td><td>15,996,668</td><td>-</td><td>21.3%</td><td>21.3%</td></tr><tr><td>Andrew Worland</td><td>1,740,000</td><td>-</td><td>2.3%</td><td>2.3%</td></tr><tr><td>David Pass</td><td>2,940,000</td><td>-</td><td>3.9%</td><td>3.9%</td></tr><tr><td>Matthew O’Kane</td><td>-</td><td>-</td><td>-%</td><td>-%</td></tr></table> Messrs Hearse, Worland and Pass (or their associates) intend to acquire 1,250,000 Shares, 260,000 Shares and 225,00 Shares (respectively) under the Public Offer. As such, at completion of the Offers (assuming the Minimum Subscription is raised and assuming the Directors participate in the Public Offer as intended), the Directors will have relevant interests in Securities as follows: <table><tr><th>Name</th><th>Shares</th><th>Options</th><th>% Undiluted</th><th>% Diluted</th></tr><tr><td>Phillip Hearse</td><td>17,246,668</td><td>2,400,000</td><td>11.1%</td><td>11.7%</td></tr><tr><td>Andrew Worland</td><td>2,000,000</td><td>2,000,000</td><td>1.3%</td><td>2.4%</td></tr><tr><td>David Pass</td><td>3,165,000</td><td>1,200,000</td><td>2.0%</td><td>2.6%</td></tr><tr><td>Matthew O’Kane</td><td>-</td><td>1,200,000</td><td>-%</td><td>0.7%</td></tr></table> Please refer to Section 8.4 for further detail in respect of the Director and Proposed Director’s relevant interests.	Name	Shares	Options	% Undiluted	% Diluted	Phillip Hearse	15,996,668	-	21.3%	21.3%	Andrew Worland	1,740,000	-	2.3%	2.3%	David Pass	2,940,000	-	3.9%	3.9%	Matthew O’Kane	-	-	-%	-%	Name	Shares	Options	% Undiluted	% Diluted	Phillip Hearse	17,246,668	2,400,000	11.1%	11.7%	Andrew Worland	2,000,000	2,000,000	1.3%	2.4%	David Pass	3,165,000	1,200,000	2.0%	2.6%	Matthew O’Kane	-	1,200,000	-%	0.7%	Section 8.4
Name	Shares	Options	% Undiluted	% Diluted																																																
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ITEM	SUMMARY	FURTHER INFORMATION																																													
What are the significant interests of advisors to the Company?	As at the date of this Prospectus, the advisors of the Company have relevant interests in Securities as follows: <table><thead><tr><th>Name</th><th>Shares</th><th>Options</th><th>% Undiluted</th><th>% Diluted</th></tr></thead><tbody><tr><td>Pamplona Capital Pty Ltd</td><td>1,416,666</td><td>–</td><td>1.9%</td><td>1.9%</td></tr><tr><td>Peloton Capital Pty Ltd</td><td>2,400,000</td><td>–</td><td>3.2%</td><td>3.2%</td></tr></tbody></table> At listing (assuming the Minimum Subscription is raised under the Public Offer), the Joint Lead Managers will have relevant interests in Securities as follows: <table><thead><tr><th>Name</th><th>Shares</th><th>Options</th><th>% Undiluted</th><th>% Diluted</th></tr></thead><tbody><tr><td>Pamplona Capital Pty Ltd</td><td>1,416,666</td><td>3,000,000</td><td>0.9%</td><td>2.6%</td></tr><tr><td>Peloton Capital Pty Ltd</td><td>2,400,000</td><td>2,000,000</td><td>1.5%</td><td>2.6%</td></tr></tbody></table> At listing (assuming the Maximum Subscription is raised under the Public Offer), the Joint Lead Managers will have relevant interests in Securities as follows: <table><thead><tr><th>Name</th><th>Shares</th><th>Options</th><th>% Undiluted</th><th>% Diluted</th></tr></thead><tbody><tr><td>Pamplona Capital Pty Ltd</td><td>1,416,666</td><td>3,750,000</td><td>0.9%</td><td>2.9%</td></tr><tr><td>Peloton Capital Pty Ltd</td><td>2,400,000</td><td>2,500,000</td><td>1.5%</td><td>2.7%</td></tr></tbody></table>	Name	Shares	Options	% Undiluted	% Diluted	Pamplona Capital Pty Ltd	1,416,666	–	1.9%	1.9%	Peloton Capital Pty Ltd	2,400,000	–	3.2%	3.2%	Name	Shares	Options	% Undiluted	% Diluted	Pamplona Capital Pty Ltd	1,416,666	3,000,000	0.9%	2.6%	Peloton Capital Pty Ltd	2,400,000	2,000,000	1.5%	2.6%	Name	Shares	Options	% Undiluted	% Diluted	Pamplona Capital Pty Ltd	1,416,666	3,750,000	0.9%	2.9%	Peloton Capital Pty Ltd	2,400,000	2,500,000	1.5%	2.7%	Section 8.4
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Has the Company adopted an employee incentive scheme?	The Company has adopted an employee incentive scheme entitled “Performance Rights and Options Plan” (Plan). The objective of the Plan is to: (a) assist in the reward, retention and motivation of eligible participants, which includes employees (including executive directors), non-executive directors and key contractors of the Company; (b) link the reward of eligible participants to Shareholder value creation; and (c) align the interests of eligible participants with Shareholders by providing an opportunity to eligible participants to receive an equity interest in the Company in the form of securities.	Section 10.5																																													
What related party agreements are the Company party to?	The Company has entered into a consulting agreement with Executive Director, Mr Philip Hearse (refer to Section 9.3.1) and letters of appointment with its Non-Executive and Proposed Non-Executive Directors (refer to Section 9.3.3). The Company has also entered into deeds of indemnity, insurance and access with each of the Directors and the Proposed Director (refer to Section 9.3.5).	Section 9.3																																													

ITEM	SUMMARY	FURTHER INFORMATION
What related party agreements are the Company party to? (continued)	In addition, the Company has entered into a Professional Services Agreement with Battery Limits Pty Ltd (an entity controlled by Mr Hearse) (Battery Limits), under which Battery Limits has agreed to provide technical and project management and administration services on arms length terms and conditions to advance the Company's business interests (refer to Section 9.3.2). Pursuant to the Professional Services Agreement, the Company has agreed to reimburse Battery Limits for any out-of-pocket costs and expenses reasonably and properly incurred in providing the services (which may include, costs associated with the Company's use of an office space leased by Battery Limits). No other related party agreements exist at present.	Section 9.3
F. FINANCIAL INFORMATION		
How has the Company been performing?	The audited historical financial information of the Company (including its subsidiaries) as at 30 June 2020, 30 June 2021 and 31 December 2021 is set out in Section 5.	Section 5 and Annexure C
What is the financial outlook for the Company?	Given the current status of the Company's Assets and the speculative nature of its business, the Directors do not consider it appropriate to forecast future earnings.	Section 5 and Annexure C
G. OFFERS		
What is the Public Offer?	The Public Offer is an offer of up to 50,000,000 Shares at an issue price of \$0.20 per Share to raise up to \$10,000,000 (before costs).	Section 4.1
Is there a minimum subscription under the Public Offer?	The minimum amount to be raised under the Public Offer is \$8,000,000 (Minimum Subscription).	Section 4.2
What are the purposes of the Public Offer?	The purposes of the Public Offer are to facilitate an application by the Company for admission to the Official List and, to position the Company to seek to achieve the objectives stated at Section B of this Investment Overview Section A.	Section 4.8
What are the Secondary Offers?	The Prospectus also includes the following Secondary Offers: (a) an offer of 40,000,000 Shares to Comet Resources Limited (or its nominee) in consideration for the Acquisition of the Springdale Graphite Project (Vendor Offer); (b) an offer of up to 6,250,000 Options, exercisable at \$0.30 each on or before the date that is 3 years from the date of issue of the Options, to Pamplona Capital Pty Ltd (Pamplona) and Peloton Capital Pty Ltd (Peloton) in part consideration for their services as Joint Lead Manager to the Public Offer (Advisor Offer); and (c) an offer of a total of 8,000,000 Options, of which 3,200,000 are exercisable at \$0.30 each on or before the date that is 5 years from the date of issue of the Options and 4,800,000 Options, exercisable at \$0.40 each on or before the date that is 5 years from the date of issue of the Options, to the Directors and Proposed Director (or their nominees) as long-term incentives for management performance and as part of their remuneration packages (KMP Offer), (together, the Secondary Offers).	Section 4.6

ITEM	SUMMARY	FURTHER INFORMATION
What are the key advantages of an investment in the Company?	The purpose of the Vendor Offer is to remove the need for an additional disclosure document to be issued upon the sale of the Shares that are to be issued under the Vendor Offer. Further, the acquisition by Comet of voting power in the Company of 25.8% (assuming Minimum Subscription is raised under the Public Offer) or 24.2% (assuming the Maximum Subscription is raised under the Public Offer) (being above the 20% takeover threshold) on completion of the Acquisition and the Offers will be permitted pursuant to the exception in item 12 of section 611 of the Corporations Act as the Shares are being issued under a disclosure document for an initial public offering and no disclosure document has previously been issued by the Company. The purpose of the Advisor Offer is to remove the need for an additional disclosure document to be issued upon the sale of the Shares issued on exercise of the Options that are to be issued under the Advisor Offer. The purpose of the KMP Offer is to remove the need for an additional disclosure document to be issued upon the sale of the Shares issued on exercise of the Options that are to be issued under the KMP Offer. Only specified persons will be entitled to participate in the Secondary Offers, all of whom will be approached directly by the Company.	Section 4.8
Is the Public Offer underwritten?	No, the Public Offer is not underwritten.	Section 4.4
Who is the lead manager to the Public Offer?	The Company has appointed Pamplona Capital Pty Ltd (Pamplona) and Peloton Capital Pty Ltd (Peloton) (together, the Joint Lead Managers) as lead managers to the Public Offer. The Joint Lead Managers will receive the following fees in respect of the Public Offer: (a) subject to completion of the Public Offer, a cash fee of 6% (plus GST) on funds raised under the Public Offer (being, up to a maximum of \$600,000 (plus GST) (assuming the Maximum Subscription is raised) which fee will be proportionate to the total amount raised by each Joint Lead Manager under the Public Offer); and (b) subject to completion of the Public Offer, up to 6,250,000 Options, exercisable at \$0.30 each, on or before the date that is 3 years from the date of issue of the Options (comprising, up to 3,750,000 Options to be issued to Pamplona (or its nominee) and up to 2,500,000 Options to be issued to Peloton (or its nominee) (assuming the Maximum Subscription is raised)). In addition, Pamplona will receive a retainer of \$5,000 (plus GST) per month for corporate advisory services provided to the Company for a period of 12 months (unless terminated or extended by the parties). Further details regarding the fees payable and the terms of appointment of the Joint Lead Managers are set out in Section 4.5.	Section 4.5

ITEM	SUMMARY	FURTHER INFORMATION
Who is eligible to participate in the Public Offer?	This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in Jurisdictions outside Australia, New Zealand or the United Kingdom may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.	Section 4.13
How do I apply for Shares under the Public Offer?	Applications for Shares under the Public Offer must be made by completing the Application Form attached to this Prospectus in accordance with the instructions set out in the Application Form.	Section 4.9
What is the allocation policy?	The Company retains an absolute discretion to allocate Shares under the Public Offer and will be influenced by the factors set out in Section 4.10. There is no assurance that any applicant will be allocated any Shares, or the number of Shares for which it has applied.	Section 4.10
What will the Company's capital structure look like on completion of the Offers and Acquisition?	The Company's capital structure on a post-Offers and Acquisition basis is set out in Section 5.9	Section 5.9
What are the terms of the Securities offered under the Offers?	A summary of the material rights and liabilities attaching to the Shares offered under the Public Offer and Vendor Offer are set out in Section 10.2. A summary of the terms of the Options under the Advisor Offer are set out in Section 10.3	Sections 10.2 and 10.3
Will any Securities be subject to escrow?	None of the Shares issued under the Public Offer will be subject to escrow. However, subject to the Company complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Public Offer and Secondary Offers, it is anticipated that: (a) 36,820,220 Shares on issue at lodgement of the Prospectus will be held in escrow for 24 months from the date of Official Quotation; (b) 7,000,001 Shares on issue at lodgement of the Prospectus will be held in escrow for 12 months from their date of issue, expected to be 30 November 2022; (c) 40,000,000 Shares to be issued to Comet will be held in escrow for 24 months from Official Quotation; (d) up to 6,250,000 Advisor Options to be issued to the Joint Lead Managers will be held in escrow for 24 months from the date Official Quotation; and (e) 6,800,000 of the KMP Options to be issued to the Directors and Proposed Directors will be held in escrow for 24 months from the date Official Quotation and 1,200,000 of the KMP Options issued to Mr Hodby will be held in escrow for 12 months from the date of issue of the Options. During the period in which restricted Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Securities in a timely manner. The Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Securities commencing trading on ASX.	Section 5.11

ITEM	SUMMARY	FURTHER INFORMATION
Will any Securities be subject to escrow? (continued)	The Company's 'free float' (being the percentage of Shares not subject to escrow and held by Shareholders that are not related parties of the Company (or their associates) at the time of admission to the Official List) will be approximately 46% (assuming the Minimum Subscription is raised) or 49% (assuming the Maximum Subscription is raised).	Section 5.11
Who are the current Shareholders of the Company and on what terms were their Shares issued?	At the date of the Prospectus, the Company has 75,158,330 Shares on issue. The terms of the previous Share issues are detailed in Section 5.9.	Section 5.9
Will the Securities be quoted on ASX?	Application for quotation of all Shares to be issued under the Offers will be made to ASX no later than 7 days after the date of this Prospectus. The Company will not apply for quotation of the Options to be issued under the Advisor Offer.	Section 4.11
What are the key dates of the Offers?	The key dates of the Offers are set out in the indicative timetable in the Key Offer Information Section.	Key Offer Information
What is the minimum investment size under the Public Offer?	Applications under the Public Offer must be for a minimum of \$2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of \$500 worth of Shares (2,500 Shares).	Section 4.9
Are there any conditions to the Offers?	The Offers are conditional upon the following events occurring. (a) the Company receiving sufficient Applications to meet the Minimum Subscription under the Public Offer; (b) ASX granting conditional approval for the Company to be admitted to the Official List on conditions reasonably acceptable to the Company; and (c) completion of the Acquisition in accordance with the Acquisition Agreement (refer to Section 9.2 for a summary of the material terms and conditions of the Acquisition Agreement). There is a risk that the Conditions will not be achieved. In the event the Conditions are not achieved, the Company will not proceed with the Offers and will repay all Application Monies received without interest in accordance with the Corporations Act.	Section 4.7
H. USE OF FUNDS		
How will the proceeds of the Public Offer be used?	The Public Offer proceeds and the Company's existing cash reserves will be used for: (a) implementing the Company's business objectives as set out in Part B of Investment Overview; (b) expenses of the Offers and the Acquisition; (c) administration costs; and (d) working capital, further details of which are set out in Section 5.8.	Section 5.8
Will the Company be adequately funded after completion of the Public Offer?	The Directors are satisfied that on completion of the Public Offer, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.	Section 5.8

ITEM	SUMMARY	FURTHER INFORMATION
I. ADDITIONAL INFORMATION		
Is there any brokerage, commission or duty payable by applicants?	No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Public Offer. However, the Company will pay to the Joint Lead Managers 6% (ex GST) of the total amount raised under the Prospectus.	Section 9.1.1
Can the Public Offer be withdrawn?	The Company reserves the right not to proceed with the Public Offer at any time before the issue or transfer of Shares to successful applicants. If the Public Offer does not proceed, application monies will be refunded (without interest).	Section 4.16
What are the tax implications of investing in Securities?	Holders of Securities may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Securities subscribed for under this Prospectus. The tax consequences of any investment in Securities will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Securities offered under this Prospectus.	Section 4.15
What is the Company's Dividend Policy?	The Company anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Assets. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.	Section 5.13
What are the corporate governance principles and policies of the Company?	To the extent applicable, in light of the Company's size and nature, the Company has adopted The Corporate Governance Principles and Recommendations (4th Edition) as published by ASX Corporate Governance Council (Recommendations). Prior to listing on the ASX, the Company will announce its main corporate governance policies and practices and the Company's compliance and departures from the Recommendations. In addition, the Company's full Corporate Governance Plan is available from the Company's website www.internationalgraphite.com.au.	Section 8.6
Where can I find more information?	(a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser; (b) By contacting the Company Secretary, on +61 8 9380 9277; or (c) By contacting the Share Registry on 1300 288 664.	
<i>This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.</i>		

An aerial photograph of a rugged coastline. The water is a vibrant turquoise color, with white foam from waves crashing against dark, jagged rocks. A small, lush green tree stands on a rocky outcrop in the upper right corner. The overall scene is dynamic and natural.

**WE ARE COMMITTED TO ACTING IN THE
BEST INTERESTS OF OUR SHAREHOLDERS,
STAKEHOLDERS AND THE COMMUNITIES
WITH WHOM WE WORK AND AIM TO
OPERATE WITH THE HIGHEST STANDARDS
OF SAFETY AND ENVIRONMENTAL
RESPONSIBILITY.**



4.0 DETAILS OF THE OFFERS

4.1 The Public Offer

The Public Offer is an initial public offering of up to 50,000,000 Shares at an issue price of \$0.20 per Share to raise up to \$10,000,000 (**Maximum Subscription**).

The Shares issued under the Public Offer will be fully paid and will rank equally with all other existing Shares currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 10.2.

4.2 Minimum Subscription

The minimum subscription for the Public Offer is \$8,000,000 (40,000,000 Shares) (**Minimum Subscription**).

If the Minimum Subscription has not been raised within four (4) months after the date of this Prospectus or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

4.3 Oversubscriptions

No oversubscriptions above the Maximum Subscription will be accepted by the Company under the Public Offer.

4.4 Not Underwritten

The Public Offer is not underwritten.

4.5 Joint Lead Managers

The Company has appointed Pamplona and Peloton as joint lead managers to the Public Offer. Pursuant to the Joint Lead Manager Mandate in consideration for their services, the Company has agreed to pay the following fees to the Joint Lead Managers subject to completion of the Public Offer:

- (a) a cash fee of 6% (plus GST) on funds raised under the Public Offer (being, up to a maximum of \$480,000 (plus GST) under the Minimum Subscription and \$600,000 (plus GST) under the Maximum Subscription which fee will be proportionate to the total amount raised by each Joint Lead Manager under the Public Offer); and
- (b) 5,000,000 Options (assuming the Minimum Subscription is raised) or 6,250,000 Options (assuming the Maximum Subscription is raised), exercisable at \$0.30 each, on or before the date that is 3 years from the date of issue of the Options (comprising, 3,000,000 or 3,750,000 Options to be issued to Pamplona (or its nominee) and up to 2,500,000 Options to be issued to Peloton (or its nominee) (assuming the Minimum Subscription or Maximum Subscription (respectively)) (**Advisor Options**).

The Advisor Options to be issued under the Minimum Subscription are valued at \$219,427. The Advisor Options to be issued under the Maximum Subscription are valued at \$274,312.

In the event that the Advisor Options are exercised, an additional \$1,500,000 (assuming the Minimum Subscription is raised under the Public Offer) or \$1,875,000 (assuming the Maximum Subscription is raised under the Public Offer) would be raised.

In addition, Pamplona will receive a retainer of \$5,000 (plus GST) per month for corporate advisory services provided to the Company for a period of 12 months (unless terminated or extended by the parties).

4.6 Secondary Offers

4.6.1 Vendor Offer

This Prospectus includes an offer of 40,000,000 Shares to Comet Resources Limited (ACN 060 628 202) (**Comet**) (or its nominee) pursuant to the Acquisition Agreement (the material terms of which are summarised at Section 9.2).

The terms of the Shares offered under the Vendor Offer are summarised in Section 10.2.

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

All Shares offered under the Vendor Offer are expected to be restricted from trading for 24 months from the date of Official Quotation in accordance with the ASX Listing Rules. Please refer to Section 5.11 for a summary of the likely escrow position.

4.6.2 Advisor Offer

This Prospectus includes the offer of a total of up to 6,250,000 Options, exercisable at \$0.30 each, on or before the date that is three years from the date of issue of the Options (being, the **Advisor Options**), to be issued to Pamplona and Peloton (or their nominees) in part consideration for services provided to the Company in respect of the Public Offer and in the following proportions:

- (a) up to 3,750,000 Advisor Options will be issued to Pamplona (or its nominee); and
- (b) up to 2,500,000 Advisor Options will be issued to Peloton (or its nominee).

The Advisor Options offered under the Advisor Offer will be issued on the terms and conditions set out in Section 10.3. The Company will not apply for quotation of the Advisor Options to be issued under the Advisor Offer however the Company will apply for quotation of all Shares issued upon exercise of the Advisor Options.

Only Pamplona and Peloton (or their nominees) may accept the Advisor Offer. A personalised Application Form in relation to the Advisor Offer will be issued to Pamplona and Peloton (or their nominees) together with a copy of this Prospectus.

All Advisor Options offered under the Advisor Offer are expected to be restricted from trading for 24 months from the date of Official Quotation in accordance with the ASX Listing Rules. A summary of the anticipated application of escrow to the Company's Securities is set out in Section 5.11.

4.6.3 KMP Offer

This Prospectus includes the offer of a total of 8,000,000 Options (being, the KMP Options), exercisable as follows:

- (a) 3,200,000 of the KMP Options are exercisable at \$0.30 each, on or before the date that is five years from the date of issue of the KMP Options; and
- (b) 4,800,000 of the KMP Options are exercisable at \$0.40 each, on or before the date that is five years from the date of issue of the KMP Options.

The KMP Options will be issued to the following persons (or their nominees):

- (a) 2,400,000 KMP Options will be issued to Phillip Hearse (a Director);
- (b) 2,000,000 KMP Options will be issued to Andrew Worland (a Director);
- (c) 1,200,000 KMP Options will be issued to David Pass (a Director);
- (d) 1,200,000 KMP Options will be issued to Matthew O'Kane (the Proposed Director); and
- (e) 1,200,000 KMP Options will be issued to Robert Hodby (the Chief Financial Officer and Company Secretary),

(together, the **KMP**).

4.6.3 KMP Offer (continued)

The KMP Options offered under the KMP Offer will be issued on the terms and conditions set out in Section 10.4. The Company will not apply for quotation of the Options to be issued under the KMP Offer however the Company will apply for quotation of all Shares issued upon exercise of the KMP Options.

Only the KMP (or their nominees) may accept the KMP Offer. A personalised Application Form in relation to the KMP Offer will be issued to the KMP (or their nominees) together with a copy of this Prospectus.

All KMP Options offered under the KMP Offer are expected to be restricted from trading for 24 months from the date of Official Quotation in accordance with the ASX Listing Rules. A summary of the anticipated application of escrow to the Company's Securities is set out in Section 5.11.

4.7 Conditions of the Offers

The Offers are conditional upon the following events occurring:

- (a) the Company receiving sufficient Applications to meet the Minimum Subscription to the Public Offer;
- (b) ASX granting conditional approval for the Company to be admitted to the Official List; and
- (c) completion of the Acquisition in accordance with the Acquisition Agreement (refer to Section 9.2 for a summary of the material terms and conditions of the Acquisition Agreement),

(together the **Conditions**).

If these Conditions are not satisfied then the Offers will not proceed and the Company will repay all application monies received under the Public Offer within the time prescribed under the Corporations Act, without interest.

4.8 Purpose of the Offers

The primary purposes of the Public Offer are to:

- (a) assist the Company to meet the admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules;
- (b) provide the Company with additional funding for:
 - (i) the proposed exploration, technical and permitting activities at the Springdale Graphite Project (as further detailed in Section 5.7);
 - (ii) activities at the Collie Research and Development Processing Facilities and feasibility studies and permitting for the Collie Processing Facilities in Collie, Western Australia;
 - (iii) considering acquisition opportunities that may be presented to the Board from time to time which align with the Company's business strategy; and
 - (iv) the Company's working capital requirements while it is implementing the above; and
- (c) remove the need for an additional disclosure document to be issued upon the sale of any Securities that are to be issued under the Public Offer.

The purpose of the Vendor Offer is to remove the need for an additional disclosure document to be issued upon the sale of the Shares that are to be issued under the Vendor Offer. Further, the acquisition by Comet of voting power in the Company of 25.8% (assuming the Minimum Subscription is raised) or 24.2% (assuming the Maximum Subscription is raised) (being above the 20% takeover threshold) on completion of the Acquisition and the Offers will be permitted pursuant to the exception in item 12 of section 611 of the Corporations Act as the Shares are being issued under a disclosure document for an initial public offering and no disclosure document has previously been issued by the Company.

The purpose of the Advisor Offer and KMP Offer is to remove the need for an additional disclosure document to be issued upon the sale of the Shares issued on exercise of the Options that are to be issued under the Advisor Offer and KMP Offer.

The Company intends on applying the funds raised under the Public Offer together with its existing cash reserves in the manner detailed in Section 5.8.

4.9 Applications

Applications for Shares under the Public Offer must be made by using the relevant Application Form as follows:

- (a) using an online Application Form at www.internationalgraphite.com.au and pay the application monies electronically; or
- (b) completing a paper-based application using the relevant Application Form attached to, or accompanying, this Prospectus or a printed copy of the relevant Application Form attached to the electronic version of this Prospectus.

By completing an Application Form, each applicant under the Public Offer will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares under the Public Offer must be for a minimum of \$2,000 worth of Shares (10,000 Shares) and thereafter in multiples of 2,500 Shares and payment for the Shares must be made in full at the issue price of \$0.20 per Share.

Completed Application Forms and accompanying cheques, made payable to **"International Graphite Limited – Share Account"** and crossed **"Not Negotiable"**, must be mailed or delivered to the address set out on the Application Form by no later than 5:00pm (WST) on the Closing Date, which is scheduled to occur on 15 March 2022.

If paying by BPAY®, please follow the instructions on the Application Form. A unique reference number will be quoted upon completion of the online application. Your BPAY® reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid. Applicants using BPAY® should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the Closing Date of the Public Offer. You do not need to return any documents if you have made payment via BPAY®.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

The Company reserves the right to close the Public Offer early.

Participation in the Secondary Offers is personal and Application Forms in relation to the Secondary Offers will be issued to the relevant participants together with a copy of this Prospectus.

4.10 Allocation Policy Under the Public Offer

The Company retains an absolute discretion to allocate Shares under the Public Offer and reserves the right, in its absolute discretion, to allot to an applicant a lesser number of Shares than the number for which the applicant applies or to reject an Application Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

No applicant under the Public Offer has any assurance of being allocated all or any Shares applied for. The allocation of Shares by Directors (in conjunction with the Joint Lead Managers) will be influenced by the following factors:

- (a) the number of Shares applied for;
- (b) the overall level of demand for the Public Offer;
- (c) the desire for a spread of investors, including institutional investors; and
- (d) the desire for an informed and active market for trading Shares following completion of the Public Offer.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

4.11 ASX Listing

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. However, applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be admitted to the Official List. As such, the Shares may not be able to be traded for some time after the close of the Offers.

If the Shares are not admitted to Official Quotation by ASX before the expiration of three (3) months after the date of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

The Company will not apply for quotation of the Options offered pursuant to the Advisor Offer under this Prospectus.

4.12 Issue

Subject to the Conditions set out in Section 4.6 being met, the issue of Securities offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the issue of the Shares 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.

The Directors (in conjunction with the Joint Lead Managers) will determine the recipients of the issued Shares in their sole discretion in accordance with the allocation policy detailed in Section 4.10). The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Holding statements for Securities issued to the issuer sponsored subregister and confirmation of issue for Clearing House Electronic Subregister System (**CHES**) holders will be mailed to applicants being issued Securities pursuant to the Offers as soon as practicable after their issue.

4.13 Applicants Outside Australia, New Zealand and the United Kingdom

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia, New Zealand and the United Kingdom may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia, New Zealand and the United Kingdom. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

4.13.1 New Zealand

The Public Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014. Refer to the Important Notices Section.

4.13.2 United Kingdom

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

The Shares may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to “qualified investors” within the meaning of Article 2(e) of the UK Prospectus Regulation. This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

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

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

4.14 Commissions Payable

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

The Joint Lead Managers will be responsible for paying all commission that they and the Company agree with any other licensed securities dealers or Australian financial services licensees out of the fees paid by the Company to the Joint Lead Managers under the Lead Manager Mandate.

4.15 Taxation

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus or the reliance of any applicant on any part of the summary contained in this Section.

No brokerage, commission or duty is payable by applicants on the acquisition of Securities under the Public Offer.

4.16 Withdrawal of Public Offer

The Public Offer may be withdrawn at any time. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.



5.0 COMPANY AND PROJECTS OVERVIEW

5.1 Background

International Graphite was incorporated in 2018 by founder, Phillip Hearse, a metallurgical engineer with extensive experience in the processing, treatment and production of graphite. The Company intends to develop a downstream graphite processing business to treat mined graphite concentrates and produce finished graphite products for specialised industrial applications and Battery Anode Material (**BAM**) to meet projected global demand for high performance batteries including lithium-ion batteries.

Since incorporation International Graphite has raised approximately \$4,000,000 from private, almost exclusively Australian, investors to assess and establish a downstream processing facility in Collie, Western Australia. Collie was selected as a location for the Company's facilities following considerable community support, the establishment of the West Australian Future Battery Industry Strategy and because of the benefits of the existing established infrastructure, work force and potential access to low-cost power at Collie. International Graphite's strategic aim is to establish a graphite business with a single supply chain.

In October 2020, International Graphite completed investigative studies for the establishment of processing facilities at Collie that would produce micronised products, foils and repackaged expandable graphite as a pre-cursor to developing a BAM product line. At the same time, International Graphite developed chemical purification technology to achieve new standards of environmental performance incorporating an innovative Zero Liquid Discharge solution (refer below for further details regarding the status of the Company's patent application in respect of this technology). The Company leased a site in the light industrial area in Collie in order to establish the Collie Research and Development Processing Facilities (refer to Section 9.2.1 for a summary of the material terms and conditions of the Lease Agreement).

In March 2021, the Company procured an ultra-high temperature furnace and pilot spheroidising plant. The equipment is currently being installed at the Company's Collie Research and Development Processing Facilities in Western Australia. The Company intends to expand the spheroidising capacity in the lead up to BAM production, add a micronising plant and develop graphite purification and other downstream technologies at the Collie Research and Development Processing Facilities.

In September 2021, the Company was awarded with a \$2,000,000 grant from the Collie Futures Industry Development Fund (**CFIDF**) to assist in the development of the 'WA Collie Micronising Plant'. The funding is not required to meet the business objectives set out in this Prospectus, however, the Company will aim to access it as quickly as possible as the Company's seeks to scale the micronising equipment in the Collie Research and Development Processing Facilities to a commercial operation. The material terms and conditions of such arrangements in would be disclosed at the relevant time in accordance with the Company's disclosure obligations.

Whilst International Graphite planned to obtain feedstock from existing and future producers of graphite concentrates, IG has been presented with the opportunity to acquire 100% of the Springdale Graphite Project in Western Australia. Following completion of the Acquisition, the Springdale Graphite Project is intended to become the primary feedstock for the Company's planned downstream processing facilities and accelerates the Company's plans to produce BAM.

Western Australia is developing a battery hub in the south-west of the state to feed the growing international battery demand and which is set to become key in the global battery chain. Figure 1 shows some of the groups currently operating and developing battery raw materials mines and downstream processing facilities in south-west Western Australia. International Graphite plans to be an integral part of this battery commodity supply chain in Western Australia and internationally.

- 01. FBICRC (Perth)
- 02. Tianqi/IGO (Kwinana)
- 03. Nickel West (Kwinana)
- 04. EcoGraF (Kwinana)
- 05. Albermale (Kemerton)
- 06. **INTERNATIONAL GRAPHITE** (Collie)
- 07. Greenbushes
- 08. **INTERNATIONAL GRAPHITE** (Springdale)

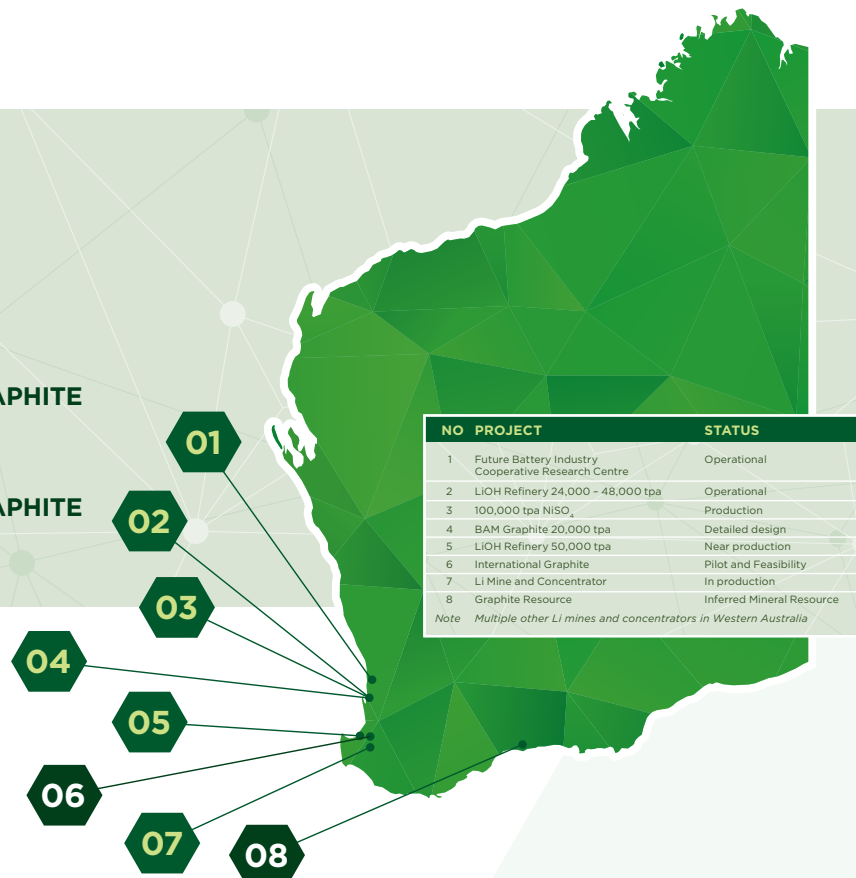
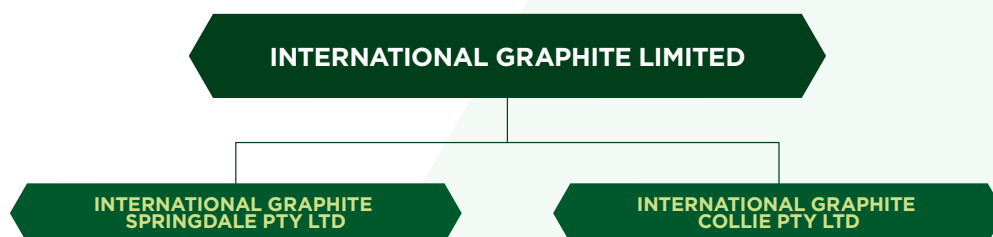


Figure 1:
Western Australia 'Battery Hub'

5.2 Corporate Structure

International Graphite is an Australian company headquartered in Perth, Western Australia. It has two 100% owned subsidiaries each incorporated on 1 January 2022, International Graphite Springdale Pty Ltd (**International Graphite Springdale**) which will own the tenements and mining information comprising the Springdale Graphite Project following completion of the Acquisition and International Graphite Collie Pty Ltd (**International Graphite Collie**) which is the operating entity for the Company's downstream processing facilities in Collie.



5.3 Overview of the Company's Assets

At the date of the Prospectus, International Graphite's Assets comprise cash, the Collie Research and Development Processing Facilities, extensive graphite primary and downstream graphite processing intellectual property and a patent application for chemical purification of graphite concentrates.

In addition, International Graphite and its wholly owned subsidiary, International Graphite Springdale, have entered into a binding agreement with Comet under which International Graphite has agreed to acquire, and Comet agreed to sell, 100% of the Springdale Graphite Project – comprising granted exploration licences E74/562 and E74/612 and prospecting licence P74/382 – and all associated mining information. A summary of the material terms and conditions of the Acquisition Agreement is set out in Section 9.2.

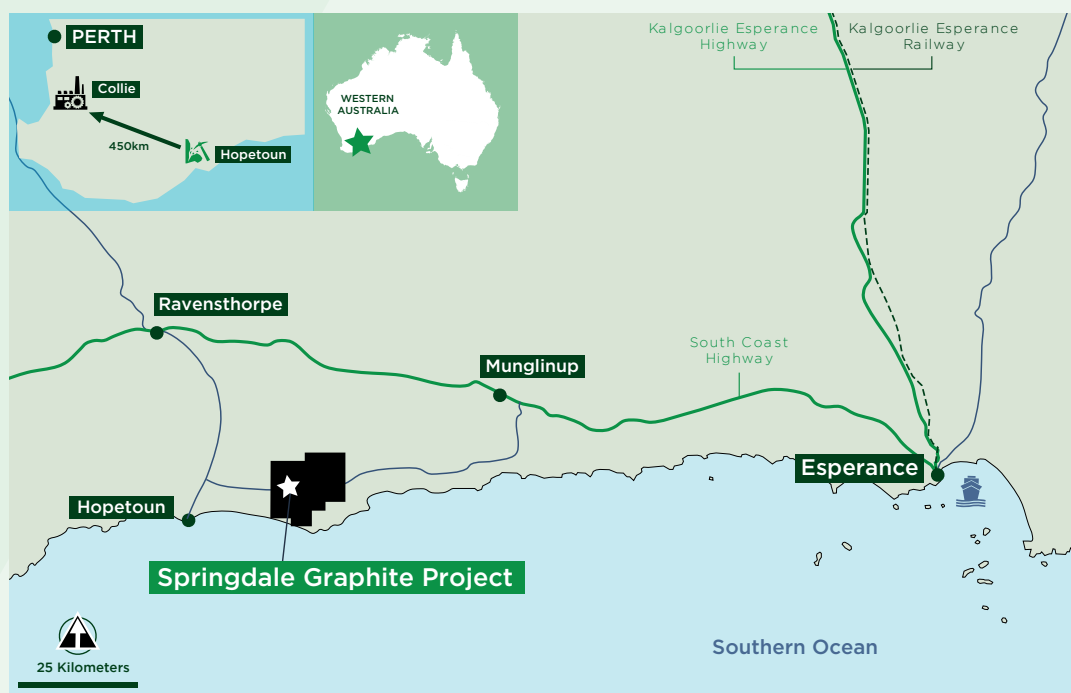


Figure 2: Springdale Graphite Project and Collie location

Upon listing, the Company will own 100% of the Springdale Graphite Project.

5.3.1 Springdale Graphite Project

The Springdale Graphite Project is located on the western margin of the Esperance-Goldfields District in Western Australia, approximately 30km east of the town of Hopetoun and 600km by road from Perth. Geologically the project is within the Northern Foreland (Munglinup Gneiss) domain of the Albany-Fraser Orogen.

The Project consists of two granted exploration licences and one prospecting license that are considered to be in good standing (refer to the Solicitor's Report on Tenements at Annexure B).

The Project is situated in the Phillips River Mineral Field on the Ravensthorpe 1:250,000 (SI51-5) and Ravensthorpe 1:100,000 (2930) map sheets. The bulk of the Project overlies freehold titles (private land) which are located within the Shire of Ravensthorpe. Much of the land within the Ravensthorpe Shire is under cultivation, the main commercial activities including agriculture, fishing and tourism.

Access is provided by a network of sealed and unsealed Shire roads leading east and south of the Ravensthorpe-Hopetoun Road and South Coast Highway respectively. The Project overlies a flat to gently undulating sandplain which has been cleared for farming, with rare remnants of native heath.

On 6 December 2018, Comet completed a maiden Inferred Mineral Resource estimate for the Springdale Graphite Project. Refer to Comet's ASX Announcement dated 6 December 2018 and Table 1 below for further detail.

Geology

The Springdale Graphite Project area geology forms part of the Northern Foreland lithotectonic unit of the Albany-Fraser Orogeny and is dominated by the Archaean Munglinup Gneiss (refer to Figure 3 below). The Northern Foreland represents reworked Yilgarn Craton, as evidenced in the Project area by the presence of the remnant, northerly trending Jerdacuttup Greenstone Belt.

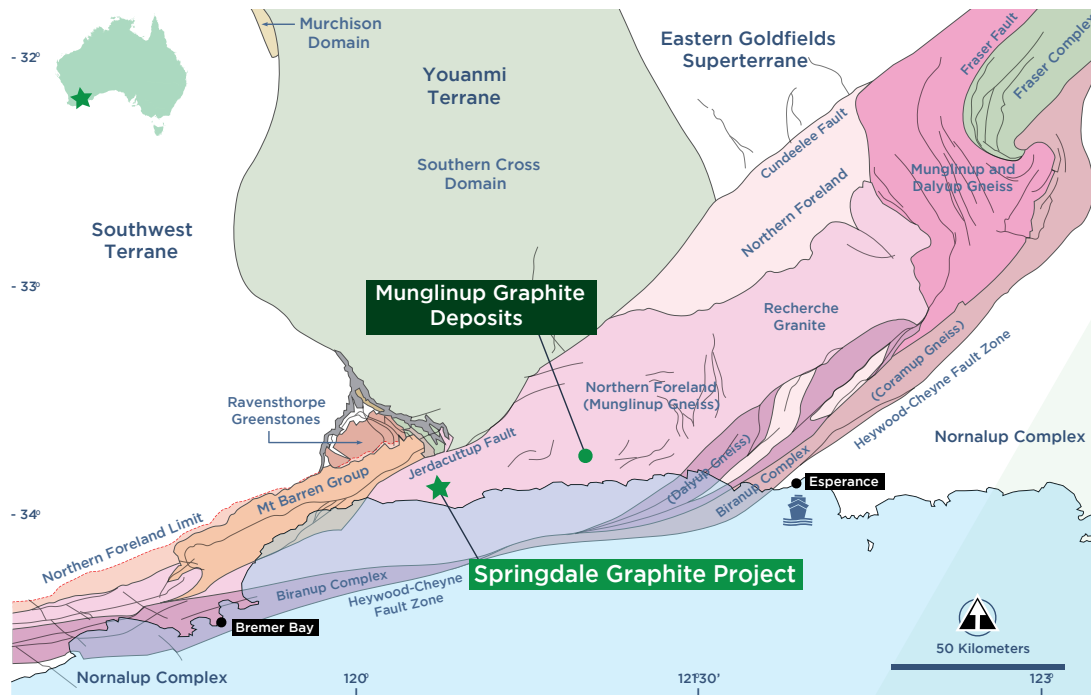


Figure 3: Simplified Geological Map of the Albany-Fraser Orogen

The Munglinup Gneiss present within the Springdale Graphite Project area comprises hornblende and garnet-bearing felsic gneiss, amphibolite, quartzite, carbonate-silicate rocks and marble. Graphite mineralisation is stratigraphic in nature and hosted by a metasedimentary graphitic schist with typical TGC grades ranging from 15-40%. This schist unit is variably carbonate-altered resulting in increased competency compared to the surrounding gneiss in the weathered part of the profile. A lower-grade graphite zone is present around the main graphitic schist units where graphite exists as mobilised disseminated graphite and/or thinner stratigraphic horizons. TGC grades in the lower grade zone typically range from 2-10% TGC.

A high-resolution aeromagnetic survey was flown by Comet in September 2017. The key features revealed from this survey were that the stratigraphy is tightly folded with NE-trending fold axes and that graphite-rich stratigraphy is strongly associated with units of low magnetic response in the project area (refer to Figure 4 next).

The aeromagnetic survey could not differentiate between anticlines and synclines. Drilling has revealed that the graphite-rich stratigraphy is part of a kilometre-scale syncline with the western limb striking at around 034° and dipping moderately (around 50°) to the SW and the eastern limb striking at around 176° and dipping shallow to moderately (around 30°) to the SE. The dip of stratigraphy in the fold hinge shallows significantly to 15°-20° to the south.

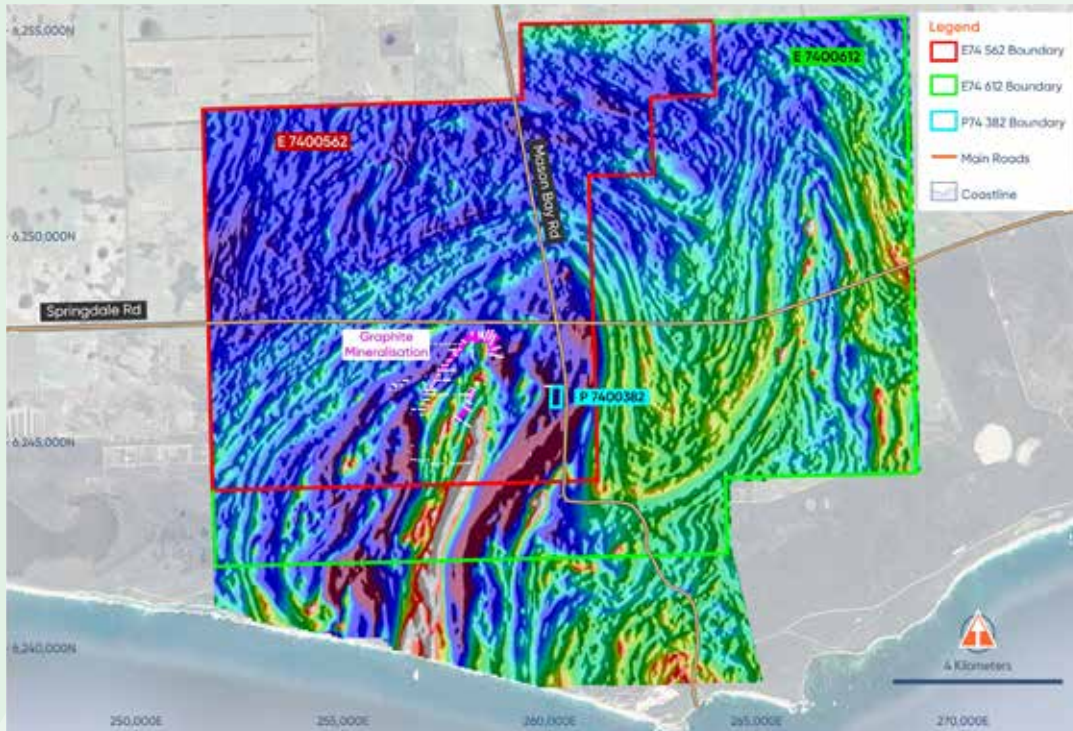


Figure 4: Springdale Graphite Project Airborne Magnetic Image (TMI)

Mineral Resource Estimate

On 6 December 2018, Comet released an Inferred Mineral Resource estimate for the Springdale Graphite Project of 15.6 million tonnes @ 6% TGC, including a high-grade Inferred Mineral Resource component of 2.6 million tonnes @ 17.5% TGC (refer to Comet Resources Limited (ASX:CRL) ASX announcement dated 6 December 2018)³.

DOMAIN	TONNES (MT)	DENSITY (T/M3)	GRAPHITE (TGC%)	CLASSIFICATION
High-grade	2.6	2.1	17.5	Inferred
Low grade	13.0	2.2	3.7	Inferred
Total	15.6	2.2	6.0	Inferred

Table 1: Inferred Mineral Resource Estimate at Springdale Graphite Project

The Mineral Resource information in Table 1 is extracted from an internal document of Comet titled 'Springdale Project – Resource Report' and reported publicly in an ASX announcement dated 6 December 2018 (ASX:CRL). The Independent Geologist confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Independent Geologist confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

3. Inferred Resources have only been reported from within mineralised wireframe domains defined by a nominal 2% TGC cut-off for low-grade and a nominal 15% TGC cut-off for high-grade to a nominal depth of 100m.

Mining and Metallurgical Considerations

Based on the orientations, thicknesses and depths to which the graphitic lenses have been modelled and their estimated TGC, the potential mining method is considered to be open pit mining. The shallow, high-grade nature of the mineralisation together with positive indications from metallurgical test work is supportive that the deposit has the potential for eventual economic extraction.

Flotation test work studies conducted on both diamond core and RC chips from within the mineral resource has reported high levels of graphite purity of 95% TGC. Further test work also demonstrated that this material can be upgraded to +99% graphite and has been used in battery test work studies. There are no reported detrimental minerals within the graphite zone. These results suggest that with further test work, the graphite mineralisation can be processed to produce a saleable product (refer to Comet Resources Limited (ASX:CRL) ASX announcement dated 21 September 2021).

5.3.2 Collie Research and Development Processing Facilities

In March 2021, the Company leased a site in the light industrial area in Collie to establish its initial processing facility and procured an ultra-high temperature furnace and pilot spheroidising plant for installation in the facility. The equipment is currently being installed at the Company's Collie premises and will be commissioned and operated as a research and development facility to produce high quality spheroidised product suitable for BAM and establish International Graphite in the marketplace prior to Springdale concentrates being available.

Proceeds from the Public Offer will also be applied to expand these facilities and add micronising plant, develop graphite purification technologies and other finished graphite product lines all at a pilot scale.

5.3.3 Collie Processing Facilities

The operation of the Collie Research and Development Processing Facility is intended to produce high quality spheroidised product suitable for BAM to establish International Graphite in the marketplace.

This facility will also provide technical data required to undertake a feasibility study for the commercial scale Collie Processing Facilities that would be developed to treat graphite concentrates from the Springdale Graphite Project. Specifically, that data would include process design criteria, equipment sizing and selection specification, consumable requirements, power demand and generate cost estimation. Proceeds from the Public Offer will be applied to developing the Collie Processing Facilities feasibility studies and permitting.

The facility will also provide products that International Graphite can supply to customers for product testing and subsequent sales.

5.3.4 Intellectual Property

In October 2020, International Graphite completed investigative studies for the establishment of processing facilities at Collie that would produce micronised products, foils and repackaged expandable graphite as a pre-cursor to developing a BAM product line.

At the same time, International Graphite developed chemical purification technology to achieve new standards of environmental performance incorporating an innovative Zero Liquid Discharge solution. On 21 November 2019, the provisional patent application No. 2019904406, "PROCESS AND APPARATUS FOR PRODUCING HIGH PURITY GRAPHITE", was filed with IP Australia.

The patent was developed by International Graphite for the safe environmental containment of effluent liquors from a chemical process for the purification of graphite up to 99.99% Total Graphitic Carbon.

International Graphite will be focussed on thermal purification for its Australian operations, and is also investigating chemical purification technologies, but this patent has been developed to be incorporated into any potential use of chemical purification that International Graphite may deploy in the future.

On 23 November 2020, the International (PCT) Provisional Patent PCT/AU2020/051268 was lodged with the Australian Patent Office.

5.4 Graphite Industry

Graphite is a crystalline form of the element carbon with its atoms arranged in a hexagonal structure. It is an excellent conductor of heat and electricity making it ideal for uses in electronic products such as electrodes, heat sinks, batteries, and solar panels. It is also an excellent insulator.

It is a soft, light mineral with a high melting point of 3,650°C. Its high thermal stability and thermal conductivity facilitates its use in refractories in high temperature material processing applications.

Graphite materials are divided into synthetic graphite and natural graphite. Natural graphite can be categorised as amorphous, vein and flake graphite. The British Geological Survey added graphite to the critical element list in 2012.

Each form of natural graphite is found in differing ore deposits and each type has different end uses. Flake graphite is the dominant mined form of graphite globally and its prices vary according to its characteristics, specifications and the unique product requirements of each buyer. There is no terminal or homogeneous market for graphite. Pricing is based on direct negotiation between producers and end users.

The battery market is a significant area of demand for both natural and synthetic graphite due to the increase in the growth of electric and hybrid vehicles and stationary energy storage markets.

The energy density of lithium-ion batteries depends largely on the anode material. From the commercialization of lithium-ion batteries to now, the most mature anode material used is graphite. A combination of both natural and synthetic graphite is used as the primary component of negative electrode (anode) material for large and small format high energy and high-power batteries with the ration of natural / synthetic depending on the demands of the battery.

Graphite is a critical raw material in the performance of lithium-ion battery technologies and is a bedrock raw material to the production of the battery anode.

There are four main groups for advanced graphite products:

- (a) **Energy Storage** – electrochemistry applications that use graphite powder for battery anodes, as a conductive additive for battery cathodes, fuel cells and super-capacitors.
- (b) **Engineered Products** – applications that use graphite powder additives including friction, powder metallurgy, ceramics, foils, fire retardants, pencils, lubricants, dispersions and carbon brushes.
- (c) **Polymers and Plastics** – applications that require graphite powder as a lubricant, conductive additive, power cable, seals, bearings and coatings.
- (d) **Thermal Management** – applications that require graphite powder as a thermal insulator or conductor in a wide range of applications including advanced graphite products for high end refractories, HMF (Hot Metal Forging), HMT (Hot Metal Toppings) and geothermal.

Metallurgical test work conducted by Comet at the Springdale Graphite Project has highlighted the finely grained nature of the graphite concentrates that could be produced from the mineral resource. Downstream test work has shown that these concentrates are ideally suited for micronised graphite for specialty engineered products and for spheroidised graphite with direct application to BAM and energy markets.

Energy storage includes applications in primary batteries such as alkaline, Zn-MnO₂, primary lithium and older technologies such as zinc carbon batteries and secondary or rechargeable batteries including lithium-ion (various chemistries & types), NiCad, NiMH, and lead-acid batteries. Other applications are multiple types of fuel cells, super and ultra-capacitors.

Graphite powders are widely used as a conductive additive in many types of primary and secondary, portable, and industrial batteries in both anode and cathode applications. Lithium-ion batteries use high purity, micronised natural graphite powders as a conductive additive in the cathode.

The China graphite market dominates world supply of advanced graphite products with over 100 processors and resellers. Outside of China, there are five predominate producers of advanced graphite products. Many of the Chinese resellers purchase concentrate from multiple graphite mines, hence traceability is difficult to manage, limiting their product consistency and reliability as well as growth with many customers around the world.

Electric vehicle and stationary storage use dominate demand growth. Figure 5 shows the forecast growth in electric vehicles sales as a percentage of total vehicle sales (source: Benchmark Mineral Intelligence).

EV SALES AS SHARE OF TOTAL CARS

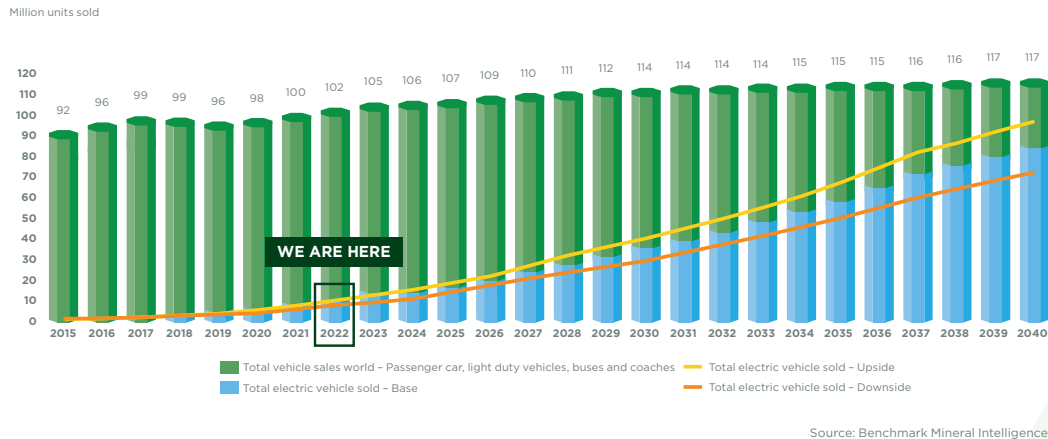


Figure 5: Electric Vehicle sales as a share of total car sales

Total global natural and synthetic graphite consumption is currently estimated at approximately 1.4 million tonnes per annum and is forecast to reach over 10.5 million tonnes by 2040. Figure 6 (source: Benchmark Mineral Intelligence) shows the extent to which existing operating mines and probable and possible mines might contribute towards meeting demand. Current mine production expanded mine production and probable and possible future mine production may result in annual global supply of 2.5 to 3.0 million tonnes per annum by 2040. Significant new mine supply is required to meet the forecast growth in graphite demand through 2040.

GRAPHITE MARKET BALANCE

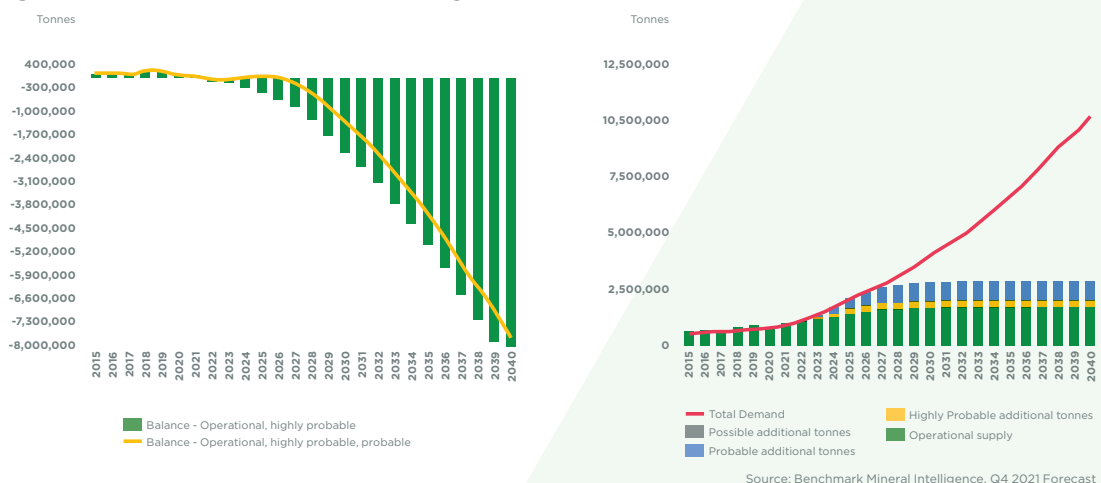


Figure 6: Forecast graphite supply and demand market balance

Supply chain-of-custody assurance and diversification of supply are anticipated to become critical to the supply of battery raw materials as manufacturing capacity is expanded. Consolidating the supply chain from mine to market allows a producer to warrant the source of its products, the efficacy of its production processes, measure its carbon footprint and establish an environmental, social and governance brand. It allows it to provide an assured consistency and quality of product to its customers.

This presents an opportunity for a new entrant producer of advanced graphite products to meet new industry standards for quality and consistency, and to fit within the framework of “green” initiatives for environmental performance.

5.5 Business Model

International Graphite is a Western Australian mineral exploration and graphite processing company focused on exploration and development of the Springdale Graphite Project and the development of downstream graphite processing facilities in Collie, Western Australia.

The Springdale Graphite Project has an Inferred Mineral Resource including a high-grade zone of 2.6 Mt @ 17.5% TGC. Metallurgical test work undertaken at the Project has shown the amenability of the ore to produce a high-grade concentrate, and preliminary downstream testing at a German graphite testing facility has shown that the concentrate produced from Springdale can be purified to greater than 99.99% TGC and is suitable for BAM.

Funds raised under the Public Offer will be used to fund exploration and development works at the Springdale Graphite Project to:

- (a) systematically explore and upgrade the Inferred Mineral Resource estimate for the Springdale Graphite Project;
- (b) complete test work and process development to confirm the characteristics of the Springdale concentrate and develop a purification process to purify the concentrate from nominal 95% TGC to 99.95%+ TGC. Preliminary test work already conducted has already shown the amenability of the Springdale concentrate to purification, and the suitability of the purified material as BAM;
- (c) undertake further metallurgical test work to optimise concentrate production, and to produce concentrate for downstream processing test work, to build on the positive battery test work already undertaken;
- (d) undertake mining studies to develop pit designs and schedules for potential operations;
- (e) complete Springdale feasibility studies;
- (f) complete Springdale permitting; and
- (g) develop and prepare capital and operating cost estimates for Springdale.

In conjunction with the development of technical studies for the supply of graphite concentrates from Springdale a feasibility study for the Collie Processing Facilities to treat Springdale concentrates will be undertaken in addition to the activities at the Collie Research and Development Processing Facilities.

The spheroidising pilot plant and equipment currently being installed at Collie will be commissioned and operated to demonstrate the capability to produce high quality spheroidised product suitable for BAM and establish International Graphite in the marketplace prior to Springdale concentrates being available. Initially, purified feedstock will be imported to feed the facility. Once a decision is made to bring the Springdale Graphite Project online, the capacity of the spheroidising facility will, subject to further funding, be expanded to commercial scale.

In addition, a graphite micronizing plant will be established in Collie as part of the Collie Research and Development Processing Facilities. The micronizing production line is intended to generate sales of micronised graphite to the engineered products and specialised lubricant markets in Australia and internationally. Graphite purification technologies and other finished graphite product lines are also intended to be developed at the Collie Research and Development Facilities at a pilot scale.

5.6 Competitive Advantages and Key Features of the Business Model

The key competitive advantages of the Company's business model include:

- (a) a portfolio of quality assets in the Springdale area of Western Australia considered by the Board to be highly prospective for graphite;
- (b) a highly credible and experienced team to progress exploration and accelerate potential development of the Assets;
- (c) a mineral exploration and development company with the capacity to develop a vertically integrated graphite mining, processing and refining business to produce BAM for the international battery market place;
- (d) a downstream processing facility in Collie, Western Australia that is in relatively close proximity (500 road kms) of the Springdale Graphite Project;
- (e) support from the Western Australian government for the Company's activities in Collie;
- (f) an assured long term consistent feed supply from Springdale with secure chain of custody;
- (g) detailed market research to define the graphite products that the Company will produce, with the on-going support of world experts in sales and marketing of graphite products;
- (h) establishment in a secure country that offers low-cost power, existing modern infrastructure and services, and a skilled labour force;
- (i) projects which have the potential for cost-competitive production of premium high-quality products meeting world's best environmental practices and conformance to ISO standards;
- (j) a market risk mitigation strategy working closely with end-users early in the project development period to optimise the finished graphite product mix; and
- (k) projects which have the potential for an attractive long-term return to investors.

5.7 Proposed Exploration Program and Development Plan at Springdale

The Springdale Graphite Project has a considerable demonstrated endowment and has excellent prospectivity for additional resource growth and new discovery. This is based on the following:

- (a) the Inferred Mineral Resource has not been closed-off along strike to the south or at depth;
- (b) drilling results returned subsequent to the estimation of the Inferred Mineral Resource indicate the presence of additional high-grade graphite mineralisation;
- (c) geophysical surveys and reconnaissance drilling demonstrates the likely presence of significant additional, shallow zones of high-grade graphite mineralisation within 2 kilometres of the Springdale Inferred Mineral Resource; and
- (d) project wide airborne magnetic data shows clear evidence of additional fold structures analogous to the one that hosts the Springdale Inferred Mineral Resource.

The next stage of resource evaluation and exploration work at Springdale will focus on the following:

- (a) increasing the confidence level of the resource to indicated and measured (at least in part) status by infill diamond and RC drilling;
- (b) consolidating and expanding the high-grade mineralised domain;
- (c) identifying and evaluating new areas outside of the current resource prospective for shallow, high-grade graphite mineralisation; and
- (d) collecting all relevant data as inputs into the pre-feasibility study activities.

	YEAR 1 \$	YEAR 2 \$	TOTAL \$
MINIMUM SUBSCRIPTION			
MINERAL RESOURCE EVALUATION			
Drilling and assay	1,000,000	300,000	1,300,000
Personnel	300,000	100,000	400,000
Sub-total	1,300,000	400,000	1,700,000
EXPLORATION			
Drilling and assay	200,000	200,000	400,000
Personnel	50,000	50,000	100,000
Sub-total	250,000	250,000	500,000
TEST WORK			
Springdale metallurgical test work	250,000	250,000	500,000
Springdale concentrate and downstream test work	250,000	250,000	500,000
Sub-total	500,000	500,000	1,000,000
Feasibility Studies and Project Development	150,000	281,000	431,000
Permitting	50,000	150,000	200,000
Stamp duty estimated on the Acquisition	509,000	-	509,000
Total per the Minimum Subscription	2,440,000	1,900,000	4,340,000
ADDITIONAL SPEND UNDER THE MAXIMUM SUBSCRIPTION			
Feasibility Studies and Project Development	250,000	750,000	1,000,000
Total per the Maximum Subscription	2,690,000	2,650,000	5,340,000

5.8 Use of Funds

The Company intends to apply funds raised from the Public Offer, together with existing cash reserves post-admission, over the first two years following admission of the Company to the Official List of ASX as follows:

FUNDS AVAILABLE	MINIMUM SUBSCRIPTION (\$8,000,000)	PERCENTAGE OF FUNDS (%)	MAXIMUM SUBSCRIPTION (\$10,000,000)	PERCENTAGE OF FUNDS (%)
Existing cash reserves ¹	\$1,221,339	13	\$1,221,339	11
Funds raised from the Public Offer	\$8,000,000	87	\$10,000,000	89
Total	\$9,221,339	100	\$11,221,339	100
ALLOCATION OF FUNDS				
Springdale Graphite Project ²	\$4,340,000	47	\$5,340,000	48
Collie Research and Development Processing Facilities ^{3,5}	\$2,236,500	25	\$2,701,500	24
Collie Processing Facilities ^{4,5}	\$1,013,500	11	\$1,428,500	13
Working Capital	\$871,339	9	\$871,339	8
Expenses of the Offers ⁶	\$760,000	8	\$880,000	7
Total	\$9,221,339	100	\$11,221,339	100

Notes:

1. Refer to the Financial Information set out in Section 6 for further details. The Company intends to apply these funds towards the purposes set out in this table, including the payment of the expenses of the Offers of which various amounts will be payable prior to completion of the Public Offer. Since 31 December 2021 the Company has expended approximately \$150,000 in progressing the Company's activities to the date of the Prospectus.
2. Comprising, exploration and development and other corporate and administrative costs. Refer to Section 5.7 and the Independent Technical Assessment Report in Annexure A for further details with respect to the Company's proposed exploration programs and budget at the Springdale Graphite Project.
3. Comprising installation, commissioning and operation of a graphite spheroidising pilot plant, acquisition, installation and operation of micronising equipment, purchase of raw materials and consumables required to operate the facilities and produce finished products for market acceptance, the development of graphite purification technologies and other finished product lines.
4. Comprising feasibility studies and permitting for the Springdale Graphite Project graphite concentrates and other third party feed sources.
5. Both estimated expenditures at Collie include corporate and administrative costs.
6. Refer to Section 10.9 for further details.
7. To the extent that:
 - (a) the Company's exploration activities warrant further exploration activities; or
 - (b) the Company is presented with additional acquisition opportunities,

the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions). Any amounts not so expended will be applied toward administration costs for the period following the initial 2-year period following the Company's quotation on ASX.

It is anticipated that the funds raised under the Public Offer will enable 2 years of full operations (if the Minimum Subscription is raised). It should be noted that the Company may not be fully self-funding through its own operational cash flow at the end of this period. Accordingly, the Company may require additional capital beyond this point, which will likely involve the use of additional debt or equity funding. Future capital needs will also depend on the success or failure of Springdale Graphite Project and Collie Processing Facilities.

The use of further debt or equity funding will be considered by the Board where it is appropriate to fund additional exploration at Springdale or to capitalise on acquisition opportunities in the resources sector.

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

The Directors consider that following completion of the Public Offer, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 7.

5.9 Capital Structure

The capital structure of the Company following completion of the Offers and Acquisition is summarised below:

Shares¹

	MINIMUM SUBSCRIPTION	MAXIMUM SUBSCRIPTION
Shares currently on issue ²	75,158,330	75,158,330
Shares to be issued pursuant to the Public Offer ³	40,000,000	50,000,000
Shares to be issued pursuant to the Vendor Offer ⁴	40,000,000	40,000,000
Shares to be issued pursuant to the Advisor Offer	-	-
Shares to be issued pursuant to the KMP Offer	-	-
Total Shares on completion of the Offers	155,158,330	165,158,330

Notes:

- The rights attaching to the Shares are summarised in Section 10.2.
- Comprising:
 - 1 Share issued to Director Phillip Hearse on incorporation of the Company in February 2018 at \$1.00 per Share;
 - 15,000,000 founder Shares issued to Directors, Phillip Hearse and David Pass (or their associated entities) in June 2018 at \$0.002 per Share;
 - 6,980,000 Shares issued under a working capital placement in November 2018 at \$0.10 per Share;
 - 1,050,000 Shares issued in lieu of services provided to the Company in November 2018 at a deemed issue price of \$0.10 per Share;
 - 1,875,000 Shares issued under a working capital placement in November 2019 at \$0.20 per Share;
 - 255,000 Shares issued under a bonus Share issue to existing Shareholders in November 2019;
 - 575,000 Shares issued to Director Phillip Hearse (or his associated entities) under a working capital placement in December 2019 at \$0.20 per Share;
 - 5,000 Shares issued under a bonus Share issue to existing Shareholders in December 2019;
 - 250,000 Shares issued under a working capital placement in April 2020 at \$0.20 per Share;
 - 16,071,660 Shares issued in lieu of services provided to the Company in July 2020 at a deemed issue price of \$0.20 per Share;
 - 250,001 Shares issued under a working capital placement in November 2020 at \$0.12 per Share;
 - 1,191,668 Shares issued under a working capital placement in December 2020 at \$0.12 per Share;
 - 2,871,665 Shares issued under a working capital placement in February 2021 at \$0.12 per Share;
 - 9,033,335 Shares issued under a working capital placement in March 2021 at \$0.12 per Share;
 - 3,750,000 Shares issued in lieu of services provided to the Company in March 2021 at a deemed issue price of \$0.12 per Share;
 - 5,000,000 Shares issued under a working capital placement in November 2021 at \$0.05 per Share
 - 10,000,000 issued under a working capital placement in November 2021 at \$0.10 per Share; and
 - 1,000,000 Shares issued in lieu of services provided to the Company by Director, Andrew Worland in November 2021 at a deemed issue price of \$0.08 per Share.
- 40,000,000 Shares and up to 50,000,000 Shares to be issued at an issue price of \$0.20 per Share to raise \$8,000,000 and up to \$10,000,000 (respectively) under the Public Offer.
- 40,000,000 Shares to be issued to Comet Resources Limited in consideration for the Acquisition of the Springdale Graphite Project in accordance with the Acquisition Agreement. Refer to Section 9.2 for a summary of the key terms and conditions of the Acquisition Agreement.

Options

	MINIMUM SUBSCRIPTION	MAXIMUM SUBSCRIPTION
Options currently on issue	-	-
Options to be issued pursuant to the Public Offer	-	-
Options to be issued pursuant to the Vendor Offer	-	-
Options to be issued under the Advisor Offer ¹	5,000,000	6,250,000
Options to be issued pursuant to the KMP Offer ²	8,000,000	8,000,000
Total Options on completion of the Offers	13,000,000	14,250,000

Notes:

1. Advisor Options (exercisable at \$0.30 each on or before the date that is three years from the date of issue of the Options) to be issued to the Joint Lead Managers (or their nominees) in part consideration for services provided to the Company as Joint Lead Managers to the Public Offer. Refer to Section 10.3 for details of the terms and conditions of the Options.
2. KMP Options (comprising, 3,200,000 Options exercisable at \$0.30 each, and 4,800,000 Options exercisable at \$0.40 each, on or before the date that is five years from the date of issue of the Options) to be issued to the KMP (or their nominees) as long-term incentives for management performance and as part of their remuneration packages. Refer to Section 8.4 for further detail regarding the proportion of KMP Options to be issued to the Directors and Proposed Director and Section 10.4 for details of the terms and conditions of the KMP Options.

5.10 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offers are set out in the respective tables below.

As at the date of the Prospectus

SHAREHOLDER	SHARES	OPTIONS	PERCENTAGE % (UNDILUTED)	PERCENTAGE % (FULLY DILUTED)
Phillip Hearse	15,996,668	Nil	21.3%	21.3%
Matthew Bull	5,500,000	Nil	7.3%	7.3%

Notes:

1. Comprising:
 - (a) 11,446,667 Shares held by JUAD Pty Ltd ATF Hayes Hearse Superannuation Fund (an entity controlled by Phillip Hearse and his spouse);
 - (b) 2,000,001 Shares held directly by Phillip Hearse;
 - (c) 2,000,000 Shares held by Robbie Hearse (spouse of Phillip Hearse); and
 - (d) 550,000 Shares held by Battery Limits Pty Ltd (an entity controlled by Phillip Hearse and his spouse).

Post-completion of the Offers

On completion of the issue of Shares under the Offers (assuming the Minimum Subscription and Maximum Subscription is achieved, and no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offers other than as outlined below).

Minimum Subscription

SHAREHOLDER	SHARES	OPTIONS	PERCENTAGE % (UNDILUTED)	PERCENTAGE % (FULLY DILUTED)
Comet Resources Ltd ¹	40,000,000	Nil	25.8%	23.8%
Phillip Hearse ^{2,3}	17,246,668	2,400,000 ⁴	11.1%	11.7%

Maximum Subscription

SHAREHOLDER	SHARES	OPTIONS	PERCENTAGE % (UNDILUTED)	PERCENTAGE % (FULLY DILUTED)
Comet Resources Ltd ¹	40,000,000	Nil	25.8%	23.8%
Phillip Hearse ^{2,3}	17,246,668	2,400,000 ⁴	11.1%	11.7%

Notes:

1. Comet is being issued 40,000,000 Shares under the Vendor Offer in consideration for the Acquisition of the Springdale Graphite Project.
2. Comprising:
 - (a) 11,446,667 Shares held by JUAD Pty Ltd ATF Hayes Hearse Superannuation Fund (an entity controlled by Phillip Hearse and his spouse);
 - (b) 2,000,001 Shares held directly by Phillip Hearse;
 - (c) 2,000,000 Shares held by Robbie Hearse (spouse of Phillip Hearse); and
 - (d) 550,000 Shares held by Battery Limits Pty Ltd (an entity controlled by Phillip Hearse and his spouse).
3. Phillip Hearse (or his nominee) intends to subscribe for up to 1,250,000 Shares under the Public Offer.
4. Being, the Options to be issued to Mr Hearse under the KMP Offer.

The Company will announce to the ASX details of its top-20 Shareholders following completion of the Offers prior to the Shares commencing trading on ASX.

5.11 Restricted Securities

Subject to the Company being admitted to the Official List and completing the Public Offer and Secondary Offers, certain Securities (including the Shares issued under the Acquisition) will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Securities in a timely manner.

While the ASX has not yet confirmed the final escrow position applicable to the Company's Shareholders, the Company anticipates that the following Securities will be subject to escrow:

- (a) 36,820,220 Shares on issue at lodgement of the Prospectus will be held in escrow for 24 months from the date of Official Quotation;
- (b) 7,000,001 Shares on issue at lodgement of the Prospectus will be held in escrow for 12 months from their date of issue, expected to be 30 November 2022;
- (c) 40,000,000 Shares to be issued to Comet will be held in escrow for 24 months from Official Quotation;
- (d) up to 6,250,000 Advisor Options to be issued to the Joint Lead Managers will be held in escrow for 24 months from the date Official Quotation; and
- (e) 6,800,000 of the KMP Options issued to the Directors and Proposed Director will be held in escrow for 24 months from the date Official Quotation and 1,200,000 of the KMP Options issued to Mr Hodby will be held in escrow for 12 months from the date of issue of the Options.

The number of Securities that are subject to ASX imposed escrow are at ASX's discretion in accordance with the ASX Listing Rules and underlying policy. The above is a good faith estimate of the Securities that are expected to be subject to ASX imposed escrow.

The Company will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Shares commencing trading on ASX (which admission is subject to ASX's discretion and approval).

The Company's 'free float' (being the percentage of Shares not subject to escrow and held by Shareholders that are not related parties of the Company (or their associates) at the time of admission to the Official List) will be approximately 46% (assuming the Minimum Subscription is raised) or 49% (assuming the Maximum Subscription is raised) comprising all Shares issued following completion of the Acquisition, other than Shares subject to ASX imposed escrow or held by Directors, proposed Directors, related parties or promoters.

5.12 Additional Information

Prospective investors are referred to and encouraged to read in their entirety:

- (a) the Independent Technical Assessment Report in Annexure A for further details about the geology, location and mineral potential of the Company's Projects;
- (b) the Solicitor's Report on Tenements in Annexure B for further details in respect to the Company's interests in the Tenements; and
- (c) the Investigating Accountant's Report in Annexure C for further details about the Company's financial position.

5.13 Dividend Policy

The Company anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.





6.0 FINANCIAL INFORMATION

6.1 Introduction

In this Section 6, the term 'Company' refers to International Graphite Limited and its controlled entities.

Section 6 contains the following financial information in relation to International Graphite:

- (a) the historical statement of comprehensive income and statement of cash flows of the Company for the half year ended 31 December 2021 and the years ended 30 June 2021 and 30 June 2020;
- (b) the historical statement of financial position of the Company as at 31 December 2021, 30 June 2021 and 30 June 2020;
(together, the **Historical Financial Information**); and
- (c) the pro forma consolidated statement of financial position of the Company as at 31 December 2021 prepared on the basis that the pro forma adjustments and subsequent events detailed in Section 6.6.2 had occurred as at 31 December 2021
(the **Pro Forma Statement of Financial Position**),

(collectively referred to as the **Financial Information**).

The information presented in this Section 6 should be read in conjunction with the Investigating Accountant's Report contained in Annexure C, the risk factors as detailed in Section 7 and other information included in this Prospectus.

6.2 Basis of Preparation and Presentation of the Financial Information

The Historical Financial Information has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and the accounting policies adopted by the Company (as detailed in Section 6.6.3).

The Pro Forma Statement of Financial Position set out in Section 6.5 has been derived from the Historical Financial Information and includes pro forma adjustments for certain transactions associated with the Springdale Acquisition and the Offers as if those events and transactions had occurred as at 31 December 2021.

The Historical Financial Information has been extracted from the Company's general purpose financial statements for the half year ended 31 December 2021 and years ended 30 June 2021 and 30 June 2020 which were audited by Armada Accountants & Advisors in accordance with Australian Auditing Standards, who issued an unmodified audit opinion on those financial statements.

The Directors are of the view that, following receipt of the proceeds of the Public Offer, the Company will have sufficient funding to pursue its planned activities and continue as a going concern. The Directors are responsible for the preparation and inclusion of the Financial Information in the Prospectus. Armada Audit and Assurance has prepared an Independent Limited Assurance Report in respect of the Financial Information. A copy of this report, which includes an explanation of the scope and limitations of the Investigating Accountant's work, is attached to this Prospectus as Annexure C. Investors should note that past results are not a guarantee of future performance.

6.3 Statement of Profit or Loss and Other Comprehensive Income of the Company

The table below details the audited Statement of Profit or Loss and Other Comprehensive Income of the Company for the half year ended 31 December 2021 and financial years ended 30 June 2021 and 30 June 2020.

	31 DEC 2021 \$	30 JUNE 2021 \$	30 JUNE 2021 \$
Revenue from Continuing Operations			
Interest income	33	96	133
R&D tax incentive	-	-	162,050
	33	96	162,183
Expenses			
Administration expenses	(151,826)	(174,914)	(329,228)
Corporate expenses	(84,528)	(264,728)	(51,647)
Director & CEO fees (including share based payments)	(197,323)	(1,444,356)	(606,000)
Feasibility expenses	(37,290)	(213,223)	(615,779)
Total expenses	(470,967)	(2,097,221)	(1,602,654)
Operating loss	(470,934)	(2,097,125)	(1,440,471)
Finance income	-	4,852	-
Finance expense	-	(451)	-
Loss before income tax expense	(470,934)	(2,092,724)	(1,440,471)
Income tax expense	-	-	-
Net loss after income tax expense	(470,934)	(2,092,724)	(1,440,471)

6.4 Statement of Cash Flows of the Company

The table below details the audited Statement of Cash Flows of the Company for the half year ended 31 December 2021 and the financial years ended 30 June 2021 and 30 June 2020.

	31 DEC 2021 \$ \$	30 JUNE 2021 \$ \$	30 JUNE 2021 \$
Cash Flow from Operating Activities			
Interest received	33	96	133
R&D tax incentive	-	162,050	145,596
Payments to suppliers and employees	(502,368)	(900,651)	(621,010)
Interest expense	(1,131)	(451)	-
	(503,466)	(738,956)	(475,281)
Cash Flow from Investing Activities			
Purchase of property, plant and equipment	(110,973)	(10,000)	-
Deposit paid for property, plant and equipment	-	(224,908)	-
	(110,973)	(234,908)	-
Cash Flow from Financing Activities			
Proceeds from shares	1,250,000	1,586,000	410,000
Share issue costs	(58,500)	-	-
Reduction in financial liability	(16,869)	(5,549)	-
	1,174,631	(1,580,451)	410,000
Net increase in cash held	560,192	606,587	(65,281)
Cash at beginning of year	661,147	49,708	114,989
Net foreign exchange differences	-	4,852	-
Cash at end of reporting year	1,221,339	661,147	49,708

6.5 Historical and Pro-Forma Statements of Financial Position

The table below details the impact of the Public Offer, Vendor Offer, Advisor Offer and KMP Offer on the audited Statement of Financial Position as at 31 December 2021.

	31 DECEMBER 2021 \$	VENDOR OFFER \$	PUBLIC OFFER (MINIMUM SUBSCRIPTION) ADVISOR OFFER AND KMP OFFER \$	PUBLIC OFFER (MAXIMUM SUBSCRIPTION) ADVISOR OFFER AND KMP OFFER \$	PRO-FORMA ADJUSTED FOR IMPACT OF (MINIMUM SUBSCRIPTION) \$	PRO-FORMA ADJUSTED FOR IMPACT OF (MAXIMUM SUBSCRIPTION) \$
CURRENT ASSETS						
Cash and cash equivalents	1,221,339	-	7,359,500	9,239,500	8,580,839	10,460,839
Trade and other receivables	50,636	-	-	-	50,636	50,636
Other assets	3,537	-	-	-	3,537	3,537
Total Current Assets	1,275,512		7,359,500	9,239,500	8,635,012	10,515,012
Non-Current Assets						
			-			
Property, plant and equipment (held for use)	345,881	-	-	-	345,881	345,881
Right of use asset	46,057	-	-	-	46,057	46,057
Other assets	9,000	-	-	-	9,000	9,000
Exploration, evaluation and development	-	8,508,915	-		8,508,915	8,508,915
Total Non-Current Assets	400,938	8,508,915	-	-	8,909,853	8,909,853
Total Assets	1,676,450	8,508,915	7,359,500	9,239,500	17,544,865	19,424,865
CURRENT LIABILITIES						
Trade and other payables	1,221,339	-	7,359,500	9,239,500	8,580,839	10,460,839
Lease liabilities	34,766	-	-	-	34,766	34,766
Total Current Liabilities	89,055	508,915	-	-	597,970	597,970
Non-Current Liabilities						
				-		
Lease liabilities	11,901	-	-	-	11,901	11,901
Total Non-Current Liabilities	11,901	-	-	-	11,901	11,901
Total Liabilities	100,956	508,915	-	-	609,871	609,871
Net Assets	1,575,494	8,000,000	7,359,500	9,239,500	16,934,994	18,814,994

	31 DECEMBER 2021 \$	VENDOR OFFER \$	PUBLIC OFFER (MINIMUM SUBSCRIPTION) ADVISOR OFFER AND KMP OFFER \$	PUBLIC OFFER (MAXIMUM SUBSCRIPTION) ADVISOR OFFER AND KMP OFFER \$	PRO-FORMA ADJUSTED FOR IMPACT OF (MINIMUM SUBSCRIPTION) \$	PRO-FORMA ADJUSTED FOR IMPACT OF (MAXIMUM SUBSCRIPTION) \$
EQUITY						
Issued capital	6,557,470	8,000,000	7,300,573	9,125,688	21,858,043	23,683,158
Reserves		-	676,083	730,968	676,083	730,968
Accumulated losses	(4,981,976)	-	(617,156)	(617,156)	(5,599,132)	(5,599,132)
Total Equity	1,575,494	8,000,000	7,359,500	9,239,500	16,934,994	18,814,994

6.6 Notes to the Financial Information

6.6.1 Historical Statement of Financial Position

The Historical Statement of Financial Position of the Company detailed above has been extracted without adjustment from the audited financial statements of the Company for the half year ended 31 December 2021.

6.6.2 Pro Forma Historical Statement of Financial Position

The Pro Forma Statement of Financial Position has been compiled by extracting the Historical Statement of Financial Position of the Company as at 31 December 2021 and reflecting the following adjustments:

Springdale Acquisition and Vendor Offer

The issue of 40,000,000 Shares to Comet Resources Limited for the acquisition of the Springdale Graphite Project. Refer to Section 6.8.

Public Offer

The issue of a minimum of 40,000,000 Shares up to a maximum of 50,000,000 Shares under the Public Offer to raise a minimum of \$8,000,000 up to a maximum of \$10,000,000 before costs estimated to be between \$760,000 and \$880,000 (excluding the cost of Advisor Options and KMP Options – see below). \$119,500 of these costs were incurred prior to 31 December 2021, hence this has been deducted from the total estimated cost.

Advisor Offer

The issue of a total of 5,000,000 (assuming the Minimum Subscription is raised) or 6,250,000 unlisted Options (assuming the Maximum Subscription is raised) (Advisor Options) to the Joint Lead Managers (and or their nominees). The Advisor Options have a \$0.30 exercise price and expire 3 years from the date of issue. The Advisor Options have a cost estimate of \$219,427 (based on the number to be issued under the Minimum Subscription raising) and \$274,312 (based on the number to be issued under the Maximum Subscription raising).

KMP Offer

The issue of a total of 8,000,000 Options (KMP Options) to the KMP comprising 3,200,000 Options with an exercise price of \$0.30 each and 4,800,000 Options with an exercise price of \$0.40 each, expiring five years from the date of issue. The KMP Options have a cost estimate of \$456,656.

The total amount recognised in the option reserves being \$676,083 assuming the Minimum Subscription is raised and \$730,968 assuming the Maximum Subscription is raised. Refer to Section 6.10 for the assumptions regarding the fair value of the above options.

6.6.3 Significant Accounting Policies

The principal accounting policies adopted in the preparation of the Financial Information are detailed below. These policies have been consistently applied to all the years presented.

- (a) New or amended accounting standards and interpretations adopted by the Company

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

- (b) Basis of preparation

Historical cost convention

The Financial Information has been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the Financial Information requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

- (c) Going concern

The Financial Information has been prepared on the basis of going concern which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Financial Information does not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

- (d) Principles of consolidation

International Graphite Limited and its subsidiaries together are referred to in this Section 6 as the 'consolidated entity'. Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity. The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent. Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(e) Revenue recognition

The consolidated entity recognises revenue as follows:

- (i) Interest: Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.
- (ii) Other revenue: Other revenue is recognised when it is received or when the right to receive payment is established.

Research and Development Tax Incentives are accounted for under ASSB 120 Government Grants. They are recognised on an accrual basis based on the qualifying expenditure. Incentives that relate to the acquisition or construction of an asset are deducted from the carrying value of the asset in accordance with AASB 120.

(f) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable. Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- (i) When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- (ii) When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

(g) Current and non-current classifications

Assets and liabilities are presented in the statement of financial position based on current and noncurrent classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(i) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(j) Exploration and evaluation expenditure

Acquisition, exploration and evaluation costs associated with mining tenements are accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful commercial development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

Each area of interest is also reviewed annually, and acquisition costs written off to the extent that they will not be recoverable in the future.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of the accounting period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- (i) during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- (ii) from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(m) Critical accounting judgements, estimates and assumptions

The preparation of the Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts in the Financial Information. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(n) Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(o) Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

(p) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(q) Property plant and equipment

All property, plant and equipment are initially measured at cost and are written off in profit or loss in line with ATO's various small business concessions for instant asset write off.

(r) Feasibility and research and development expenditure

Research expenditure is recognised as an expense as incurred in accordance with AASB 138 Intangible Assets. Costs incurred on development projects (relating to the design and testing of new areas of products) are recognised as intangible assets only when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs and acquired software are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life.

6.7 Cash and cash equivalents

	AUDITED 31 DECEMBER 2021 \$	UNAUDITED PRO-FORMA 31 DECEMBER 2021 \$
Cash and cash equivalents	1,221,339	1,221,339
Adjustments arising in the preparation of the pro-forma statement of financial position are summarised as follows:		
Proceeds from the Public Offer (Minimum Subscription) pursuant to the Prospectus		8,000,000
Estimate of Public Offer (Minimum Subscription) capital raising costs		(640,500)
Pro-forma cash and cash equivalents (Minimum Subscription)		8,580,839
Proceeds from the Public Offer (Maximum Subscription) pursuant to the Prospectus		10,000,000
Estimate of Public Offer (Maximum Subscription) capital raising costs		(760,500)
Pro-forma cash and cash equivalents adjusted for the Maximum Subscription (net of costs)		10,460,839

6.8 Exploration and Evaluation Expenditure

	AUDITED 31 DECEMBER 2021 \$	UNAUDITED PRO-FORMA 31 DECEMBER 2021 \$
Cash and cash equivalents	1,221,339	1,221,339
Adjustments arising in the preparation of the pro-forma statement of financial position are summarised as follows:		
Proceeds from the Public Offer (Minimum Subscription) pursuant to the Prospectus		8,000,000
Estimate of Public Offer (Minimum Subscription) capital raising costs		(640,500)
Pro-forma cash and cash equivalents (Minimum Subscription)		8,580,839

In accordance with the Company's accounting policy the acquisition cost of the Springdale Graphite Project, has been capitalised in accordance with the requirements of AASB 6 Exploration and Evaluation of Mineral Resources (asset acquisition from another entity). The value attributable to the acquisition of the exploration and evaluation assets is based on the value of the equity instruments granted at the time of issue, being 40,000,000 shares multiplied by \$0.20 per share. The cost relating to the acquisition being stamp duty of \$508,915 has been the capitalised to the of the asset, resulting in a total cost of \$8,508,915.

6.9 Issued Capital

	AUDITED 31 DEC 2021 #	UNAUDITED PRO-FORMA 31 DEC 2021 #
Issued capital	75,158,330	6,557,470
Adjustments arising in the preparation of the pro-forma statement of financial position are summarised as follows:		
Issue of Shares under the Vendor Offer	40,000,000	8,000,000
Issue of Shares under the Public Offer (Minimum Subscription)	40,000,000	8,000,000
Estimate of Public Offer (Minimum Subscription) capital raising costs to be paid		(699,427)
Pro-forma issued capital (Minimum Subscription)	155,158,330	21,858,043
Issue of Shares under the Vendor Offer	40,000,000	8,000,000
Issue of Shares under the Public Offer (Maximum Subscription)	50,000,000	10,000,000
Estimate of Public Offer (Maximum Subscription) capital raising costs to be paid		(874,312)
Pro-forma issued capital adjusted for the Maximum Subscription (net of costs)	165,158,330	23,683,158

6.10 Unlisted Options

Pursuant to the Advisor Offer and KMP Offer, the Company will issue the Advisor Options and the KMP Options (respectively). The Options will each be convertible into one Share. The Options have been valued using a standard binomial pricing model on the assumption that the Public Offer price represents the fair value of a Share at the grant date, using the following assumptions:

ASSUMPTIONS	ADVISOR OPTIONS	KMP OPTIONS	
Minimum Subscription	5,000,000	3,200,000	4,800,000
Maximum Subscription ¹	6,250,000		
Stock price at date of grant	\$0.20	\$0.20	\$0.20
Exercise price	\$0.30	\$0.30	\$0.40
Barrier price	N/A	N/A	N/A
Term to expiry	3 years	5 years	5 years
Expected future volatility	50%	50%	50%
Dividend yield	0%	0%	0%
Risk free rate	1.09%	1.49%	1.49%
Fair value per option	\$0.04389	\$0.06609	\$0.05108

1. See Section 6.6.2.

The estimated cost of the options has been included in Issued Capital, Reserves and Accumulated losses in the pro-forma statement of financial position.

6.11 Contingent Liabilities and Commitments

As at 31 December 2021, the Company had no material contingent liabilities or financial commitments.



7.0 RISK FACTORS

7.1 Introduction

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

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks that have a direct influence on the Company, its Projects and activities are set out in Section 3. Those key risks as well as other risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 7, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 7 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 7, together with all other information contained in this Prospectus.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 7 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

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

7.2 Company Specific Risks

RISK CATEGORY	RISK
Limited history	The Company was incorporated on 21 February 2018 to develop a downstream graphite processing business to treat mined graphite concentrates and produce finished graphite products for specialised industrial applications and BAM to meet projected global demand for high performance batteries including lithium-ion batteries. It has limited operating history and limited historical financial performance. The Company has agreed to acquire the Springdale Graphite Project from Comet Resources pursuant to the Acquisition Agreement. Exploration has previously been conducted on the Springdale Graphite Project and a mineral resource estimate has been calculated on the Project. However, the Company is yet to conduct its own exploration activities and will not commence these activities until the Company has been admitted to the Official List. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or development of its Tenements. Until the Company is able to realise value from the Springdale Graphite Project and the Collie Processing Facilities, it is likely to incur ongoing operating losses.
Contractual risk	The Company's interest in the Springdale Graphite Project is subject to completion occurring under the Acquisition Agreement with Comet Resources. The ability of the Company to achieve its stated objectives will depend on the performance by the Company and Comet Resources of their obligations under the Acquisition Agreement. If the Company is unable to satisfy its undertakings under the Acquisition Agreement, the Company's interest in the Springdale Graphite Project matter may be jeopardised. If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.
Exploration and operating	The mineral exploration licences comprising the Springdale Graphite Project are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Springdale Graphite Project and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Springdale Graphite Project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Springdale Graphite Project.
Tenure and access	Renewal Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. 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 Western Australia 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.

RISK CATEGORY	RISK
Tenure and access (continued)	Access The Tenements overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities including private land and Crown Reserves. The Company is in the process of securing access agreements with private landowners to enable access and exploration at Springdale Graphite Project following completion of the Acquisition. The Company will need to pay reasonable compensation for access and then pay reasonable compensation for future access to explore and undertake mining and processing activities on the Tenements in accordance with the Mining Act. The Company considers that the likelihood of being unable to enter into access agreements is low – however the consequence could be delays in getting access to the land for further drilling and other activities. Please refer to the Solicitor's Report on Tenements in Annexure B for further details.
Native title and Aboriginal Heritage	In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. There are currently registered native title claims over all of the Tenements comprising the Springdale Graphite Project. Further to this, an Indigenous Land Use Agreement (ILUA) is also registered against the Tenements. Following completion of the Acquisition, the Company will be required to enter into heritage protection agreements in respect of all or some of the Tenements which may be unfavourable for, or restrictive against, the Company. The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest (including, the Tenements comprising the Springdale Graphite Project). Please refer to the Solicitor's Report on Tenements in Annexure B of this Prospectus for further details.
COVID-19 risk	The broader mining services industry has been adversely impacted by the coronavirus disease (COVID-19) pandemic. Whilst the Company has taken steps to mitigate the financial and operational effects of the pandemic, there is a risk that one or more of the following impacts will persist, which could potentially be materially adverse to the Company's financial and operational performance: (a) mobility restrictions (including movement of labour and equipment) imposed by governments in Australia; (b) physical-distancing restrictions imposed by governments in Australia; and (c) restrictions on access to projects imposed by certain clients of the Company. COVID-19 is also impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19 and this may also the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.

7.3 Industry Specific Risks

RISK CATEGORY	RISK
Exploration costs	The exploration costs of the Company, as summarised in Section 5.7, are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.
Resource and reserves and exploration targets	An Inferred Mineral Resources (according to JORC Code 2012) has been estimated on the Tenements. The Company has also identified exploration targets based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data, however, exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work with the aim of defining an additional mineral resource, no assurances can be given that additional exploration will result in the determination of additional mineral resources on any of the exploration targets identified. Even if a resource is identified, no assurance can be provided that this can be economically extracted. Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.
Grant of future authorisations to explore and mine	If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licence and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.
Mine and Processing Plant development	Possible future development of mining operations at the Springdale Graphite Project 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 at the Springdale Graphite Project and Collie Processing Facilities, 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 Springdale Graphite Project and Collie Processing Facilities. The risks associated with the development of a mine and processing facilities will be considered in full should the projects reach that stage and will be managed with ongoing consideration of stakeholder interests.

RISK CATEGORY	RISK
Environmental	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 and processing operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development and operations and processing operations proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Mining and mineral processing operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or 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 more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.
Regulatory Compliance	The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, 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. While the Company believes that it is in substantial compliance with all material current laws and 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. Obtaining necessary permits can be a time-consuming process and there is a risk that 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 risk title to the Tenements.

RISK CATEGORY	RISK
Protection of intellectual property rights	The commercial value of the Company's intellectual property assets is dependent on any relevant legal protections. These legal mechanisms, however, do not guarantee that the intellectual property will be protected or that the Company's competitive position will be maintained. No assurance can be given that employees or third parties will not breach confidentiality agreements, infringe or misappropriate the Company's intellectual property or commercially sensitive information, or that competitors will not be able to produce non-infringing competitive products. Competition in retaining and sustaining protection of technologies and the complex nature of technologies can lead to expensive and lengthy disputes for which there can be no guaranteed outcome. There can be no assurance that any intellectual property which the Company (or entities it deals with) may have an interest in now or in the future will afford the Company commercially significant protection of technologies, or that any of the projects that may arise from technologies will have commercial applications. It is possible that third parties may assert intellectual property infringement, unfair competition or like claims against the Company under copyright, trade secret, patent, or other laws. While the Company is not aware of any claims of this nature in relation to any of the intellectual property rights in which it has or will acquire an interest, such claims, if made, may harm, directly or indirectly, the Company's business. If the Company is forced to defend claims of intellectual property infringement, whether they are with or without merit or are determined in the Company's favour, the costs of such litigation may be potentially significant and may divert management's attention from normal commercial operations.
Production and operational risks	Damage to production facilities caused, for example, by fire, in addition to manufacturing stoppages or disruptions in any part of the production process caused, for example, by breakdowns, weather conditions, geographic conditions, labor disputes, terrorist activities and natural disasters, may have adverse implications in the form of direct damage to property as well as interruptions that undermine the potential to meet obligations to customers. In turn, this may lead customers to select alternative suppliers. Accordingly, such disruptions or interruptions may impact negatively on the Company's operations, financial position and earnings.
Climate risk	There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include: (a) 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 (b) 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.

7.4 General Risks

RISK CATEGORY	RISK
Additional requirements for capital	The Company's capital requirements depend on numerous factors. As the Company executes its business plans over time, it will require further financing in addition to amounts raised under the Offer. 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 its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment. The Company may not be able to replace its senior management or key personnel with persons of equivalent expertise and experience within a reasonable period of time or at all and the Company may incur additional expenses to recruit, train and retain personnel. Loss of such personnel and the potential inability to hire new key personnel may also have an adverse effect on the performance of the Company.
Macro-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.
Competition risk	The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.
Currently no market	If the Company is successful in its listing, the price of its Shares is subject to uncertainty and there can be no assurance that an active market for the Company's Shares will develop or continue after the Public Offer. The price at which the Company's Shares trade on ASX after listing may be higher or lower than the issue price of Shares offered under this Prospectus and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors. There can be no guarantee that an active market in the Company's Shares will develop or that the price of the Shares will increase. 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.
Market conditions	Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as: (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. The market price of Shares 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.

RISK CATEGORY	RISK
Market conditions (continued)	Further, after the end of the relevant escrow periods affecting Securities in the Company, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse effect on the Company's Share price. Please refer to Section 5.11 for further details on the Securities likely to be classified by the ASX as restricted securities.
Commodity price volatility and exchange rate risks	If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product 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 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.
Government policy changes	Adverse changes in 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 Western Australia may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.
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.
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.
Taxation	The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.
Litigation Risks	The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, reputation, financial performance and financial position. The Company is not currently engaged in any litigation.

7.5 Investment Speculative

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

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

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

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

8.0 BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

8.1 Directors and key personnel

The Board of the Company consists of:



Phillip Hearse (MBA,BASc)
Executive Chairman

Phillip founded International Graphite in 2018. He is an engineer with more than 40 years' experience in diverse and challenging projects around the world. His extensive career has taken him from operational and technical roles at Broken Hill, Bougainville Copper, Queensland Nickel (QNI) and Gove Alumina to senior executive and managerial positions in engineering and operating companies.

Phillip is owner and Managing Director of Battery Limits Pty Ltd, one of Australia's leading graphite metallurgy and process engineering firms that has assisted many listed public companies develop bankable feasibility studies for graphite mines and concentrators and generated significant downstream processing intellectual property and end use market knowledge. He is leading International Graphite's push to be a leading Western Australian fully integrated graphite mining and downstream processing business to meet growing world demand for graphite products driven by rapid uptake of electric vehicles and battery storage and new consumer technologies.

Phillip holds a Master of Business Administration from UK's Hull University and a Bachelor of Applied Science in Primary Metallurgy from the University of South Australia and is a Fellow of the Australasian Institute of Mining and Metallurgy.



Andrew Worland (BCom, FGIA)
Non-Executive Director

Andrew is a mining executive and experienced ASX/TSX Director with over two decades of experience working in senior finance, corporate and project management and marketing roles in the Western Australian mining sector.

Currently Andrew is the President, CEO and Corporate Secretary of Canadian company LeadFX Inc and Chairman of ASX listed Besra Gold Limited. LeadFX owns the Paroo Station Lead Mine in Western Australia and the Bongara Zinc Mine in Peru. LeadFX and its shareholders have invested heavily in downstream mineral processing technologies in the battery minerals sector. His commodity experience includes exploration, development and operations in lead, zinc, nickel, cobalt, gold, iron ore, molybdenum, copper and uranium.

Andrew has a Bachelor of Commerce with a major in Finance and Marketing from the University of Western Australia and is a qualified chartered company secretary.

The Board considers that Andrew is an independent Director.



David Pass (BSc)

Non-Executive Director

David is a metallurgist with 30 years' experience in the mining industry with mix of operational processing, process design, project, due diligence skills and management experience including mine operations experience with Barrick Gold.

David is Chief Executive Officer of Battery Limits and an acknowledged expert in graphite primary and downstream processing and has led several studies in graphite project development to definitive feasibility level. Previously, he worked with Moly Mines in a senior role where he managed the Spinifex Ridge molybdenum/copper and iron ore projects development.

David holds a Bachelor of Science in Metallurgy from Murdoch University and is a member of the Australian Institute of Mining and Metallurgy.

The Board considers that David is an independent Director.



Matthew O'Kane

(BEcon & Fin, MBA, CPA)

Proposed Non-Executive Director

Matthew is the Managing Director of Comet and a proposed Non-Executive Director of the Company (to be appointed upon completion of the Acquisition of Springdale Graphite Project). He is an experienced mineral industry executive and company director with 25 years' experience in the mining, commodities, and automotive sectors. He has held senior leadership roles in Australia, the USA and Asia, in both developed and emerging markets, from start-up companies through to MNC's. He has served on the board of mining companies in Canada, Hong Kong and Australia, and is currently a non-executive director of Azarga Uranium and Pursuit Minerals.

The Board considers that Matthew will not be an independent Director.

8.2 Key Management



Robert Hodby

(BCom, CPA, AGIA)

*Chief Financial Officer
and Company Secretary*

Robert holds a Bachelor of Commerce from Murdoch University and is a member of CPA Australia and the Governance Institute of Australia with over 20 years industry experience in financing and administration of public and listed companies gathered at both operational and corporate levels.

During his time, he has held numerous executive and project management positions as well as CFO, Board and Company Secretarial roles with a number of companies involved in the resource and energy

8.3 Directors and Key Personnel

The Company is aware of the need to have sufficient management to properly supervise its operations and the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company. As the Company's activities require an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's activities.

The Company has signed a professional services agreement with Battery Limits Pty Ltd (**Battery Limits**), a company associated with Mr Phillip Hearse (**Professional Services Agreement**). Pursuant to this agreement, Battery Limits provides the Company with access to experienced mining, minerals processing, engineering and mining project management personnel on industry standard rates, terms and conditions (please refer to Section 9.3.2 for a summary of the terms and conditions of the Professional Services Agreement).



8.4 Disclosure of Interests

Remuneration

Details of the Directors' and Proposed Director's remuneration for the previous two completed and the current financial year are set out in the table below:

NAME	REMUNERATION FOR THE YEAR ENDED 30 JUNE 2020 ¹	REMUNERATION FOR THE YEAR ENDED 30 JUNE 2021 ¹	PROPOSED REMUNERATION FOR THE YEAR ENDED 30 JUNE 2022 ^{2,3}	PROPOSED REMUNERATION FOR THE YEAR ENDED 30 JUNE 2023 ³
DIRECTORS				
Phillip Hearse	\$-	\$36,000	\$128,500 ⁴	\$250,000
Andrew Worland	\$-	\$27,000	\$39,000	\$48,000
David Pass ⁵	\$-	\$-	\$38,323	\$48,000
Matthew O'Kane ⁶	\$-	\$-	\$12,000	\$48,000

Notes:

- Messrs Hearse and Worland elected to not receive cash remuneration for the 2020 financial year and reduced cash remuneration for the 2021 financial year. In addition, the Company notes that:
 - In July 2020, 2,000,000 Shares were issued to Mr Hearse with a deemed value of \$200,000 for services provided to the Company in the 2019, 2020 and 2021 financial years. In addition, in July 2020, a further 3,378,550 shares were issued to related parties of Mr Hearse with respect to feasibility studies, project management, financial, marketing and administration services the recipients provided to the Company in the 2019, 2020 and 2021 financial years.
 - In July 2020, 680,000 Shares were issued to Mr Worland with a deemed value of \$68,000 for services provided to the Company in the 2019, 2020 and 2021 financial years.
 - In November 2020, 83,333 Shares were issued to Mr Hearse with a deemed value of \$10,000 for services provided to the Company in the 2021 financial year
 - In November 2021, 1,000,000 Shares were issued to Mr Worland with a deemed value of \$83,333 for services provided to the Company in the 2021 and 2022 financial years.

Further, Battery Limits Pty Ltd (an entity controlled by Mr Hearse) (Battery Limits) received professional services fees in respect of metallurgical, engineering, process design, project management and administration activities for the 2020 and 2021 financial years amounting to approximately \$361,000 and \$200,000 respectively (each ex GST). These fees include payments to consultants of Battery Limits including Mr. Pass. The Professional Services Agreement summarised at Section 9.3.2 of the Prospectus replaces previous arrangements with Battery Limits.

Pursuant to the Professional Services Agreement, the Company occupies an office space at a commercial premises leased by Battery Limits. In the 2020 and 2021 financial years the Company paid Battery Limits approximately \$16,500 and \$31,000 respectively for its reasonable share of office rent and outgoings incurred by Battery Limits based on the Company's occupancy levels.
- Assuming a ASX listing date of 1 April 2022.
- From the date ASX resolves conditional basis to admit the Company to trading on the Official List, the Non-Executive Directors will be paid an annual fee of \$48,000 for Director services and Mr Hearse (Executive Chairman) will be paid a fee of \$250,000 per annum pursuant to a consultancy agreement between the Company, JUAD Pty Ltd (an entity controlled by Mr Hearse) and Mr Hearse (Consultancy Agreement) (refer to Section 9.3.1 for a summary of the material terms and conditions of the Consultancy Agreement).
- Battery Limits has provided professional services in respect of metallurgical, engineering, process design, project management and administration activities for the seven months ended 31 January 2022 amounting to approximately \$92,000 (ex GST). These fees include payments to consultants of Battery Limits including Mr. Pass. The Professional Services Agreement summarised at Section 9.3.2 of the Prospectus replaces previous arrangements with Battery Limits. Pursuant to the Professional Services Agreement, the Company occupies an office space at a commercial premises leased by Battery Limits. In the seven months to 31 January 2022, the Company estimates it has incurred approximately \$12,000 in office rent and outgoings that would be payable to Battery Limits based on the Company's occupancy levels.
- Mr Pass was appointed on 9 July 2021.
- Mr O'Kane is a Proposed Director to be appointed upon completion of the Acquisition.

Interests in Securities

As at the date of this Prospectus

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. As at the date of this Prospectus, the Directors and Proposed Director have relevant interests in securities as follows:

NAME	SHARES	OPTIONS	PERCENTAGE (%) (UNDILUTED)	PERCENTAGE (%) (FULLY DILUTED)
Phillip Hearse ¹	15,996,668	-	21.3%	21.3%
Andrew Worland ²	1,740,000	-	2.3%	2.3%
David Pass ³	2,940,000	-	3.9%	3.9%
Matthew O'Kane	-	-	-%	-%

Notes:

- Comprising:
 - 11,446,667 Shares held by JUAD Pty Ltd ATF Hayes Hearse Superannuation Fund (an entity controlled by Phillip Hearse);
 - 2,000,001 Shares held directly by Phillip Hearse;
 - 2,000,000 Shares held by Robbie Hearse (spouse of Phillip Hearse); and
 - 550,000 Shares held by Battery Limits Pty Ltd (an entity controlled by Phillip Hearse and his spouse).
- Comprising:
 - 1,680,000 Shares held directly by Andrew Worland; and
 - 60,000 Shares held by Badlands Super Pty Ltd (an entity controlled by Andrew Worland).
- Comprising 2,940,000 Shares held directly by David Pass.

Post-completion of the Offers

Mr Hearse has expressed an intention to subscribe for up to 1,250,000 Shares under the Public Offer. Mr Worland has expressed an intention to subscribe for up to 260,000 Shares under the Public Offer. Mr Pass has expressed an intention to subscribe for up to 225,000 Shares in the Public Offer. If each Director subscribes for those Shares, the post-completion interests of Directors and Proposed Directors under the Minimum Subscription and Maximum Subscription will be as follows:

Minimum Subscription

NAME	SHARES	OPTIONS	PERCENTAGE (%) (UNDILUTED)	PERCENTAGE (%) (FULLY DILUTED)
Phillip Hearse	17,246,668 ^{1,2}	2,400,000 ³	11.1%	11.7%
Andrew Worland	2,000,000 ^{4,5}	2,000,000 ⁶	1.3%	2.4%
David Pass	3,165,000 ^{7,8}	1,200,000 ⁹	2.0%	2.6%
Matthew O'Kane	-	1,200,000 ¹⁰	-%	0.7%

Maximum Subscription

NAME	SHARES	OPTIONS	PERCENTAGE (%) (UNDILUTED)	PERCENTAGE (%) (FULLY DILUTED)
Phillip Hearse	17,246,668 ^{1,2}	2,400,000 ³	10.4%	11.0%
Andrew Worland	2,000,000 ^{4,5}	2,000,000 ⁶	1.2%	2.2%
David Pass	3,165,000 ^{7,8}	1,200,000 ⁹	1.9%	2.4%
Matthew O'Kane	Nil	1,200,000 ¹⁰	0.0%	0.7%

Notes:

- Comprising:
 - 11,446,667 Shares held by JUAD Pty Ltd ATF Hayes Hearse Superannuation Fund (an entity controlled by Phillip Hearse);
 - 2,000,001 Shares held directly by Phillip Hearse;
 - 2,000,000 Shares held by Robbie Hearse (spouse of Phillip Hearse); and
 - 550,000 Shares held by Battery Limits Pty Ltd (an entity controlled by Phillip Hearse and his spouse).
- Mr Hearse intends on subscribing for up to 1,250,000 Shares under the Public Offer.
- Comprising, 960,000 KMP Options exercisable at \$0.30 each and 1,440,000 KMP Options exercisable at \$0.40 each, on or before the date that is 5 years from the date of issue of the KMP Options.
- Comprising:
 - 1,680,000 Shares held directly by Andrew Worland; and
 - 60,000 Shares held by Badlands Super Pty Ltd (an entity controlled by Andrew Worland).
- Mr Worland intends on subscribing for up to 260,000 Shares under the Public Offer.
- Comprising, 800,000 KMP Options exercisable at \$0.30 each and 1,200,000 KMP Options exercisable at \$0.40 each, on or before the date that is 5 years from the date of issue of the KMP Options.
- Comprising 2,940,000 Shares held directly by David Pass.
- Mr Pass and his spouse intend on subscribing for up to 225,000 Shares under the Public Offer.
- Comprising, 480,000 KMP Options exercisable at \$0.30 each and 720,000 KMP Options exercisable at \$0.40 each, on or before the date that is 5 years from the date of issue of the KMP Options.
- Comprising, 480,000 KMP Options exercisable at \$0.30 each and 720,000 KMP Options exercisable at \$0.40 each, on or before the date that is 5 years from the date of issue of the KMP Options.

The Company's constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting.

The aggregate remuneration for non-executive Directors is \$150,000 per annum although may be varied by ordinary resolution of the Shareholders in general meeting.

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

8.5 Agreements with Directors and related parties

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

- a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements between the Company and related parties are summarised in Section 9.3.

8.6 Corporate governance

- ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted The Corporate Governance Principles and Recommendations (4th Edition) as published by ASX Corporate Governance Council (Recommendations).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website www.internationalgraphite.com.au.

(b) Board of Directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (i) maintain and increase Shareholder value;
- (ii) ensure a prudential and ethical basis for the Company's conduct and activities consistent with the Company's stated values; and
- (iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (i) leading and setting the strategic direction, values and objectives of the Company;
- (ii) appointing the Chairman of the Board, Managing Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary;
- (iii) overseeing the implementation of the Company's strategic objectives, values, code of conduct and performance generally;
- (iv) approving operating budgets, major capital expenditure and significant acquisitions and divestitures;
- (v) overseeing the integrity of the Company's accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance);
- (vi) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;
- (vii) overseeing the Company's procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (viii) reviewing, ratifying and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and
- (ix) approving the Company's remuneration framework.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

(c) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting, subject to the following:

- (i) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and
- (ii) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent Shareholders and fulfil the business objectives and values of the Company as well as to deal with new and emerging business and governance issues.

The Board currently consists of three (3) Directors (two non-executive Directors and one executive Director) of whom Mr Worland and Mr Pass are considered independent. In addition, Matthew O’Kane will be appointed as a Non-Executive Director at completion of the Acquisition. The Board does not consider that Mr O’Kane will be an independent Director. The Board considers the current balance of skills and expertise to be appropriate given the Company for its currently planned level of activity.

To assist in evaluating the appropriateness of the Board’s mix of qualifications, experience and expertise, the Board intends to maintain a Board Skills Matrix to ensure that the Board has the skills to discharge its obligations effectively and to add value.

The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director or senior executive.

The Board ensures that Shareholders are provided with all material information in the Board’s possession relevant to a decision on whether or not to elect or re-elect a Director.

The Company shall develop and implement a formal induction program for Directors, which is tailored to their existing skills, knowledge and experience. The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Company’s policies and procedures.

The Board maintains oversight and responsibility for the Company’s continual monitoring of its diversity practices. The Company’s Diversity Policy provides a framework for the Company to achieve enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent.

(d) Identification and management of risk

The Board’s collective experience will enable accurate identification of the principal risks that may affect the Company’s business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(e) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all of the Company’s business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. In particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in the Company’s Anti-Bribery and Anti-Corruption Policy. In addition, the Company encourages reporting of actual and suspected violations of the Company’s Code of Conduct or other instances of illegal, unethical or improper conduct. The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy.

(f) Independent professional advice

Subject to the Chairman’s approval (not to be unreasonably withheld), the Directors, at the Company’s expense, may obtain independent professional advice on issues arising in the course of their duties.

(g) Remuneration arrangements

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

In accordance with the Constitution, the total maximum remuneration of non-executive Directors is initially set by the Board and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors’ remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$150,000 per annum.

In addition, a Director may be paid fees or other amounts for example, and subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having regard to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(h) Trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that, the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.

(i) External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company. From time to time, the Board will review the scope, performance and fees of those external auditors.

(j) Audit committee

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to:

- (i) monitoring and reviewing any matters of significance affecting financial reporting and compliance;
- (ii) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor;
- (iii) monitoring and reviewing the Company's internal audit and financial control system, risk management systems; and
- (iv) management of the Company's relationships with external auditors.

(k) Diversity policy

The Company is committed to workplace diversity. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

(l) Departures from recommendations

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company's compliance and departures from the Recommendations will also be announced prior to admission to the Official List of the ASX.



9.0 MATERIAL CONTRACTS

Set out below is a brief summary of the certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Securities.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

9.1 Capital Raising Agreements

9.1.1 Joint Lead Manager Mandate

On 17 November 2021, the Company entered into a joint lead manager and capital market advisory mandate pursuant to which the Company engaged Pamplona Capital Pty Ltd ACN 150 332 700 (**Pamplona**), a Corporate Authorised Representative of Symmetry Group Pty Ltd ACN 159 449 368 (AFSL 426 385) and Peloton Capital Pty Ltd ACN 149 540 018 (AFSL 406040) (**Peloton**) to provide corporate advisory services and to act as Joint Lead Managers to the Company's Public Offer (**Joint Lead Manager Mandate**).

The material terms and conditions of the Joint Lead Manager Mandate are summarised below:

Joint Lead Management Services	Pamplona and Peloton as Joint Lead Managers have agreed to provide the following services to the Company: (a) to assist with all pre-Public Offer fundraising (pre-IPO Fundraising), including; (i) the placement of \$250,000 worth of Shares at \$0.05 per Share (which has completed); and (ii) the placement of \$1,000,000 worth of Shares at \$0.10 per Share (which has completed). (b) to act as Joint Lead Managers to the Company's Public Offer.
Joint Lead Management Services	In addition, Pamplona has agreed to provide the following corporate advisory services to the Company: (a) provide corporate and capital markets advice to the board in relation to strategy and marketing of the Company, including investor presentation and the marketing strategy of the Company; and (b) identify potential new shareholders/investors and facilitate introductions for the Company at the appropriate time (including in respect of the Public Offer and for the duration of the Term (defined below).
Term	The rights and obligations of Pamplona will commence on the date of execution of the Joint Lead Manager Mandate by the parties (Execution Date) and will continue until the earlier of: (a) 12 months from the Execution Date; (b) the entry by the parties into a subsequent mandate intended to supersede the Joint Lead Manager Mandate (if required); and (c) termination of the Joint Lead Manager Mandate in accordance with its terms. The rights and obligations of Peloton under the Joint Lead Manager Mandate will commence on the Execution Date and will continue until the earlier of: (a) completion of the Public Offer; (b) the entry by the parties into a subsequent mandate intended to supersede the Joint Lead Manager Mandate (if required); and (c) termination of the Joint Lead Manager Mandate in accordance with its terms. (together, the Term).

Adviser Fees	(a) In recognition for the services provided, the Company agrees to: (i) pay Pamplona a 6% cash fee (plus GST) of any funds raised by Pamplona during the Term; (ii) pay Peloton a 6% a fee (plus GST) on any funds raised by Peloton under the pre-IPO Fundraising and Public Offer; (iii) pay Pamplona a cash fee of \$5,000 (plus GST) per month for the Term commencing on the Execution Date for ongoing corporate advisory services provided by Pamplona under the Mandate; and (iv) upon completion of the Public Offer, subject to paragraph (b), issue a total of 5,000,000 unquoted Options to the Joint Lead Managers (comprising 3,000,000 Options to Pamplona (or its nominee/s) and 2,000,000 Options to Peloton (or its nominee/s)), with each Option having an exercise price equal to 150% of the issue price of Shares offered pursuant to the Public Offer (being, \$0.30), and expiry date of 3 years from the date of issue. (b) Where the Maximum Subscription is raised under the Public Offer, the total number of unquoted Options to be issued to the Joint Lead Managers will be increased to 6,250,000 (comprising 3,750,000 Options to Pamplona (or its nominee/s) and 2,500,000 Options to Peloton (or its nominee/s)) otherwise on the same terms and conditions as outlined in paragraph (a)(iv) above. (c) The Options must be offered pursuant to the Prospectus and issued at the same time as Shares are issued pursuant to the Public Offer. The Company may allocate the Options to advisors and consultants at the absolute discretion of the Joint Lead Managers.
Expenses	Following the prior approval from the Company, the Company will reimburse Pamplona upon request subject to receipt of expenditure being provided, for all out-of-pocket and travel expenses (including GST) incurred by Pamplona in connection with the performance of services by Pamplona of its role under the Joint Lead Manager Mandate.
Termination	(a) The Joint Lead Manager Mandate may only be terminated by Pamplona or the Company by written notice at any time with or without cause upon 30 days written notice to the other party. (b) Following termination of the Joint Lead Manager Mandate, the parties will have no continuing obligations under the Joint Lead Manager Mandate except with respect to the following, which will survive any termination and remaining in full force and effect: (i) any accrued and unpaid fees, costs and expenses under the Joint Lead Manager Mandate; (ii) the obligations of the parties in respect of the clauses relating to fees and expenses, representations and warranties, termination, indemnity and liability and confidentiality; and (iii) rights and liabilities pertaining to a breach of the Joint Lead Manager Mandate by a party which occurred prior to the date of termination of the Joint Lead Manager Mandate.

The Joint Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.2 Acquisition Agreement – Springdale Graphite Project

The Company and International Graphite Springdale Pty Ltd (the Company's wholly owned subsidiary) (**International Graphite Springdale**) have entered into a binding tenement sale agreement with Comet Resources Limited (ACN 060 628 202) (**Comet**) pursuant to which the International Graphite Springdale has agreed to acquire 100% interest in the Springdale Graphite Project (**Springdale Project**) (**Acquisition Agreement**).

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

Acquisition	International Graphite Springdale agrees to acquire, and Comet agrees to sell all of its rights, title and interest in: (a) the tenements comprising the Springdale Project (Tenements); (b) all associated technical information in the possession or control of Comet relating to the Tenements; (c) statutory licences, approvals, consents, authorisations, rights or permits relating to the Tenements issued by any government agency, in so far as they may be transferred by Comet; and (d) the benefit of any third party agreements relating to the Tenements, (together, the Sale Assets)
Consideration	The Company has agreed to issue 40,000,000 Shares to Comet in consideration for the acquisition of the Sale Assets at Completion (defined below).
Conditions Precedent	Completion of the acquisition of the Sale Assets (Completion) is conditional upon satisfaction or waiver of the following conditions precedent by 5:00pm (WST) on 30 June 2022: (a) the Company lodging a prospectus with the ASIC to undertake a capital raising and receiving valid applications for at least AUD\$8,000,000 worth of shares under the capital raising (being, the purpose of the Prospectus and Public Offer); (b) conditional approval being obtained from ASX to admit the securities of the Company to trading on the Official List; (c) the parties obtaining all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act or any other law to allow the parties to lawfully complete the matters set out in the Acquisition Agreement; (d) the parties obtaining all third-party approvals and consents, including the consent of the Minister responsible for the Mining Act 1978 (WA), necessary to lawfully complete the matters set out in the Acquisition Agreement; and (e) no matter occurring which in the opinion of either party, acting reasonably, has or is likely to have, a material adverse effect on the business, assets or financial condition of International Graphite Springdale, or a material adverse effect on the Tenements or Comet's ability to complete the sale of the Sale Assets.
Termination	The parties may terminate the Acquisition Agreement at any time if a party is in breach of a material obligation under the Acquisition Agreement and that breach is not remedied to the other party's satisfaction (acting reasonably) within 14 days of receiving notice of the details of the material breach.
Completion	(a) Completion will occur on that date which is two (2) business days after the satisfaction or waiver of the last of the Conditions Precedent (Completion Date). (b) At Completion: (i) IGL will issue the Consideration Shares to Comet; and (ii) Comet must deliver to International Graphite Springdale or the Company (amongst other things), a signed copy of any restriction agreements required to be signed in relation to the Consideration Shares in accordance with the ASX Listing Rules, the instrument of title (if any) for each Tenement and a duly executed transfer under which a 100% legal interest in each of the Tenements is transferred from Comet to International Graphite Springdale. (c) Subject to Completion occurring, Comet shall have the right to appoint one director to the board of the Company. (d) Comet has nominated Matthew O'Kane as the person to be appointed as a non-executive director of the Company with effect from Completion.
Title and Post Completion	(a) Risk in respect of the Sale Assets and title to the Tenements passes from Comet to International Graphite Springdale at Completion. (b) From Completion, Comet must promptly pass to the Company or International Graphite Springdale a copy of any notice or communication received by Comet from any government authority or third party affecting or relating to the Tenements and must not respond in any way to any such notice or communication without prior written consent of the Company or International Graphite Springdale.

Title and Post Completion Obligations (continued)	(c) During the period commencing on the Completion Date and ending on the date on which the Company is the registered holder of all of the Tenements: (i) Comet grants to the Company and International Graphite Springdale the exclusive licence, right and liberty to enter (by its personnel, and with or without vehicles and plant and equipment) the tenements (to the extent they are granted) for the purposes of carrying out mining operations (as that term is defined in the Mining Act), which licence is given for the purposes of section 118A of the Mining Act; and (ii) the Company and International Graphite Springdale shall indemnify Comet in respect of any loss suffered by Comet arising as a result of the Company and or International Graphite Springdale's activities on the Tenements under the licence set out in paragraph (i) above. (d) In order to effect Completion, the Vendor, the Purchaser and, if necessary, under the third party agreements, the relevant third party, will need to execute a deed of assignment and assumption in relation to third party agreement (Condition Subsequent) and as such: (i) the parties must promptly after Completion do all things and sign all documents necessary for satisfying the Condition Subsequent as soon as practicable after Completion and must assist each other in any way reasonably required and keep each other informed of their progress in satisfying the Condition Subsequent; and (ii) if the Condition Subsequent is not satisfied within 12 months after the Completion Date, then the Parties must use all reasonable endeavours to rectify the difficulties which resulted in the Condition Subsequent not being satisfied by that date, so that the intentions of the Acquisition Agreement can be given effect to.
Maintenance of Tenements	Other than as contemplated in the Acquisition Agreement, or as disclosed fully and fairly in writing to the Company or International Graphite Springdale before the date of the Acquisition Agreement, or with the prior written approval of Company or International Graphite Springdale, from the date of the Acquisition Agreement until Completion, Comet agrees to: (a) maintain the Tenements in full force and keep the Tenements in good standing and free from any liability to forfeiture or non-renewal under the Mining Act; (b) meet all outgoings in respect of the Tenements; (c) observe and perform all stipulations and conditions relating to the Tenements and all statutory obligations relating to the parties' activities on the Tenements; and (d) not relinquish any portion of any of the Tenements, except with the written agreement of Company or International Graphite Springdale.
Exclusivity	During the period from the date of execution of the Acquisition Agreement until Completion, Comet covenants that it will not: (a) enter into any discussions, negotiations, agreements with any party (or encourage, solicit or procure any party to do any of those things) in relation to a sale of, or an option to sell the Tenements; (b) grant any rights over the Tenements or contract to sell the Tenements, except to International Graphite Springdale; (c) encumber, assign, charge or otherwise dispose of the Tenements or any of its rights in respect of the Tenements, except to International Graphite Springdale; or (d) provide any information concerning the Tenements to any person other than International Graphite Springdale, unless it has obtained the prior written approval of the Company or International Graphite Springdale, or with respect to clause (d) above, does so because it is required to do so by the Corporations Act or the Mining Act.

The Acquisition Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.2.1 Lease Agreement – Collie

On 9 March 2021 the Company entered into a lease agreement with Miva Property Pty Ltd (**Lessor**) for the lease of commercial land and buildings at Lot 2072 on Plan 214088 and being the whole of the land in certificate of title volume 1920 folio 418 (being, Part 87 Harris River Road) in Collie, Western Australia (**Lease Agreement**).

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

Term	The Lease Agreement commenced on 1 May 2021 (Commencement Date) and will mature on 1 May 2022, subject to the Company exercising its option to extend for a further 12 months.
Rent	From the Commencement Date, the rent payable by the Company is \$36,000 (plus GST) per annum, payable by monthly instalments of \$3,000 (plus GST) in advance on the first day of the month (unless varied) (Rent).
Permitted Use	The permitted use of the property is for secondary processing of graphite, research and development (Permitted Use).
Security Bond	A security bond of \$9,000 is payable by the Company.
REIWA General Terms and Conditions	The Lease Agreement incorporates the Real Estate Institute of Western Australia (Inc.) 2017 General Terms and Conditions of the Lease. These include the following terms and conditions: Rent Review (a) On each rent review date, the Rent is to be reviewed in accordance with the consumer price index (CPI) calculation. Under no circumstances will the Rent at any time be calculated or set for an amount less than the Rent applicable for the period prior to the rent review date. (b) If the Company does not agree to the proposed new Rent, the Company must, within 10 business days after the date of service of the Lessor's notice, provide the Lessor with a written notice disputing the proposed new Rent. Option If the Company at least three months, but not earlier than six months prior to the expiry of the Term gives the Lessor notice to renew the term and no event or default has occurred, then the Lessor shall grant the Company a lease of the property for a further term. Lessor's right to terminate If an event of default occurs in respect of the Company, the Lessor may terminate the Lease by: (a) re-entering the Premises without notice; and (b) providing notice to the Company, except that if section 81(1) of the Property Law Act 1969 applies, the Lessor's right to terminate only arises after the Lessor has given a notice which complies with that section and the Company has failed to comply with that notice. Alterations The Company shall not make any alterations or addition to or demolish any part of the Premises without the prior written consent of the Lessor which consent may not be withheld unreasonably having regard to the Permitted Use.
Special Conditions	(a) The Company at its sole cost shall obtain all necessary approvals, consents, licences and permits from all relevant authorities relating to the Permitted Use and shall provide copies of such approvals to the Lessor prior to the Commencement Date. (b) The Company indemnifies the Lessor against all actions, demands or suits of any natures whatsoever that may arise now or in the future as a result of the Company's obligation to comply with the requirements set out in paragraph (a) above.
Indemnity	The Company will indemnify the Lessor for all direct, claims, liabilities and damages in respect of personal injury and property damage to the extent such claims, liabilities and damages are caused negligently or deliberately by the Company, its employees, agents, contractors or licensees.
Termination	If the Company fails to promptly observe and perform any of the terms of the Lease Agreement and the failure continues for more than 7 days after service by the Lessor of a written notice specify the failure and requiring the same to be rectified, the Lessor may terminate the Lease Agreement.
Make Good	The Company will need to remove their fit out and reinstate the premises subject to fair wear and tear. All standard make good provisions apply.

The Lease Agreement otherwise contains provisions considered standard for an agreement of its nature.

9.3 Agreements with Directors, Management and Related Parties

9.3.1 Consulting Agreement - JUAD Pty Ltd and Phillip Hearse

The Company has entered into an executive consultancy services agreement pursuant to which the Company engaged JUAD Pty Ltd (ACN 009 287 281) (**Contractor**) and Phillip Baden Hearse (**Designated Person**) to perform the role of Executive Director to the Company (**Consulting Agreement**).

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

Engagement	(a) The Company engages the Contractor to perform the role of Executive Director. (b) The Contractor and the Designated Person agree that the Designated Person will be the person who performs the role on behalf of the Contractor during the Term (defined below).
Term	The term of the Consulting Agreement will commence on the date on which ASX confirms that it has resolved on a conditional basis to admit the Company to trading on the Official List (Commencement Date) and will continue until the Consulting Agreement is validly terminated in accordance with its terms and conditions (Term).
Services	Under the Consulting Agreement, the Designated Person will perform the role of Executive Director of the Company and comply in all respects with the directions and regulations given or made by the Company, as well as doing all things reasonably expected from a person holding that position (Services).
Remuneration	In consideration of the Contractor and the Designated Person providing the Services to the Company, the Company agrees to pay to the Contractor: (a) \$20,833 (exclusive of GST) per month during the Term in cash. (b) The Contractor will also be eligible to participate in the Company's equity incentive plan.
Termination by either party	Termination for convenience: The Company or the Consultant may terminate the Consulting Agreement by giving at least 3 months written notice to the other party or by the Company making a payment of 3 months of fees in lieu of the notice period. Termination for insolvency: Either party may terminate the Consulting Agreement if: (a) the other party enters into a deed of arrangement or an order is made for it to be wound up; (b) an administrator, receiver or receiver/manager or a liquidator is appointed to the other party; (c) the other party would be presumed to be insolvent by a court; or (d) the Designated Person is made bankrupt. Termination for breach: If a party breaches any term of the Consulting Agreement, the other party may give notice requiring that party to rectify the breach. If the notified party fails to rectify the breach to the satisfaction of the notifying party within 14 days of the notice, the notifying party may terminate the Consulting Agreement by notice in writing.
Termination for Good Reason	Termination for Good Reason (a) If a change of control of the Company (Change of Control) occurs and, at any time during the 12-month period following such Change of Control the Consultant terminates the Consulting Agreement for Good Reason (defined below), the Consultant shall be entitled to a payment equivalent to 6 months' notice. (b) The Contractor and the Designated Person will have no claim in respect of the termination of the Consulting Agreement if it is terminated following a Change of Control where the Contractor and/or the Designated Person is offered employment with any business of the Company (or a related entity) resulting from the Change of Control, on terms that are overall no less favourable than the terms of the Consulting Agreement. Good Reason means the occurrence of any of the following events: (a) a material adverse change in the Designated Person's status or position as an officer of the Company; (b) a material reduction by the Company in the Contractor's fees as in effect immediately prior to a Change of Control;

Termination for Good Reason (continued)	(c) a material failure by the Company to continue in effect any benefit program in which the Designated Person is participating at the time of a Change of Control; (d) the failure by the Company to provide and credit the Designated Person with the number of paid vacation days to which the Designated Person is entitled in accordance with the Company's vacation policy; (e) the Company requiring the Designated Person to be based anywhere other than where the Designated Person is based at the time of a Change of Control; or (f) the Company repudiating any of its material obligations under the Consulting Agreement.
Intellectual Property	The Contractor and the Designated Person acknowledge that the Company owns all Intellectual Property created by the Contractor and the Designated Person in connection with the Services.
Restraint of Trade	For a period of 6 months after the Contractor and the Designated Person's engagement with the Company has been terminated for whatever reason, the Contractor and the Designated Person agree that they will not within Western Australia, be engaged as an employee, independent contractor, adviser or in any other capacity in any business which, in the reasonable opinion of the Company, is in competition with the business of the Company.

The Consulting Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.3.2 Professional Services Agreement – Battery Limits

The Company has entered into an amended and restated professional services agreement with Battery Limits Pty Ltd (ACN 009 631 654) (**Service Provider**) (a related party of the Company by virtue of being, an entity controlled by Director, Phillip Hearse), pursuant to which the Company can utilise the technical and project management skills of the Battery Limits personnel on an as needs basis at ordinary arm's length commercial rates (**Professional Services Agreement**). The material terms and conditions of the Professional Services Agreement are summarised below:

Term	The Professional Services Agreement will commence on the date on which the ASX confirms that it has resolved on a conditional basis to admit the company to the Official List of ASX (Commencement Date) and continue for a period of three years.
Services	Battery Limits will provide the following services to the Company pursuant to the Professional Services Agreement: (a) mining project development services including but not limited to coordinating and managing exploration, geological, mining, metallurgical investigations, works and activities, permitting, undertaking engineering, process design and graphite marketing investigations and studies (Graphite Mine and Concentrate Production Services); (b) all technical studies associated with the development, construction and operation of graphite concentrate downstream processing facilities (Graphite Downstream Processing Services); and (c) other general administrative services as required by the Company (such as the provision of an office space and equipment).
Consultants	The Service Provider may provide, at its own expense, consultants to perform the Services for and on behalf of the Service Provider under this Agreement.
Relationship of Parties	The Service Provider warrants to the Company that: (a) each Consultant will be an employee of, or contractor to, the Service Provider at all times when their services are made available to the Company under this Agreement; and (b) neither the Service Provider nor any Consultant is, nor is any of them to be taken to be: (i) in partnership or in a joint venture relationship with the Company; or (ii) an employee or agent of the Company.

Price and Expenses	The Company will pay the Service Provider in accordance with a schedule of rates included in the Professional Services Agreement. The amount payable by the Company to Battery Limits shall be determined by the hours worked by each role at the rate for their role plus a 5% administration fee. The Company will reimburse the Service Provider for any out-of-pocket costs and expenses reasonably and properly incurred by the Service Provider in providing the Services. The Company occupies office space at a commercial premises leased by Battery Limits. Out of pocket expenses may include the Company's reasonable share of office rent and outgoings incurred by Battery Limits based on the Company's occupancy levels and as determined on arms' length terms.
Termination by Company	Without prejudice to any other of its rights, the Company may terminate the Professional Services Agreement as follows: (a) by the giving of 12 months written notice to the Service Provider; (b) with immediate effect by written notice to the Service Provider if the Service Provider consistently fails to provide the Services to a satisfactory standard, each of which failure continues unremedied for twenty Business Days after written notice of that failure has been given to the Service Provider; (c) with immediate effect by written notice to the Service Provider if either the Service Provider, or any related body corporate of the Service Provider, becomes insolvent; or (d) with immediate effect by written notice to the Service Provider if the Service Provider enters into a scheme of arrangement.
Termination by Service Provider	Without prejudice to any other of its rights, the Service Provider may terminate the Professional Services Agreement as follows: (a) by the giving of 12 months written notice to the Company; (b) if the Company fails to pay for the Services or otherwise materially breaches this Agreement, which failure or breach continues unremedied for twenty Business Days after written notice of that failure has been given to the Company; (c) if the Company enters into a scheme of arrangement; or (d) if a Change of Control occurs in respect of the Company.
Intellectual Property	The Service Provider acknowledges that all intellectual property created by the Service Provider or any Consultant in the course of the provision of the Services in materials delivered to the Company will be owned by the Company.
Exclusivity	During the Term, the Service Provider must not, and must ensure that its Representatives do not, directly or indirectly, without the Company's prior written consent, provide Graphite Downstream Processing Services to any party (other than the Company and its Related Bodies Corporate). The exclusivity does not apply to the Service Provider if the Company elects not to use the Service Provider to provide the Graphite Downstream Processing Services in a circumstance where it is willing and able to do so on ordinary commercial terms.

The Professional Services Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.3.3 Non-Executive Director Appointments

Messrs Worland, Pass and O'Kane have entered into appointment letters with the Company to act in the capacity of Non-Executive Directors. These Directors will receive the remuneration set out in Section 8.4.

9.3.4 Services Agreement – Robert Hodby

The Company and Mr Robert Hodby have entered into a services agreement under which Mr Hodby, a contractor, is engaged act as Chief Financial Officer and Company Secretary, from Official Quotation (**CFO Agreement**). The material terms and conditions of the CFO Agreement are summarised below:

Term	The CFO Agreement commences on the date the Company is admitted to Official Quotation and continues until validly terminated in accordance with its terms (Start Date).
Remuneration	Remuneration for services performed by Mr Hodby during the term of the CFO Agreement shall be charged on a retainer basis at a rate of \$6,000 per month exclusive of GST.
Services	Mr Hodby has agreed to provide CFO, company secretarial and financial accounting services to the Company (Services) commencing on the Start Date.
Termination by Company	The Company may terminate the CFO Agreement with 30 days written notice or with immediate effect by giving notice to Mr Hodby if: (a) Mr Hodby breaches the confidentiality provisions of the Agreement; (b) if Mr Hodby ceases to carry on business, ceases to be able to pay his debts as they become due, or any step is taken to appoint a receiver, a receiver and manager, a liquidator, a provisional liquidator, an administrator or other like person of the whole or any part of Mr Hodby's assets or business; or (c) by 14 days notice if Mr Hodby commits a material breach of this Agreement which is capable of remedy and fails to remedy that breach within 14 days of a notice from the Company requiring it to do so.
Termination by Mr Hodby	Mr Hodby may terminate the CFO Agreement with 30 days written notice or with immediate effect by giving written notice to the Company if: (a) the Company breaches the confidentiality provisions of the CFO Agreement; (b) the Company breaches any other provision of the CFO Agreement that is capable of remedy and fails to remedy the breach within 30 days after receiving written notice requiring it to do so; or (c) if the Company ceases to carry on business, ceases to be able to pay its debts as they become due, or any step is taken to appoint a receiver, a receiver and manager, a liquidator, a provisional liquidator, an administrator or other like person of the whole or any part of the Company's assets or business.

The CFO Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.3.5 Deeds of Indemnity, Insurance and Access

The Company has entered into a deed of indemnity, insurance and access with each of its Directors. Under these deeds, the Company will agree to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.



10.0 ADDITIONAL INFORMATION

10.1 Litigation

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

10.2 Rights and liabilities attaching to Shares

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

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

(a) General meetings

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

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

(b) 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;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder 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).

(c) 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.

(d) 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.

(e) 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.

(f) Transfer of shares

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

(g) Future increase in capital

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

(h) Variation of rights

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

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.

10.3 Terms and Conditions of Advisor Options

(a) Entitlement

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph j, the amount payable upon exercise of each Option will be \$0.30 (**Exercise Price**).

(c) Expiry Date

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

(d) Exercise Period

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

(e) Notice of Exercise

The 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 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 Option being exercised in cleared funds (Exercise Date).

(g) Timing of issue of Shares on exercise

Within 5 Business Days after the latter of the following:

- (i) Exercise Date; and
- (ii) When excluded information in respect to, the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

But in any case, not later than 20 Business Days after the Exercise Date, the Company will:

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

If a notice delivered under 11.3(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) Shares issued on exercise

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

(i) Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) Reconstruction of capital

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

(k) 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.

(l) Change in exercise price

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

(m) Transferability

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

10.4 Terms and Conditions of KMP Options

(a) Entitlement

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph j, the amount payable upon exercise of the Options will be as follows:

- (i) 40% of the Options are exercisable at \$0.30 each; and
- (ii) 60% of the Options are exercisable \$0.40 each,

(Exercise Price).

(c) Expiry Date

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

(d) Exercise Period

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

(e) Notice of Exercise

The 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 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 Option being exercised in cleared funds (Exercise Date).

(g) Timing of issue of Shares on exercise

Within 5 Business Days after the latter of the following:

- (i) Exercise Date; and
- (ii) When excluded information in respect to, the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

But in any case, not later than 20 Business Days after the Exercise Date, the Company will:

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

If a notice delivered under 11.3(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) Shares issued on exercise

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

(i) Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) Reconstruction of capital

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

(k) 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.

(l) Change in exercise price

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

(m) Transferability

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

10.5 Performance Rights and Option Plan

The Company has adopted a Performance Rights and Option Plan (**Performance Rights and Options Plan**) to allow eligible participants to be granted Performance Rights and/or Options in the Company. The material terms of the Performance Rights and Option Plan are summarised below:

(a) Eligibility: Participants in the Plan may be:

- (i) a Director (whether executive or non-executive) of the Company and any Associated Body Corporate of the Company (each, a **Group Company**);
- (ii) a full or part time employee of any Group Company;
- (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
- (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,

who is declared by the Board to be eligible to receive grants of Options or Performance Rights (**Awards**) under the Plan (**Eligible Participant**).

(b) Offer: The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant to apply for Awards, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.

(c) Plan limit: The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Awards offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

(d) Issue price: Performance Rights granted under the Plan will be issued for nil cash consideration. Unless the Options are quoted on the ASX, Options issued under the Plan will be issued for no more than nominal cash consideration.

(e) Exercise price: The Board may determine the Option exercise price (if any) for an Option offered under that offer in its absolute discretion. To the extent the Listing Rules specify or require a minimum price, the Option exercise price must not be less than any minimum price specified in the Listing Rules.

(f) Vesting conditions: An Award may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Awards (Vesting Conditions).

(g) Vesting: The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Awards have been granted under the Plan or their nominee where the Awards have been granted to the nominee of the Eligible Participant (Relevant Person)), resolve to waive any of the Vesting Conditions applying to Awards due to:

- (i) special circumstances arising in relation to a Relevant Person in respect of those Awards, being:
 - (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total or permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
 - (B) a Relevant Person suffering severe financial hardship;
 - (C) any other circumstance stated to constitute “special circumstances” in the terms of the relevant offer made to and accepted by the Participant; or
 - (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,

(**Special Circumstances**), or

- (ii) a change of control occurring; or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (h) **Cashless Exercise Facility:** In lieu of paying the aggregate Option exercise price to purchase Shares, an Eligible Participant may elect to receive, without payment of cash or other consideration, upon surrender of the applicable portion of exercisable Options to the Company, a number of Shares determined in accordance with the following formula (**Cashless Exercise Facility**):

$$A = \frac{B (C - D)}{C}$$

where:

A = the number of Shares (rounded down to the nearest whole number) to be issued to the Optionholder;

B = the number of Shares otherwise issuable upon the exercise of the Options or portion of the Options being exercised;

C = the Market Value of one Share determined as of the date of delivery to the company secretary; and

D = the Option exercise price.

For the purposes of this Section, **Market Value** means, at any given date, the VWAP of Shares traded on the ASX over the five (5) trading days immediately preceding that given date, unless otherwise specified in an offer.

- (i) **Lapse of an Award:** An Award will lapse upon the earlier to occur of:
- (i) an unauthorised dealing, or hedging of, the Award occurring;
 - (ii) a Vesting Condition in relation to the Award is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to vest the Award in the circumstances set out in paragraph (g) or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iii) in respect of unvested Awards only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Award in the circumstances set out in paragraph (g) or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Awards only, a Relevant Person ceases to be an Eligible Participant and the Award granted in respect of that Relevant Person is not exercised within a one (1) month period (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
 - (v) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) the Company undergoes a change of control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Award; and
 - (vii) the expiry date of the Award.
- (j) **Not transferrable:** Subject to the Listing Rules, Awards are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (k) **Shares:** Shares resulting from the exercise of the Awards shall, subject to any Sale Restrictions (refer paragraph (l)) from the date of issue, rank on equal terms with all other Shares on issue.

- (l) **Sale restrictions:** The Board may, in its discretion, determine at any time up until exercise of Awards, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Awards (**Restriction Period**). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.
- (m) **Quotation of Shares:** If Shares of the same class as those issued under the Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends.
- (n) **No participation rights:** There are no participation rights or entitlements inherent in the Awards and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Awards without exercising the Award.
- (o) **Change in exercise price of number of underlying securities:** An Award does not confer the right to a change in exercise price or in the number of underlying Shares over which the Award can be exercised.
- (p) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.
- (q) **Amendments:** Subject to express restrictions set out in the Plan and complying with the Corporations Act, Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Award granted under the Plan including giving any amendment retrospective effect.
- (r) **Maximum Number of Securities:** The maximum number of equity securities proposed to be issued under the Performance Rights and Option Plan is 16,815,833 Securities (being, 10% of the fully diluted issued capital of the Company at listing assuming the Minimum Subscription is achieved) or 17,940,833 being, 10% of the fully diluted issued capital of the Company at listing assuming the Maximum Subscription is achieved). It is not envisaged that the maximum number of Securities will be issued immediately.

Directors are entitled to participate in the Performance Rights and Option Plan. The proposed Options to be held by the Directors and the Proposed Director (the KMP Options) are set out in Section 8.4.

The KMP Options will be issued under the Prospectus. No securities have been issued under the Performance Rights or Options Plan.

10.6 Interests of Directors

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

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:
- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offers.

10.7 Interests of Experts and Advisers

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or

- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue, holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:
- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (f) the Offers,
- and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:
- (g) the formation or promotion of the Company; or
- (h) the Offers.

OMNI GeoX has acted as Independent Geologist and has prepared the Independent Technical Assessment Report which is included in Annexure A. The Company estimates it will pay OMNI GeoX a total of \$30,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, OMNI GeoX has not received fees from the Company for any other services.

Armada Audit and Assurance Pty Ltd (**Armada**) has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Annexure C. The Company estimates it will pay Armada a total of \$6,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Armada has received \$17,425 in fees from the Company for audit services (also described below). Armada Accountants and Advisors (an entity associated with Armada) has also received \$17,331 for taxation and advisory services provided to the Company.

Armada has been appointed as the Company's auditor and has reviewed the Company's financial report for the half year ended 31 December 2021. The Company estimates it will pay Armada a total of \$5,750 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Armada has received \$17,425 in fees from the Company for audit services (as also noted above).

Pamplona Capital Pty Ltd (**Pamplona**) will receive 6% of the total amount raised by Pamplona under the Public Offer (plus GST) following the successful completion of the Public Offer for its services as a Joint Lead Managers to the Public Offer. Pamplona will be responsible for paying all capital raising fees that Pamplona and the Company agree with any other financial service licensees. Further details in respect to the Lead Manager Mandate with Pamplona (including, the Options to be issued to Peloton in part consideration for its services) are summarised in Section 9.1. During the 24 months preceding lodgement of this Prospectus with the ASIC, Pamplona received \$109,500 (plus GST) in fees from the Company for corporate advisory services provided to the Company.

Peloton Capital Pty Ltd (**Peloton**) will receive 6% of the total amount raised by Peloton under the Prospectus (plus GST) following the successful completion of the Public Offer for its services as a Joint Lead Manager to the Public Offer. Peloton will be responsible for paying all capital raising fees that Peloton and the Company agree with any other financial service licensees. Further details in respect to the Lead Manager Mandate with Peloton (including, the Options to be issued to Peloton in part consideration for its services) are summarised in Section 9.1. During the 24 months preceding lodgement of this Prospectus with the ASIC, Peloton received \$24,000 (plus GST) in fees from the Company for corporate advisory services provided to the Company.

Steinepreis Paganin has acted as the Australian legal advisers to the Company in relation to the Offers and has prepared the Solicitor's Report on Tenements at Annexure B. The Company estimates it will pay Steinepreis Paganin \$100,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has received \$55,357 (excluding GST and disbursements) from the Company for legal services provided to the Company.

10.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offer or of the Shares), 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 the lodgement of this Prospectus with the ASIC.

Omni Geox has given its written consent to being named as Independent Geologist in this Prospectus, the inclusion of the Independent Technical Assessment Report in Annexure A in the form and context in which the report is included.

Armada Accountants & Advisors has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Annexure C in the form and context in which the information and report is included.

Armada Accountants & Advisors has given its written consent to being named as auditor of the Company in this Prospectus and the inclusion of the audited financial information of the Company contained in the Investigating Accountants Report included in Annexure C to this Prospectus in the form and context in which it appears.

Steinepreis Paganin has given its written consent to being named as the Australian legal advisers to the Company in relation to the Offers in this Prospectus and to the inclusion of the Solicitor's Report on Tenements in Annexure B to the Prospectus to this Prospectus in the form and context in which it appears.

Pamplona Capital Pty Ltd has given its written consent to being named as a Joint Lead Manager to the Company in this Prospectus.

Peloton Capital Pty Ltd has given its written consent to being named as a Joint Lead Manager to the Company in this Prospectus.

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

10.9 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately \$760,000 for the Minimum Subscription and \$880,000 for the Maximum Subscription as set out in the table below:

ITEM OF EXPENDITURE	MINIMUM SUBSCRIPTION \$	MAXIMUM SUBSCRIPTION \$
ASIC fees	3,500	3,500
ASX fees	110,000	110,000
Joint Lead Manager fees ¹	480,000	600,000
Legal fees	100,000	100,000
Independent Geologist's fees	30,000	30,000
Investigating Accountant's fees	8,000	8,000
Share registry services	5,000	5,000
Printing, Distribution and Miscellaneous	23,500	23,500
TOTAL	760,000	880,000

Notes:

1. Refer to Sections 4.5 and 9.1.1 for further detail regarding the fees payable to the Joint Lead Managers.

11.0 DIRECTORS' AUTHORISATION

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

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

A handwritten signature in dark ink, appearing to read 'P Hearse', is positioned above the printed name and title.

Phillip Hearse
Executive Chairman

For and on behalf of
International Graphite Limited



GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

\$ means an Australian dollar.

Acquisition means the acquisition by the Company of 100% of the Springdale Graphite Project from Comet.

Acquisition Agreement means the binding agreement between the Company and Comet under which the Company has the conditional right to acquire 100% of the Springdale Graphite Project, a summary of which is set out in Section 9.2.

Advisor Offer means the offer of a total of up to 6,250,000 Advisor Options to the Joint Lead Managers (or their nominees) in part consideration for services provided to the Company in respect of the Public Offer, the terms of which are set out in Section 4.6.2.

Advisor Options means up to 6,250,000 Options, exercisable at \$0.30 each, on or before the date that is 3 years from the date of issue of the Options, to be issued to the Joint Lead Managers (or their nominees).

Application Form means the application form attached to or accompanying this Prospectus relating to the Public Offer, Vendor Offer and the Advisor Offer (as applicable).

ASIC means Australian Securities & 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 official listing rules of ASX.

Board means the board of Directors as constituted from time to time.

Business Days 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.

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

Closing Date means the closing date of the Offers as set out in the indicative timetable in the Key Offer Information Section (subject to the Company reserving the right to extend the Closing Date or close the Offers early).

Collie Research and Development Processing Facilities means the Company's existing spheroidising and high temperature furnace equipment located in Collie, Western Australia and the micronising equipment to be installed at the existing facilities, together with other pilot scale graphite processing equipment which is to be installed at the facilities as required.

Collie Processing Facilities means the Company's potential commercial scale graphite concentrate processing facilities to be located in Collie, Western Australia.

Consideration Shares means 40,000,000 Shares to be issued to Comet (or its nominee) pursuant to the Acquisition.

Company means International Graphite Limited (ACN 624 579 326).

Conditions has the meaning set out in Section 4.7.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

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

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

ILUA means indigenous land use agreement.

Independent Geologist means OMNI GeoX Pty Ltd.

JORC Code has the meaning given in the Important Notice Section.

KMP Offer means the offer of a total of 8,000,000 KMP Options to the Directors and Proposed Director (or their nominees) as a long-term incentive and as part of their remuneration packages, the terms of which are set out in Section 4.6.3.

Lead Managers means Pamplona and Peloton.

Lead Manager Mandate means the agreement with the Joint Lead Manager summarised in Section 9.1.1.

Minimum Subscription means the minimum amount to be raised under the Public Offer, being \$8,000,000.

Maximum Subscription means the maximum amount to be raised under the Public Offer, being \$10,000,000.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Pamplona means Pamplona Capital Pty Ltd (ACN 150 332 700).

Peloton means Peloton Capital Pty Ltd (ACN 149 540 018).

Performance Right means a performance right convertible into a Share.

Performance Rights and Option Plan has the meaning set out in Section 10.5.

Public Offer means the initial public offering of 40,000,000 Shares pursuant to this Prospectus, as set out in Section 4.1.

Project means the Springdale Graphite Project.

Proposed Director means Matthew O’Kane.

Prospectus means this prospectus.

Recommendations has the meaning set out in Section 8.6.

Secondary Offers means the Vendor Offer and the Advisor Offer.

Section means a Section of this Prospectus.

Securities means Shares and Options.

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

Shareholder means a holder of Shares.

Tenements means the mining tenements in which the Company will have an interest in on completion of the Acquisition and further described in the Independent Technical Assessment Report at Annexure A and the Solicitor’s Tenement Report at Annexure B or any one of them as the context requires.

TGC means total graphitic carbon.

Vendor Offer means the offer of 40,000,000 Consideration Shares to Comet (or its nominee) in accordance with the Springdale Acquisition Agreement, the terms of which are set out in Section 4.6.1.

WST means Western Standard Time as observed in Perth, Western Australia.

ANNEXURE A

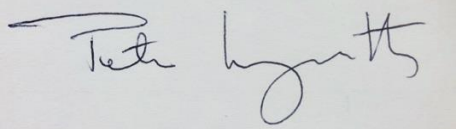
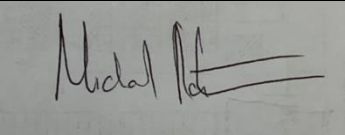
INDEPENDENT TECHNICAL ASSESSMENT REPORT



International Graphite Limited
Independent Technical Assessment Report
Springdale Graphite Project

Principal Author:
Peter Langworthy, *BSc (Hons), MAusIMM*

Principal Reviewer:
Michael Martin, *BSc, MAIG*

Doc Ref: 20211215_Intergraph_OMNI_ITAR.docx Number of copies: OMNI: 1 International Graphite Ltd: 1		OMNI Geox Pty Ltd ABN 93 157 875 744 Operations Office 1 Coventry Parade North Fremantle WA 6159 PO Box 204 Mosman Park WA 6912	
Principle Author:	Peter Langworthy <i>BSc Hons, MAusIMM</i>	Signature:	
		Date:	16 February 2022
Principle Reviewer	Michael Martin <i>BSc, MAusIMM</i>	Signature:	
		Date:	16 February 2022
Important Information: This Report is provided in accordance with the proposal by OMNI GeoX Pty Ltd (OMNI) to International Graphite Limited and the terms of OMNI's Consulting Services Agreement. OMNI has consented to the use and publication of this Report by International Graphite Limited for the purposes set out in OMNI's proposal and in accordance with the Agreement. International Graphite Limited may reproduce copies of this entire Report only for those purposes but may not and must not allow any other person to publish, copy or reproduce this Report in whole or in part without OMNI's prior written consent. OMNI has used its reasonable endeavours to verify the accuracy and completeness of information provided to it by International Graphite Limited which it has relied in compiling the Report. We have no reason to believe that any of the information or explanations so supplied are false or that material information has been withheld. It is not the role of OMNI acting as an independent geologist to perform any due diligence procedures on behalf of the Company. The Directors of the International Graphite Limited are responsible for conducting appropriate due diligence in relation to mineral projects. OMNI provides no warranty as to the adequacy, effectiveness or completeness of the due diligence process. The opinion of OMNI is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time. The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete. The terms of engagement are such that OMNI has no obligation to update this report for events occurring subsequent to the date of this report.			

OMNI GeoX
Geological Exploration Services

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Mosman Park WA 6912

16 February 2022

The Directors
International Graphite Limited
1/333 Charles Street
North Perth
WA 6006

Dear Directors

**INDEPENDENT TECHNICAL ASSESSMENT REPORT
SPRINGDALE GRAPHITE PROJECT**

Yours sincerely
OMNI GeoX Pty Ltd

Peter Langworthy *BSc Hons, MAusIMM*
Managing Director & Principal Consultant

Michael Martin *BSc, MAIG*
Technical Director & Principal Consultant

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1 EXECUTIVE SUMMARY

1.1 PURPOSE

At the request of International Graphite Limited (**International Graphite** or the **Company**), OMNI has prepared this Independent Technical Assessment Report (**Report**) on the Springdale Graphite Project for the purposes of inclusion in a prospectus to be lodged with ASIC (**Prospectus**) in respect of an Initial Public Offering of Shares (**IPO**) by International Graphite. The Report has been prepared by Mr Peter Langworthy (Principal and Managing Director) in consultation with Mr Michael Martin (Principal).

International Graphite has entered into a binding agreement with Comet Resources Limited (ASX: CRL) (**Comet**) under which International Graphite has agreed to acquire, and Comet agreed to sell, 100% of the Springdale Graphite Project - comprising two granted exploration licences E74/562 and E74/6512 and one prospecting licence P74/0382 – and all associated mining information and data. Subject to satisfaction of all of the conditions precedent to the acquisition, the acquisition will complete contemporaneously with the successful listing of International Graphite on ASX.

Mr Langworthy has consented to act as the Competent Person (**CP**) for the purposes of this Report. This Report represents an independent assessment of the geology, mineral resources and exploration data and exploration potential of the Springdale Graphite Project (Springdale or the Project). It is our understanding that this Report will be included in the Prospectus to be published by the Company in connection with the proposed admission of its shares to trading on the Australian Securities Exchange (**ASX**). OMNI has been informed by International Graphite that the principal purpose of the offering is to raise funds to complete further resource evaluation work and general exploration; including drilling (reverse circulation and diamond coring), assaying, additional metallurgical and geotechnical evaluation, mining studies and general exploration (geochemical sampling, geological mapping and drilling of existing mineral anomalies and exploration targets) at the Springdale Graphite Project. Funds will also be allocated to metallurgical and downstream test work, preliminary feasibility studies and permitting and other corporate and administrative costs.

1.2 SPRINGDALE GRAPHITE PROJECT

The Springdale Graphite Project is located on the western margin of the Esperance-Goldfields District in Western Australia, approximately 30km east of the town of Hopetoun and 600km by road from Perth. Geologically the project is within the Northern Foreland (Munglinup Gneiss) domain of the Albany-Fraser Orogen.

The Project is considered prospective principally for high-quality graphite mineralisation (as currently defined within the existing Inferred Mineral Resource), and to a lesser extent nickel-copper-platinum group, copper, gold and rare earth element deposits similar to those already discovered across the emerging Fraser-Range Orogen.

On 6 December 2018 Comet announced a maiden Inferred Mineral Resource estimate of 15.6Mt @ 6% TGC including a high-grade Inferred Mineral Resource of 2.6Mt @ 17.5% TGC (See Section 3.3 and Appendices A and C for detail).

1.3 EXPLORATION AND DEVELOPMENT

In OMNI's opinion the Springdale Graphite Project including the resources and surrounding exploration areas, have significant merit and are worthy of further resource assessment and exploration activities. The planned work programs are appropriate for the various development stages of the Project areas and will provide suitable data to assess the technical risks and the further resource and exploration potential of the Project.

2 INTRODUCTION AND TERMS OF REFERENCE

2.1 TERMS OF REFERENCE

At the request of International Graphite, an Independent Technical Assessment Report (Report) on the mineral assets has been prepared.

This Report represents an independent assessment of the geology, mineral resources and exploration data and exploration potential of the Springdale Graphite Project (**Springdale** or the **Project**). It is our understanding that this Report will be included in the Prospectus to be published by the Company in connection with the proposed admission of its shares to trading on the Australian Securities Exchange (**ASX**). OMNI has been informed by International Graphite that one of the principal purposes of the offering is to raise funds to complete further resource evaluation work and general exploration: including drilling (reverse circulation and diamond coring), assaying, additional metallurgical and geotechnical evaluation, mining studies and general exploration (geochemical sampling, geological mapping and drilling of existing mineral anomalies and exploration targets) at the Springdale Graphite Project.

International Graphite intend, subject to successful development, permitting and financing, to mine the Springdale Graphite Project and produce a graphite concentrate to be further processed at International Graphite's planned graphite downstream processing facilities.

International Graphite is an Australian incorporated company focussed on the development of graphite mineral resources downstream graphite processing operations and technologies. On admission to the ASX, the Company's assets will comprise the Springdale Graphite Project and the downstream graphite processing facilities located in Collie, WA (Figure 1).



Figure 1: Springdale Graphite Project Location

This Report has been prepared by Mr Peter Langworthy (Principal and Managing Director) in consultation with Mr Michael Martin (Principal) both are full-time employees of OMNI. Mr Langworthy has consented to act as the Competent Person (CP) for this Report.

The Report has been prepared in accordance with the requirements of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets, 2015 Edition (the VALMIN Code, 2015), the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012) and the Australian Securities and Investments Commission (ASIC) Regulatory Guides 111, 112 and 228.

Messrs Langworthy and Martin meet the competency criteria as set out under Section 11 of the JORC Code, 2012 and Section 3.1 of the VALMIN Code, 2015. Mr Langworthy (Member AUSIMM) is responsible for this Report. Mr Langworthy is Managing Director of OMNI GeoX and has sufficient experience, which is relevant to the style of mineralisation, type of deposits under consideration and to the activities being undertaken to qualify as a CP as described by the VALMIN Code, 2015 and the JORC Code, 2012.

Messrs Langworthy and Martin confirm that they are not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. OMNI confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Mr Langworthy consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears.

The objectives of this Report are to provide an overview of the Springdale Graphite Project including the defined graphite Inferred Mineral Resources and exploration targets, outline the recent and historical exploration work undertaken over the Project areas and comment on the exploration potential of the Project areas and the proposed future work programmes.

Consent has been sought from International Graphite to include technical information and opinions expressed by them. No other entities referred to in this Report have consented to the inclusion of any information or opinions and have only been referred to in the context of reporting any relevant activities.

2.2 VALIDATION OF TENURE

OMNI commissioned an independent review of the Springdale Graphite Project tenements by McMahon Mining Title Services Pty Ltd (MMTS). MMTS concluded that the tenements are in good standing. Details of the Project tenements – currently registered to Comet Resources Limited – are provided below:

Tenement	Status	Application	Term Granted	Grant	Expiry	Renewability	Annual Rents	Annual Rates	Annual Expenditure Commitment
E74/0562	Live	27/03/2015	5 years (extended)	20/05/2015	19/05/2025	Further terms of 2 years	\$16,248	\$1,061	\$50,000
E74/0612	Live	05/12/2016	5 years	06/07/2017	05/07/2022	One further term of 5 years then terms of 2 years	\$12,530	\$985	\$52,500
P74/0382	Live	05/04/2019	4 years	01/07/2020	30/06/2024	Further term of 4 years	\$43	\$300	\$2,000

Table 1: Springdale Graphite project Tenement Summary

2.3 LEGISLATION AND PERMITTING

All exploration and mining activity in Western Australia must be conducted under an authority from the Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**), the Western Australian State Government department responsible for mineral resources. The following information is of a general nature and has been sourced from the DMIRS website.

There are seven different types of mining tenements prescribed under the Mining Act 1978 (**Act**):

- Prospecting Licences (Sections 40 to 56, PL)
- Special Prospecting Licences for Gold (Sections 56A, 70 and 85B)
- Exploration Licences (Sections 57 to 69E, EL)
- Retention Licences (Sections 70A to 70M)
- Mining Leases (Sections 700 to 85A, ML)
- General Purpose Leases (Sections 86 to 90)
- Miscellaneous Licences (Sections 91 to 94, L).

EXPLORATION LICENCE AND PROSPECTING LICENCES

The Springdale Graphite Project includes two granted exploration licences and one prospecting license.

On 28 June 1991, a graticular boundary (or block) system was introduced for exploration licences (a graticular block represents one minute of latitude by one minute of longitude). The minimum size of an exploration licence is one block, and the maximum size is 70 blocks, except in areas not designated as mineralised areas, where the maximum size is 200 blocks. An exploration licence is not marked out and there is no limit to the number of licences a person or company may hold, but a security bond (A\$5,000) is required in respect of each licence.

For licences applied for after 10 February 2006, the term is five years plus a possible extension of five years and further periods of two years thereafter, with 40% of the ground to be surrendered at the end of year six. The holder of an exploration licence may, in accordance with the licence conditions, extract or disturb up to 1,000 tonnes of material from the ground, which includes overburden. The Minister for Mines and Petroleum may approve extraction of larger tonnages. Prescribed minimum annual expenditure commitments and reporting requirements apply. The owner of the exploration licence must complete an annual Expenditure Report on the tenement, demonstrating that the minimum prescribed expenditure has been met.

The owner of the exploration licence has surface access rights but no excavation rights. Access from outside the tenement needs to be negotiated with the pastoral owner, where relevant. Prior to drilling or any ground-disturbing work, an application and approval of a Program of Work (**PoW**) is required. A PoW provides the right to carry out specified exploration (e.g. drilling or trenching) on the tenements applied for. Permitting needs to be obtained for any infrastructure.

A person may lodge an application for a prospecting licence in accordance with the Act. The mining registrar or warden decides whether to grant an application for a prospecting licence. An application for a prospecting licence (unless a reversion application) cannot be legally transferred and continues in the name of the applicant.

The holder of a prospecting licence is entitled to:

- Enter and re-enter upon land for the purposes of prospecting for minerals with employees and contractors, with such vehicles, machinery and equipment as may be necessary or expedient;
- excavate, extract or remove (subject to any conditions) from such land, earth, soil, rock, stone, fluid or mineral bearing substances in an amount which does not exceed the prescribed limit, or in such greater amount as the Minister may approve in writing;

- take and divert, subject to the Rights in Water and Irrigation Act 1914 (WA), or any act amending or replacing the provisions of that act, water from any natural spring, lake pool or stream on or flowing through the land or from any excavation previously made and used for mining purposes, and subject to that Act, to sink a well or bore on such land and take water for that persons domestic purposes and for any purpose in connection with prospecting for minerals on the land.

A prospecting licence has a term of 4 years. Where a prospecting licence was applied for and granted after 10 February 2006, the Minister may extend the term by 4 years and if retention status is granted (as discussed below), by a further term or terms of 4 years. Where a prospecting licence is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

The holder of a prospecting licence applied for and granted after 10 February 2006 may apply for approval of retention status for the prospecting licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the prospecting licence, but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years. However, the Minister has the right to impose a program of works or require the holder to apply for a mining lease. The holder of a prospecting licence applied for or granted before 10 February 2006 can apply for a retention licence (see below), rather than retention status.

Prospecting licences are granted subject to various standard conditions including conditions including compliance with minimum expenditure, the payment of rent and observance of environmental protection and reporting requirements. A failure to comply with these conditions or obtain an exemption from compliance may lead to forfeiture of the prospecting licence.

There is no requirement to relinquish any portion of a prospecting licence.

The holder of a prospecting licence has priority to apply for a mining lease or general-purpose lease over any of the land subject to a prospecting licence. An application for a mining lease or a general-purpose lease must be made prior to the expiry of the prospecting licence. A prospecting licence remains in force until the application for the mining lease or general-purpose lease is determined.

There is no restriction on transfer or other dealing in a prospecting licence.

MINING LEASES

The Springdale Graphite Project does not currently have any applications for, or granted, mining leases. Future applications will be made based on the technical and commercial merits of additional work.

The maximum area for a Mining Lease applied for before 10 February 2006 is 1,000 hectares. Beyond that, the area applied for relates to an identified orebody as well as an area for infrastructure requirements.

An application for a Mining Lease must be accompanied by one of the following:

- a Mining Proposal completed in accordance with the Mining Proposal Guidelines published by the department.
- a statement of mining operations and a mineralisation report that has been prepared by a qualified person.
- a statement of mining operations and a resource report that complies with the JORC Code (2012).

There is no limit to the number of mining leases a person or company may hold. The term of a mining lease is 21 years and may be renewed for further terms. The lessee of a mining lease may work and mine the land, take and remove minerals, and do all the things necessary to effectually carry out mining operations in, on or under the

land, subject to conditions of title. Prescribed minimum annual expenditure commitments and reporting requirements apply.

NATIVE TITLE

Native title rights and interests are those rights in relation to land or waters that are held by Aboriginal or Torres Strait Islander peoples under their traditional laws and customs, and which are recognised by the common law. Native title was first accepted into the common law of Australia by the High Court of Australia's decision in *Mabo (No 2)* in 1992.

Australian law recognises that, except where native title had been wholly extinguished by the historical grant of freehold, leasehold and other interests, native title exists where Aboriginal people have maintained a traditional connection to their land and waters substantially uninterrupted since sovereignty. The rights and interests vary from case to case but may include the right to live and camp in the area, conduct ceremonies, hunt and fish, build shelter, and visit places of cultural importance. Some native title holders may also have the right to control access.

Australian law also requires that native title approval be obtained before mining applications can commence.

All of the Project tenements are within the boundaries of native title claims (both registered and unregistered) and/or native title determinations. Registered native title claimants and holders of native title under the determinations are entitled to certain rights under the Future Act Provisions in respect of land in which native title may continue to subsist. International Graphite may be liable to pay compensation to the determined native title holders for the impact of a tenement on native title. The amount of compensation will be determined in accordance with the Native Title Act, 1993 (NTA) and will be affected by the specific circumstances of each case.

Refer to the Solicitor's Report on Tenements included in Annexure B of the Prospectus for further detail OMNI is satisfied that all tenements are valid under the NTA.

2.4 RESPONSIBILITY FOR THE INDEPENDENT TECHNICAL ASSESSMENT REPORT

This Report was prepared by Mr Peter Langworthy (Principal and Managing Director) and was reviewed by Mr Michael Martin (Principal and Technical Director), both of OMNI.

This Report has been prepared in accordance with the guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition (the JORC Code) and the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets, 2015 Edition (**the VALMIN Code**).

In developing its technical assumptions for the report, OMNI has relied upon information provided by International Graphite and its consultants, as well as information obtained from other public sources. The material on which this Report is based includes internal and open-file project documentation, technical reports, drillhole and other exploration databases. International Graphite has provided to OMNI the drilling and sampling data and other information generated by International Graphite, its consultants and by the current and previous owners of the Project areas.

OMNI has independently reviewed all relevant technical and corporate information made available by the management of International Graphite, which has been accepted in good faith as being true, accurate and complete, having undertaken due enquiry of International Graphite. OMNI has additionally sourced publicly available information relative to the Springdale Graphite Project.

OMNI completed a site visit to the Springdale Graphite Project area on the 3rd of December 2021 to establish reasonable grounds as to the soundness and conclusions of the data presented. Furthermore, OMNI has based

its assessment of the Project on a review of the technical information compiled by International Graphite and its consultants.

3 SPRINGDALE GRAPHITE PROJECT

3.1 INTRODUCTION

The Springdale Graphite Project is located on the western margin of the Esperance-Goldfields District in Western Australia, approximately 30km east of the town of Hopetoun and 600km by road from Perth. Geologically the project is within the Northern Foreland (Munglinup Gneiss) domain of the Albany-Fraser Orogen.

The Project consists of two granted exploration licences and one prospecting license that are considered to be in good standing. Refer to the Solicitor's Report on Tenements included in Annexure B of the Prospectus for further detail regarding the licences comprising the Project.

The Project is situated in the Phillips River Mineral Field on the Ravensthorpe 1:250,000 (SI51-5) and Ravensthorpe 1:100,000 (2930) map sheets. The bulk of the Project overlies freehold titles (Private Land) which are located within the Shire of Ravensthorpe. Much of the land within the Ravensthorpe Shire is under cultivation, the main commercial activities including agriculture, fishing and tourism.

Access is provided by a network of sealed and unsealed Shire roads leading east and south of the Ravensthorpe-Hopetoun Road and South Coast Highway respectively. The Project overlies a flat to gently undulating sandplain which has been cleared for farming, with rare remnants of native heath.

The Project is considered prospective principally for high-quality graphite mineralisation (as currently defined within the existing Inferred Mineral Resource estimate), and to a lesser extent nickel-copper-platinum group, copper, gold and rare earth element deposits similar to those already discovered across the emerging Fraser-Range Orogen.

On 6 December 2018 Comet announced a maiden Inferred Mineral Resource estimate of 15.6Mt @ 6% TGC including a high-grade Inferred Mineral Resource of 2.6Mt @ 17.5% TGC (See Section 3.3 and Appendices A and C for full detail).

3.2 GEOLOGY

3.2.1 REGIONAL GEOLOGY

The Project area geology forms part of the Northern Foreland lithotectonic unit of the Albany-Fraser Orogeny and is dominated by the Archaean Munglinup Gneiss (Figure 2). The Northern Foreland represents reworked Yilgarn Craton, as evidenced in the Project area by the presence of the remnant, northerly trending Jerdacuttup Greenstone Belt.

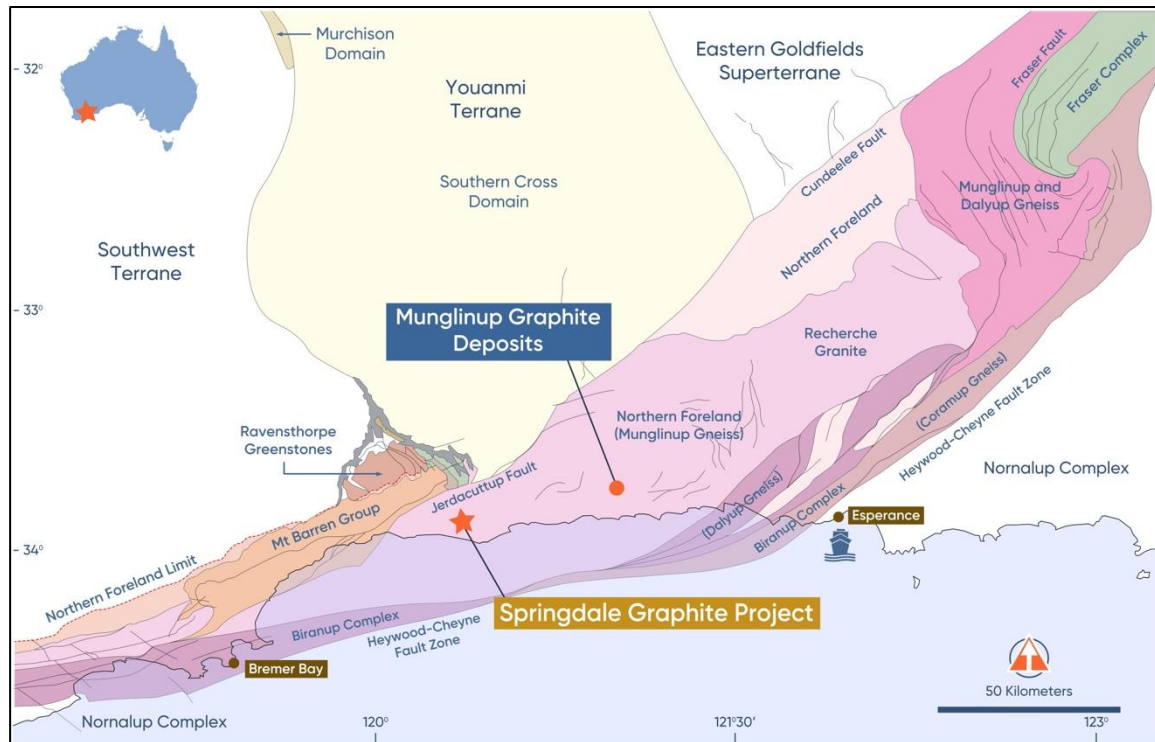


Figure 2: Simplified Geological Map of the Albany-Fraser Orogen
(aft Spaggariari, et al 2007)

3.2.2 PROJECT GEOLOGY

The Mungerup Gneiss present within the Springdale Graphite Project area comprises hornblende and garnet-bearing felsic gneiss, amphibolite, quartzite, carbonate-silicate rocks and marble. Graphite mineralisation is stratigraphic in nature and hosted by a metasedimentary graphitic schist with typical Total Graphitic Carbon (TGC) grades ranging from 15-40%. This schist unit is variably carbonate-altered resulting in increased competency compared to the surrounding gneiss in the weathered part of the profile. A lower-grade graphite zone is present around the main graphitic schist units where graphite exists as mobilised disseminated graphite and/or thinner stratigraphic horizons. TGC grades in the lower grade zone typically range from 2-10% TGC.

A high-resolution aeromagnetic survey was flown by Comet in September 2017. The key features revealed from this survey were that the stratigraphy is tightly folded with NE-trending fold axes and that graphite-rich stratigraphy is strongly associated with units of low magnetic response in the project area (Figure 3).

The aeromagnetic survey could not differentiate between anticlines and synclines. Drilling has revealed that the graphite-rich stratigraphy is part of a kilometre-scale syncline with the western limb striking at around 034° and dipping moderately (around 50°) to the SW and the eastern limb striking at around 176° and dipping shallow to moderately (around 30°) to the SE. The dip of stratigraphy in the fold hinge shallows significantly to 15°-20° to the south.

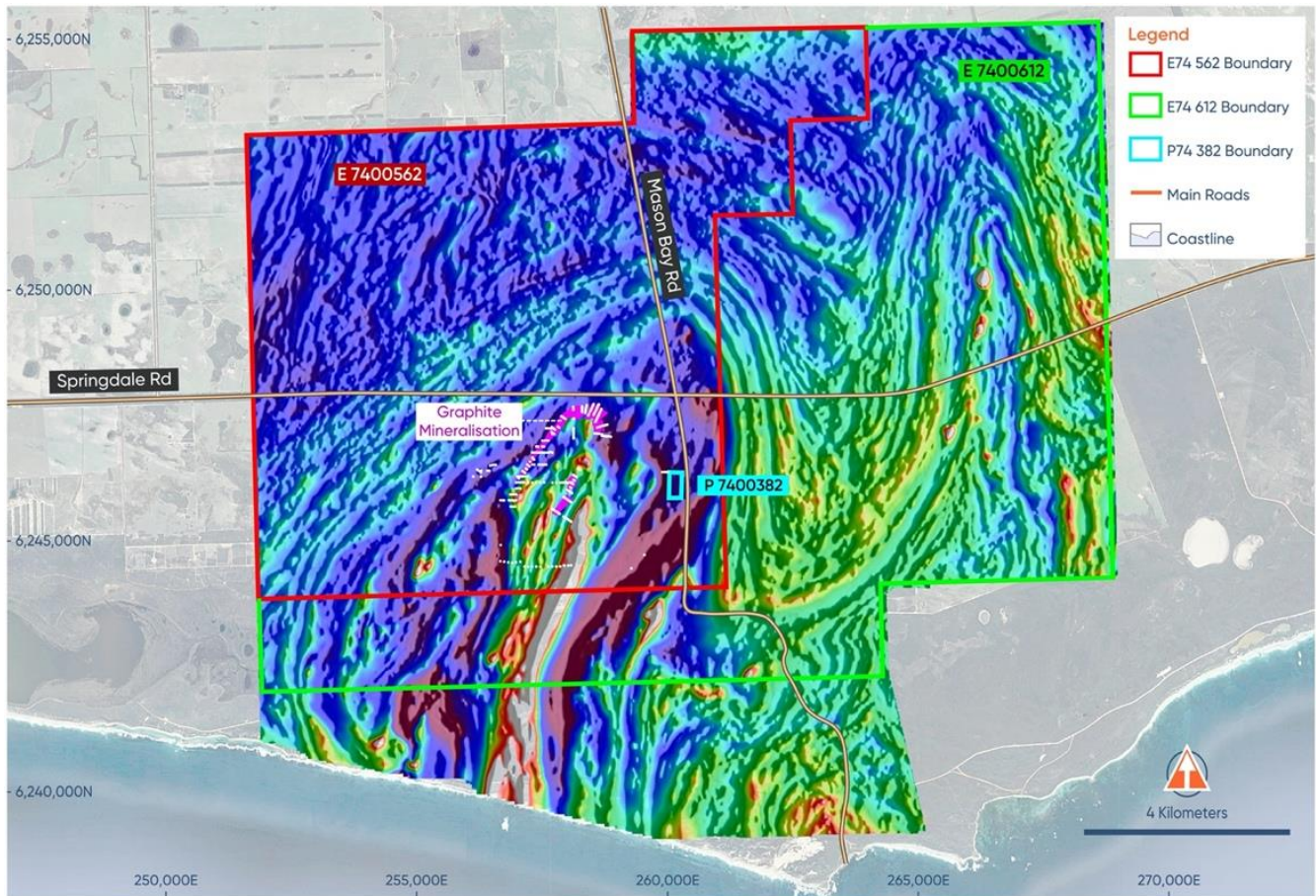


Figure 3. Springdale Graphite Project Airborne Magnetic Image (TMI)

East Shading – full 2017 survey extent showing Jerdacuttup Greenstone Belt, tenements, existing drill collars and graphite mineralisation.

3.2.3 MINERALISATION

The Project is considered prospective principally for high-quality graphite mineralisation (as currently defined within the existing Inferred Mineral Resource), and to a lesser extent nickel-copper-platinum group, copper, gold and rare earth element deposits similar to those already discovered across the emerging Fraser-Range Orogen.

GRAPHITE MINERALISATION

The graphite mineralisation is located as a series of semi-tabular bodies within a distinct graphitic schist stratigraphic horizon as part of the Munglinup Gneiss complex. Typically, the graphite mineralisation is thickened in the macroscopic fold hinges of both synformal and antiformal structures, as well as local parasitic folds on the fold limbs. The graphite mineralisation has a subdued response in magnetic data but is strongly conductive so is obvious in electromagnetic data (EM). On this basis EM is used as a preferred exploration tool.

GOLD MINERALISATION

There is currently no evidence for significant gold mineralisation within the Project. However, future programs of exploration should take into account the opportunity to identify gold mineralisation through quality application of exploration techniques.

NICKEL-COPPER-PLATINUM GROUP METALS

The Fraser Range Orogen has seen a strong focus of exploration for mafic-ultramafic intrusive related nickel-copper-platinum group (NI-Cu-PGE) metals deposits based on the discovery of the Nova-Bollinger Deposit in 2012. There is currently no evidence for significant Ni-Cu-PGE deposits within the Springdale Project, however future exploration programs will assess the potential for this style of mineralisation.

RARE EARTHS

An emerging new style of Rare Earth Element Deposits has been reported in the wider Esperance area likely related to late Eocene Basins (Mt Ridley Mines ASX announcement dated 2 August 2021). Although in the early stages of understanding the style and controls of the REE mineralisation, consideration will be given in future exploration programs to assess this potential.

3.3 MINERAL RESOURCE ESTIMATE

On 6 December 2018, Comet released an Inferred Mineral Resource for the Springdale Graphite Project of 15.6 million tonnes @ 6% TGC, including a high-grade Inferred Mineral Resource component of 2.6 million tonnes @ 17.5% TGC (Table 2).

Compliance Statement:

The Mineral Resource Information in this Report is extracted from a Comet Resources Limited internal document entitled Springdale Project – Resource Report and reported publicly in an ASX announcement dated 6 December 2018 by Comet Resources Limited. This ASX announcement is available to view on the Comet Resources Limited webpage. OMNI confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. OMNI confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The following description is largely taken from Comet's internal resource report as provided to OMNI by International Graphite. OMNI confirms that there are no known issues relating to confidentiality. OMNI undertook sufficient review of the drilling and associated data and resource estimation process to satisfy itself that the Inferred Mineral Resource meets the reporting criteria in accordance with the guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition (the JORC Code) and the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets, 2015 Edition (the VALMIN Code).

MINERAL RESOURCE SUMMARY

Domain	Tonnes (Mt)	Density (t/m ³)	Graphite (TGC%)	Classification
High-grade	2.6	2.1	17.5	Inferred
Low grade	13.0	2.2	3.7	Inferred
Total	15.6	2.2	6.0	Inferred

Table 2: Springdale Graphite Project Mineral Resource Table

Note – Inferred Mineral Resources have only been reported from within mineralised wireframe domains defined by a nominal 2% TGC cut-off for low-grade and a nominal 15% TGC cut-off for high-grade to a nominal depth of 100m.

Key information relating to the Inferred Mineral Resource estimate include (See Appendix C for additional detail):

- The Inferred Mineral Resource estimation was based on 18 diamond holes (1080m), 102 RC holes (5911m) and 30 aircore holes (909m). Aircore drilling was excluded from areas of sufficient diamond and RC drilling. A table of drill holes utilised in the Inferred Mineral Resource is provided on Appendix B.
- The Inferred Mineral Resource is made up of 3 main domains: The Western Zone, Northern Zone and Eastern Zone. The domains represent a series of semi-tabular zones of mineralisation on the limbs and fold nose of a plunging synformal structure (Figure 4).

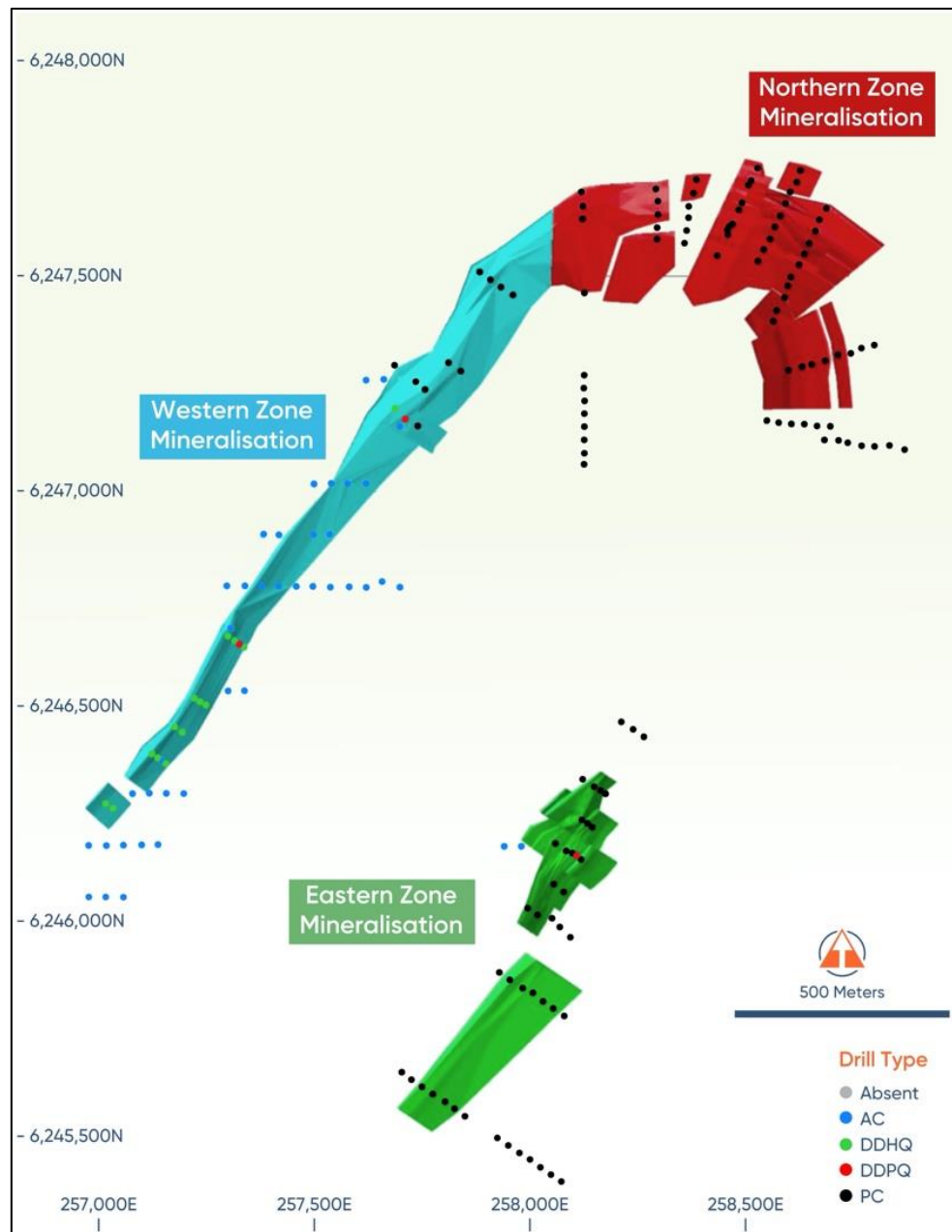
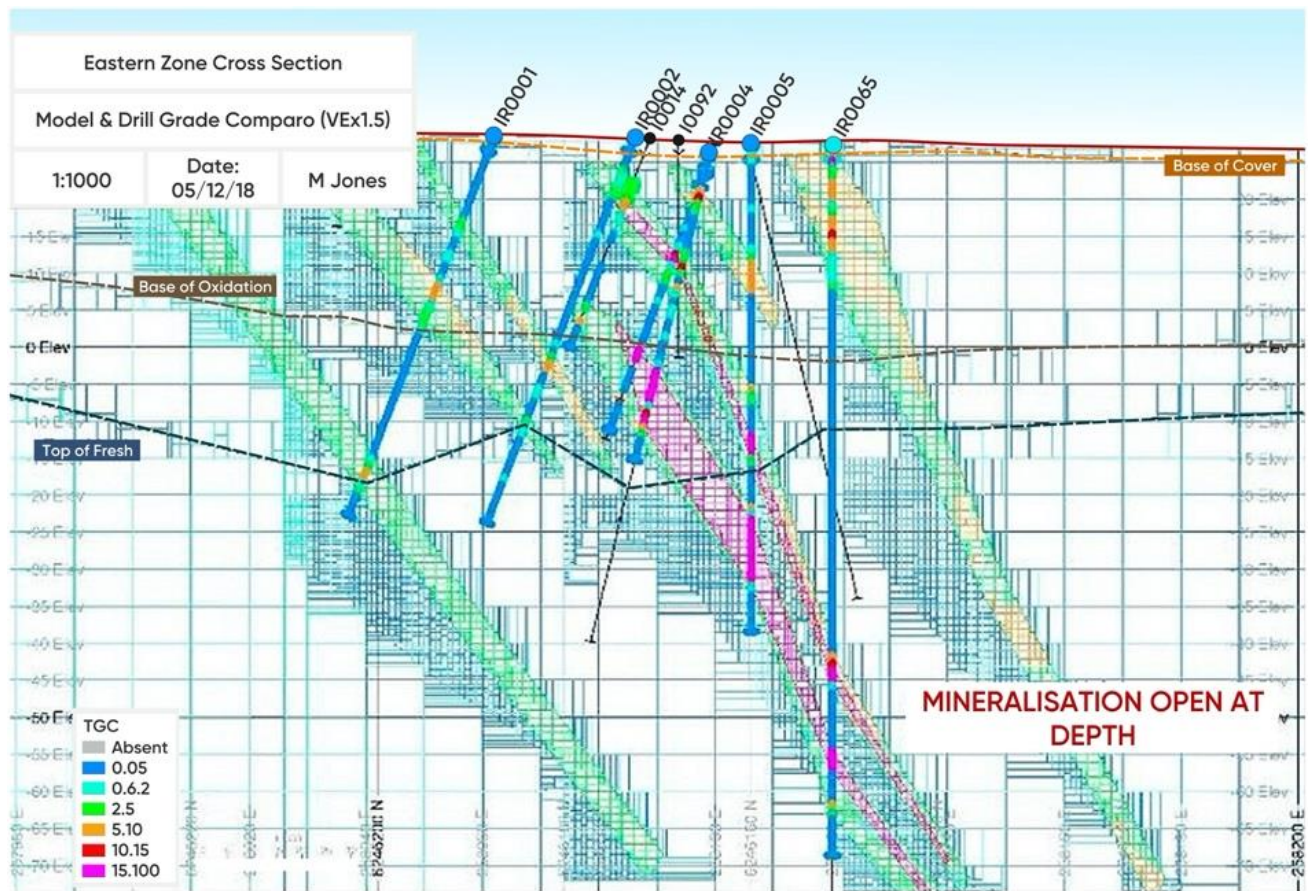
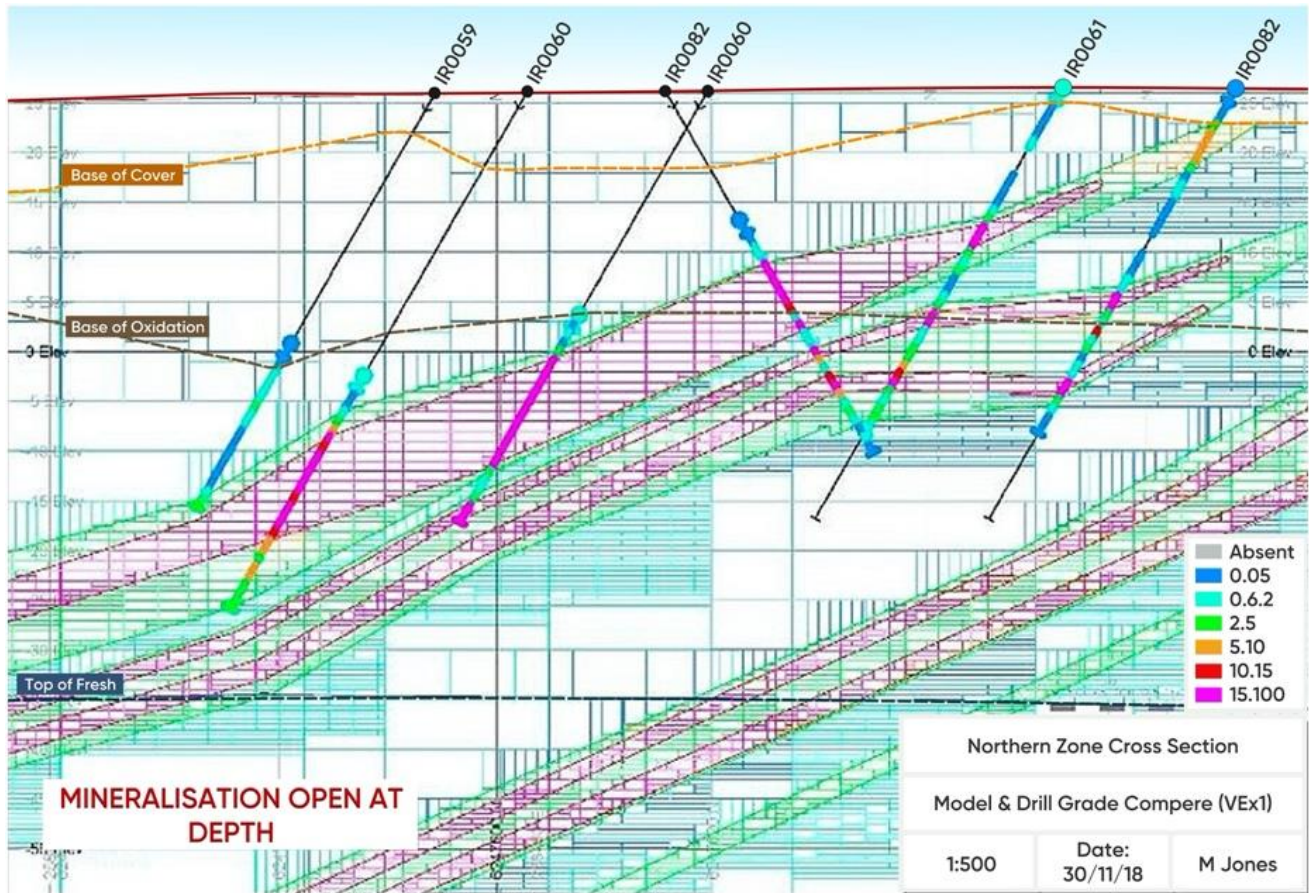


Figure 4. Springdale Graphite Project – Mineralisation zones and distribution of drilling used in the Inferred Mineral Resource Estimate

- Sampling was performed at a uniform 1m interval in RC and AC drilling and predominately 1m (or less) in DD. Sampling techniques performed are considered to be of an industry standard and were conducted or supervised by qualified geological personnel.

- RC drilling produced samples that were collected at one-metre intervals using a cone splitter to produce an approximate three-kilogram sample, which is considered representative of the full drill metre.
- DD drilling (HQ and PQ) produced samples that were cut into 1/2 core; one side of 1/2 core then being cut to produce two sections of 1/4 core. The 1/4 core was sampled to produce an approximate two-kilogram sample, which is considered representative of the full drill metre. Some half core was used for routine samples in instances where core was broken or highly weathered (friable or clay-rich).
- AC drilling produced samples that were collected at one-metre intervals using a cone splitter to produce an approximate three-kilogram sample, which is considered representative of the full drill metre.
- As the dominant sample length in all drill types is one metre, samples were composited to this length for use in the grade estimation process.
- Field duplicates and certified standards were inserted at a nominal rate of 4% and 2% respectively for all drill programs. Results from these quality control samples fall within QAQC acceptable ranges.
- ALS laboratories Perth performed TGC assays on all routine and related QAQC samples. TGC analyses were performed using the Leco Method, in which carbonates are destroyed by treatment with hydrochloric acid and organic carbon is converted to carbon dioxide and eliminated by heating in air at 400° in a Leco furnace. This is an accepted industry analytical process appropriate for the determination of TGC and suitable for the nature and style of mineralisation under investigation.
- Geostatistical analysis of composited (1m) drill hole data identified population breaks of TGC grade at 2% and 15%. These population breaks represent the high-grade graphitic schist unit and the surrounding low-grade zone. Wireframe domains were created for each of the mineralised populations (Figure 4). Interpretation of mineralised domains was extended to a nominal depth of 100m below the ground surface. Interpretation only extended beyond this depth where there was support from drilling. Along strike mineralisation domains were extended halfway between drill lines or up to approximately 300m beyond a drill line where there was support for stratigraphic continuity from aeromagnetic interpretation.
- Wireframe surfaces were created for topography (based on drill hole collars), base of cover, base of complete oxidation and top of fresh rock (based on geological logging).
- An unrotated block model was created using the low and high-grade mineralisation domains with the block model parameters for mineralisation and waste models. The block sizes used allowed for accurate volume representation in areas of dipping mineralisation. Wireframe surfaces for topography, base of cover, base of complete oxidation and top of fresh rock were used to code the block model for air, transported cover, oxidised rock, transitional rock and fresh rock. These weathering domains were used to apply the appropriate densities to the model. Thirteen density determinations have been carried out on HQ and PQ diamond core using a water displacement method.
- Grade estimation was completed for mineralisation and waste defined by wireframe domains using ordinary kriging (OK) with searches oriented using DA. Hard boundaries were employed between waste (<2% TGC), low-grade (>=2% TGC, <15% TGC) and high-grade (>=15% TGC) domains. No resources are reported from within the waste domain. Geostatistical analysis reviewed the need for top-cut of input drill grades and top-cutting was deemed unnecessary. Three search passes were used, the first started at the modelled variogram ranges (90m, 30m, 10m), the second doubled these ranges and the third multiplied these ranges by five. The majority of blocks were informed in the first two search passes. Minor blocks that remained uninformed after the third pass were assigned the average composited drill hole grade for the domain.
- Validation of the resource estimate supports that it is an appropriate global estimate of TGC grade. Validation included visual checks with block model grades comparing well to drill hole grades on a section-by-section basis (Figure 5) and in profile plots generated for eastings, northings and elevation. Statistical checks with average block model grades for mineralised domains reported within +/- 10% of drill hole grades for the same domain.



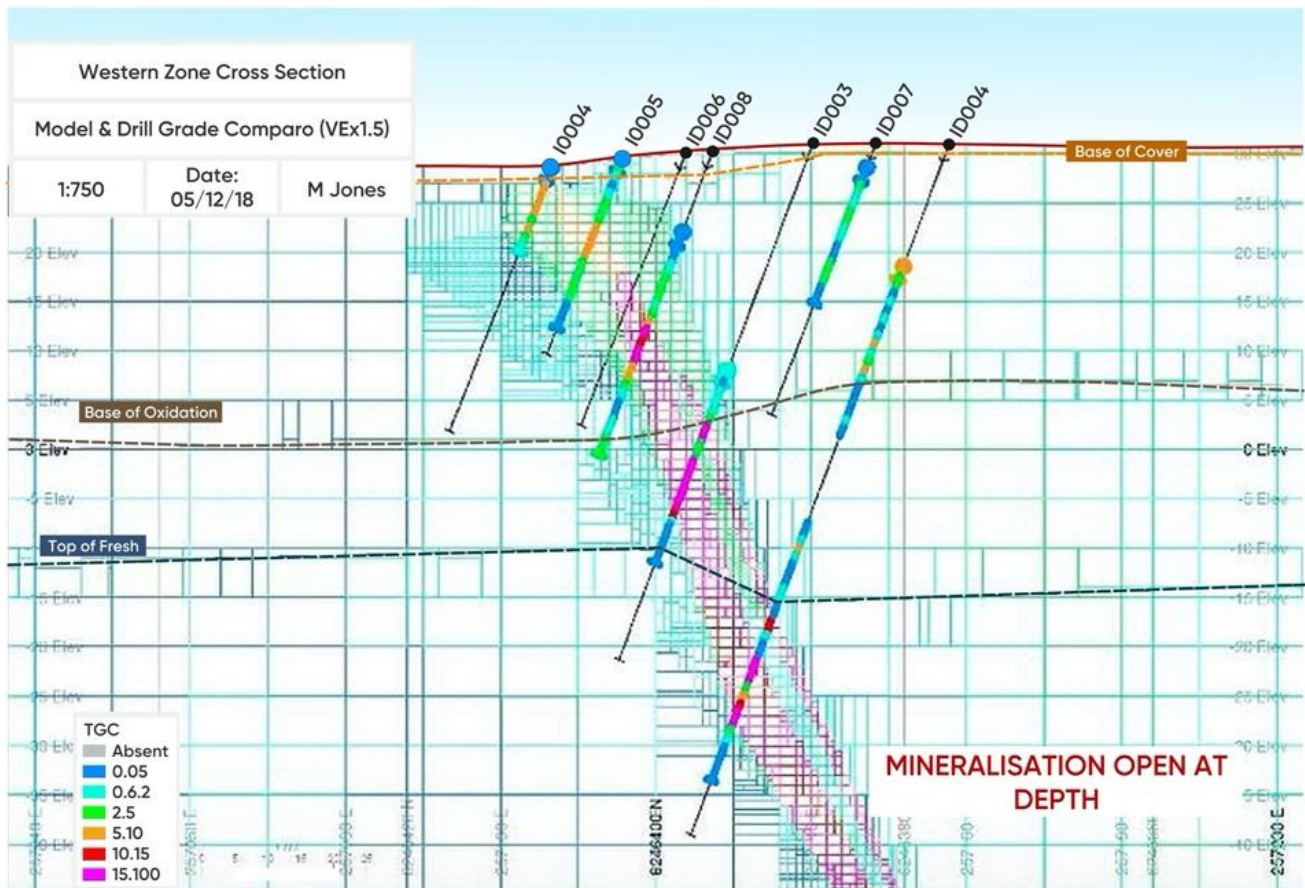


Figure 5. Springdale Graphite Project – Cross sections

Through Northern, Eastern and Western Zones showing comparison of drill hole and estimated block model TGC grades

- All Mineral Resources reported are classified as Inferred. In the Western Zone drilling has been completed on 80 – 200m spaced drill lines roughly perpendicular to strike with holes nominally 30m apart. In the Northern Zone drilling has been completed on 100 – 200m spaced drill lines roughly perpendicular to strike with holes nominally 30m apart. In the Eastern Zone drilling has been completed on 80 – 300m spaced drill lines roughly perpendicular to strike with holes nominally 30m apart. This spacing and distribution is considered sufficient for Inferred Mineral Resource estimations. Excessive extrapolation has not been undertaken with mineralised zones only modelled to 100m below the ground surface except where there was drill support at greater depth. Along strike mineralisation domains were extended halfway between drill lines or up to approximately 300m beyond a drill line where there was support for stratigraphic continuity from aeromagnetic interpretation.

MINING AND METALLURGICAL CONSIDERATIONS

Townend Mineralogy Laboratory conducted a petrographic examination with associated XRD analyses showed that Springdale project contains a variation of graphite flake sizes from Jumbo to Small Flakes. Some flakes were up to 500µm in size. Flakes (>180µm) are common in most samples and these flakes tend to be elongate in nature. Flakes with a blocky habit are more typically in the samples with a small to medium flake size range (75- 180µm).

Flotation test work studies conducted on both diamond core and RC chips from within the Inferred Mineral Resource has reported high levels graphite purity. Further test work also demonstrated that this material can be upgraded +99% graphite and has been used in battery test work studies. There are no reported detrimental minerals within the graphite zone. These results suggest that with further test work, the graphite mineralisation can be processed to produce a saleable product (refer to Comet Resources Limited ASX announcement dated 21 September 2021).

Based on the orientations, thicknesses and depths to which the graphitic lenses have been modelled and their estimated TGC, the potential mining method is considered to be open pit mining. The shallow, high-grade nature of the mineralisation together with positive indications from metallurgical test work is supportive that the deposit has the potential for eventual economic extraction.

3.4 EXPLORATION BY INTERNATIONAL GRAPHITE

International Graphite has not undertaken any exploration or resource development activities on the Springfield Graphite Project. All programs of work have been undertaken by Comet. A summary of the exploration and resource evaluation programs are provided below. Additionally, full drilling details are provided in Appendices B and C:

- July 2015: Potential identified for high-grade graphite mineralisation within the Albany Fraser Range Orogen based on the nearby location of the Halberts Graphite Deposit near Munglinup. A large exploration licence was granted, and access agreements negotiated with local farmers. Initial assessment returns rock chip samples up to 12.2% graphitic carbon.
- June 2016: First pass Aircore drilling (11 hole for 324m) all intersected graphite mineralisation with a best result of 8 metres @ 12.4% TGC from 26m to end of hole (HO6). The mineralisation is open along strike.
- September 2016: A total of 40 aircore holes were completed to define strike extensions of the mineralisation. 4 diamond holes were completed to test for orientation and to provide initial samples for mineralogical and metallurgical assessment.
- Townend Mineralogy Laboratory conducted petrographic examination on 8 selected samples. The samples contained a variation of graphite flake sizes. Some flakes were up to 500 µm in size. Large to Jumbo flakes (>180µm) were reported as common in most samples and these flakes are noted as being elongate in nature. Flakes with a blocky habit are more typically in the small to medium flake size range (75-180µm). 5 The Townend Mineralogy Laboratory report states that "most of the samples contain reasonable quantities of graphite, but the altered nature of the clay bearing examples meant that the graphite flakes were frequently split because of clay penetration." This is expected due to the shallow nature of these samples collected from high in the weathered zone.
- November 2016: Results returned for the 4 diamond holes demonstrate the potential for significant high-grade domains of graphite mineralisation. Results reported were:
 - HD001: 15.8 metres at 10% TGC including 7 metres at 21% TGC.
 - HD002: 8 metres at 10% TGC including 2 metres at 22% TGC.
 - HD003: 17.5 metres at 11 % TGC including 6 metres at 22% TGC.
 - HD004: 10 metres at 13% TGC including 2 metres at 22% TGC.
- September 2017: A further 13 diamond holes were completed with all intersecting significant zones of graphite mineralisation. Diamond drilling ongoing.



Figure 6. High-grade graphite mineralisation intersected in diamond hole HD008



Figure 7. Diamond drilling at Springdale Graphite Project

- September 2017: Major program of RC drilling to provide infill coverage to the diamond drilling program.
- November 2017: 220km² airborne magnetic survey completed over project area (Figure 3) identifies target zones away from the areas of focused drilling indicating significant exploration upside.
- July 2018: Ongoing program of diamond and RC drilling focused on the Northern Zone.
- December 2018: Reporting of Inferred Mineral Resource Estimate.
- October 2019: Results of airborne electromagnetic survey identify numerous conductive horizons interpreted to represent graphite schist horizons. A number of these correlate with significant drilling results returned from a scout program away from the main Inferred Mineral Resource area (Figure 8). The significant exploration results reported were:
 - HR0142: 10 metres @ 16.1% TGC from 40m (includes 7 metres @ 21.6% TGC from 41 metres).
 - HR0150: 9 metres @ 9.5% TGC from 21m (includes 4 metres @ 18.7% TGC from 22 metres).
 - HR0151: 7 metres @ 18.4% TGC from 34m (includes 6 metres @ 26.5% TGC from 53 metres).

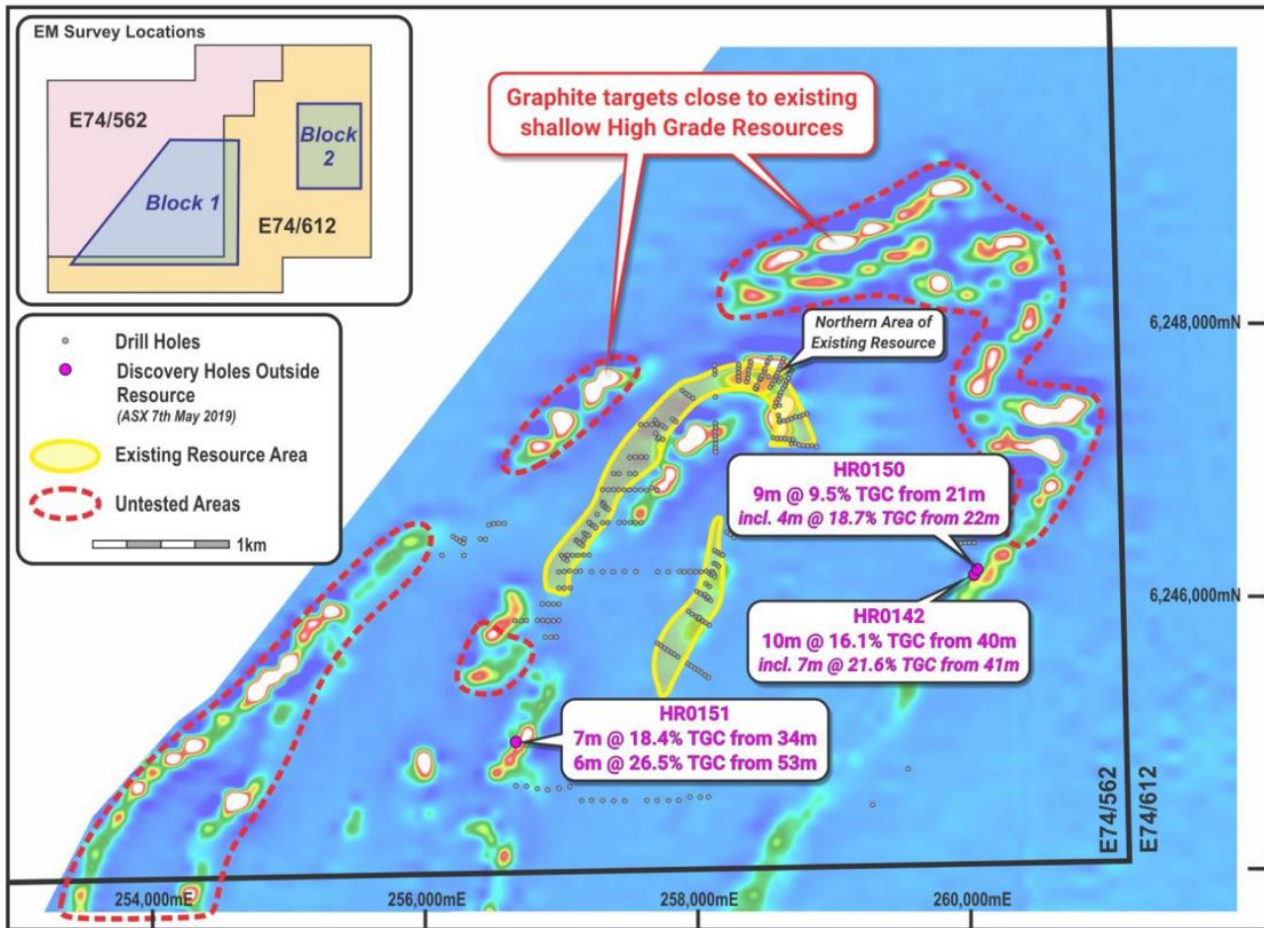


Figure 8. Airborne Electromagnetic Image

EM Channel 24 (Z Component) image showing high priority graphite targets in close proximity to existing resource areas, additional graphite stratigraphic targets and recent discovery holes outside the existing Inferred Mineral Resource.

- October 2019: Results of a 12-hole diamond drilling program designed to infill critical areas of the resource and to provide PQ core for additional metallurgical test work were returned (Figure 9). These significant results have not been updated into the Inferred Mineral Resource. Results from this program included:
 - HD022: 16.9 metres @ 16.5% TGC from 29.2m.
 - HD023: 8.5 metres @ 8.5% TGC from 42.5m.
 - HD024: 4.0 metres @ 10.5% TGC from 23m and 57m @ 22.4% TGC from 35.5m.
 - HD027: 20.2 metres @ 12.8% TGC from 68.5m.
 - HD028: 5.0 metres @ 11.1% TGC from 20m and 11m @ 15.5% TGC from 76.5m.
 - HD0151: 7 metres @ 18.4% TGC from 34m (includes 6 metres @ 26.5% TGC from 53 metres).

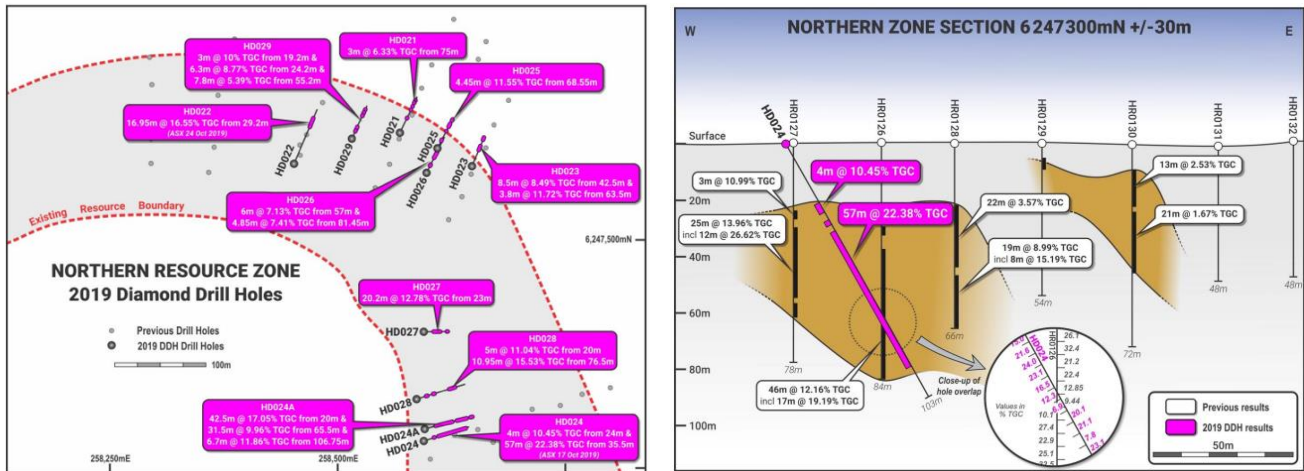


Figure 9. North Zone Drilling Locations and HD024 cross section view

- 2020 - 2021: Ongoing metallurgical test work studies.

3.5 RESOURCE EXPANSION AND EXPLORATION POTENTIAL

The Springdale Graphite Project has a considerable demonstrated endowment and has excellent prospectivity for additional resource growth and new discovery. This is based on the following:

- The Inferred Mineral Resource has not been closed-off along strike to the south or at depth.
- Drilling results returned subsequent to the estimation of the Inferred Mineral Resource indicate the presence of additional high-grade graphite mineralisation (e.g. HD024: 4.0 metres @ 10.5% TGC from 23m and 57m @ 22.4% TGC from 35.5m).
- Geophysical surveys and reconnaissance drilling demonstrates the likely presence of significant additional, shallow zones of high-grade graphite mineralisation within 2 kilometres of the Springdale Inferred Mineral Resource.
- Project wide airborne magnetic data shows clear evidence of additional fold structures analogous to the one that hosts the Springdale Inferred Mineral Resource.

4 WORK PROGRAM

The next stage of resource evaluation and exploration work at the Springdale Graphite Project will focus on the following (Source: International Graphite):

- Increasing the confidence level of the Inferred Mineral Resource to Indicated and Measured (at least in part) status by infill diamond and RC drilling.
- Identify and evaluate new areas outside of the current Inferred Mineral Resource prospective for shallow, high-grade graphite mineralisation.
- Consolidating and expanding the high-grade mineralised domain.
- Collection of all relevant data as inputs into the pre-feasibility, feasibility study activities and permitting.

	Year 1	Year 2	Total
Minimum Subscription			
Mineral Resource evaluation			
Drilling and assay	1,000	300	1,300
Personnel	300	100	400
Sub-total	1,300	400	1,700
Exploration			

	Year 1	Year 2	Total
Drilling and assay	200	200	400
Personnel	50	50	100
Sub-total	250	250	500
Testwork			
Springdale metallurgical testwork	250	250	500
Springdale concentrate and downstream testwork	250	250	500
Sub-total	500	500	1,000
Feasibility Studies and Project Development	150	281	431
Permitting	50	150	200
Stamp duty estimated on the Acquisition	509	-	509
Total per the Minimum Subscription	2,440	1,900	4,340
Additional Spend under the Maximum Subscription			
Feasibility Studies and Project Development	250	750	1,000
Total per the Maximum Subscription	2,690	2,650	5,340

Table 3: Use of Funds – Springdale Graphite Project

5 DECLARATIONS BY OMNI

5.1 INDEPENDENCE

OMNI is an independent consulting organisation which provides a range of services related to the minerals industry including, in this case, independent geological services, but also resource evaluation including management of field programs, corporate advisory, due diligence and risk assessment assistance. The principal office of OMNI is at 1 Coventry Parade, North Fremantle Western Australia, and OMNI's staff work on a variety of projects across a range of commodities worldwide.

This Report has been prepared independently and in accordance with the VALMIN and JORC Codes and in compliance with ASIC Regulatory Guide 112. The author and reviewer do not hold any interest in International Graphite, their associated parties, or in any of the mineral properties which are the subject of this Report. Fees for the preparation of this report are charged at OMNI's standard rates, whilst expenses are reimbursed at cost. Payment of fees and expenses is in no way contingent upon the conclusions drawn in this report. OMNI will charge International Graphite fees of approximately A\$30,000 for the preparation of this Report. OMNI has not had any material prior association with either International Graphite or the mineral assets being assessed.

5.2 QUALIFICATIONS AND RELEVANT EXPERIENCE

Mr Peter Langworthy [BSc (Hons) Geology, MAusIMM] has over 35 years of worldwide experience in the mining industry. Peter is a geologist having graduated from Macquarie University (Sydney) in 1986 and is experienced in exploration, mining geology, developments studies and corporate advisory. Mr Langworthy has been consulting for 10 years after having formed OMNI GeoX in 2011. Mr Langworthy skills are in exploration and feasibility study management, resource evaluation and due diligence reviews, public reporting, training and mentoring, strategic advice, project management, statutory and Competent Persons' reporting. Directly relevant to this report Mr Langworthy was responsible for the strategy and managed the exploration teams that delivered an initial JORC compliant inferred resource for the Razafy Graphite Deposit, southern Madagascar for Malagasy Minerals (project now owned by BlackEarth Minerals Limited).

Mr Michael Martin [BSc (Hons) Geology MAIG] is a geologist with extensive mine production, exploration, feasibility study and resource estimation experience over the past 26 years. This includes geological modelling and interpretation for surface and underground deposits at grade control, exploration and project feasibility levels for both gold, nickel, copper and graphite. Justine's skills include Mineral Resource modelling and estimation, evaluation, technical audits and reviews, geostatistics, reconciliation and grade control, competent persons reporting and project management. Directly relevant to this report Mr Martin completed the initial resource modelling that delivered an initial JORC compliant inferred resource for the Razafy Graphite Deposit, southern Madagascar for Malagasy Minerals (project now owned by BlackEarth Minerals Limited).

6 GLOSSARY OF ABBREVIATIONS AND TECHNICAL TERMS

Term	Explanation
Abbreviations	AIG – Australian Institute of Geoscientists, AUD - Australian dollars, AusIMM – Australasian Institute of Mining and Metallurgy, Ft – foot, g/t – grams per tonne, ha – hectare, JV - joint venture, km – kilometre, km ² – square kilometre, kt – thousand tonnes, m – metre, m ³ – cubic metres, M – million, Ma – million years ago, Mt – million tonnes, Moz – million ounces, oz – ounce, % - percentage, PGE – platinum group elements, ppm – parts per million, ppb – parts per billion, t – tonnes.
Chemical elements	Ag – silver, Au – gold, Co – cobalt, Cr – chromium, Cu – copper, Fe – iron, Li – lithium, Ni – nickel, - Pb – Lead, Zn -zinc, Pt -Platinum, Pd – Palladium, REE – Rare Earth elements
Aerial photography	Photographs taken from an aircraft or other flying object.
Airborne magnetic (aeromagnetic)	A geophysical exploration technique which maps the magnetic signature of rocks from an aeroplane or drone.
Aircore drilling	A method that uses blades to bore a hole into unconsolidated ground. The rods are hollow and contain an inner tube which sits inside the hollow outer rod barrel. The drill cuttings are removed by injection of compressed air into the hole and brought back to the surface up the inner tube.
Alluvium	Loose, unconsolidated sediment that has been eroded by water.
Alteration	A change in mineralogical composition of a rock through reactions with hydrothermal fluids, temperature or pressure changes.
Amphibole	group of rock forming minerals that occur most frequently in igneous and metamorphic rocks.
Amphibolite facies	A rock composed largely of amphibole and other similar minerals as a result of metamorphic processes.
Anticline	An arched shape formed by folded or faulted rocks, with a crest (high point) and limbs
Archaean	Era of the geological time scale within the Precambrian aeon containing rocks greater than 2500 Ma.
Assay	The process of determining the content of a mineral or metal through a range of physical or chemical techniques.
Auger	A screw bit used to retrieve soil or rock samples from unconsolidated material.
Banded Iron Formation	Iron formation that shows banding, generally of iron-rich minerals and chert or fine-grained quartz.
Basalt	A fine-grained igneous rock consisting mostly of plagioclase feldspar and pyroxene.
Bedrock	The solid rock lying beneath superficial material such as gravel or soil.
Carbonatite	igneous rock which may be intrusive or extrusive and contains more than 50% carbonate minerals.
Cenozoic	The era that covers earth's history during the last 65 Ma.
Chalcopyrite	Iron-copper sulphide. An important component of some copper ore.
Complex	A unit of rocks composed of rocks of two or three metamorphic, igneous or sedimentary rock types.
Craton	Old and stable part of continental lithosphere; 2 topmost layers, the crust and upper mantle
Cut-off grade	The grade that differentiates between mineralised material that is economic or not to mine.
Diamond drilling	Drilling method that uses rotating drill rods with a diamond impregnated cutting bit to produce lengths of whole drill core

Term	Explanation
Diatreme	Pipe like volcanic conduit formed deep in earth's crust by explosive energy of magmatic gases.
Diorite	Dark coloured, coarse grained plutonic rock.
Dolerite	Medium grained intrusive igneous rock of basaltic composition.
Dunite	Variety of peridotite, composed almost entirely of olivine, but may include pyroxene, plagioclase and chromite.
Duricrust	A hard crust formed on the surface or within the upper horizons of soil in a semi-arid climate where evaporation is nearly equal to rainfall.
Exploration Target	A statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource.
Flotation	Mineral processing method to separate and concentrate ores by selectively separating hydrophobic materials from hydrophilic.
Formation	A defined interval of strata, often comprising similar rock types.
Fractionation	Process that separates an initially homogenous closed magma body into two or more daughter magmas of different chemical composition, thus developing more than a single type of igneous rock from a common magma.
Gabbro	A coarse-grained, dark-coloured, intrusive igneous rock.
Galena	Lead sulphide, the main ore of lead.
Geophysical survey	A survey that measures the physical properties of rock formations, commonly magnetism, specific gravity, electrical conductivity and radioactivity.
Gneiss	A common and widely distributed type of rock formed by high-grade regional metamorphic processes from pre-existing formations that were originally either igneous or sedimentary rocks. Gneissic rocks are coarsely foliated and largely recrystallised.
Granodiorite	A common and widely occurring type of intrusive, felsic, igneous rock.
Granite	A coarse grained intrusive felsic igneous rock.
Graphite	Wv3ev23rv
Greenschist facies	Assemblage of minerals formed during regional metamorphism.
Greenstone Belt	Greenstone belts are zones of variably metamorphosed mafic to ultramafic volcanic sequences with associated sedimentary rocks that occur within Archaean and Proterozoic cratons between granite and gneiss bodies.
Greenstone	Zones of variably metamorphosed mafic to ultramafic volcanic sequences with associated sedimentary rocks that occur within Archaean and Proterozoic cratons between granite and gneiss bodies
Hornblende	Silicate mineral, the most common of the amphibole group and important constituent of metamorphic rocks.
Igneous	Rock is formed through the cooling and solidification of magma or lava.
Intercept	Mineralised intersection in a drill hole.
Intrusion	A rock formed when magma cools slowly below the earth's surface.
Intrusive	A rock formed when magma cools slowly below the Earth's surface.
JORC Code	The JORC Code provides minimum standards for public reporting to ensure that investors and their advisers have all the information they would reasonably require for forming a reliable opinion on the results and estimates being reported. The current version is dated 2012.
Komatiite	An extrusive ultramafic rock which is emplaced as viscous lava flows.
Leco Method	An analysis method to measure TGC in which carbonates are destroyed by treatment with hydrochloric acid and organic carbon is converted to carbon dioxide and eliminated by heating in air at 400° in a Leco furnace.
Loam	A soil with roughly equal proportions of sand silt and clay.
Mafic	Silicate minerals, magmas, and volcanic and intrusive igneous rocks that have relatively high concentrations of the heavier and darker minerals.
Marble	
Metamorphism	Alteration of the minerals, texture and composition of a rock caused by exposure to heat, pressure and chemical actions.

Term	Explanation
Mineral Resource	'A 'Mineral Resource' is a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.' (JORC 2012)
Mineralisation	The process by which a mineral or minerals are introduced into a rock, resulting in a valuable deposit.
Mineralised domain	A geological or geostatistical method to classify certain areas within a common boundary
MLEM	Moving Loop Electromagnetic Survey. Used for identifying conductive bodies
Olivine	Common rock forming mineral typical of ultramafic and mafic intrusive or volcanic rocks.
Pegmatitic	Coarse grained igneous rock typically found around the margins of large deep seated plutons.
Pentlandite	Iron-nickel sulphide. An important component of some nickel ore.
Pisolite	A rock comprised of round, pea-shaped particles, often composed of carbonate and iron minerals.
Pluton	Any massive body of igneous rock formed beneath the surface of the earth by the consolidation of magma or metasomatic replacement of older rock
Porphyritic	A texture describing large crystals in a groundmass of smaller crystals or glass.
Protolith	Primary (first) lithology
Pyrite	Iron disulphide, (FeS ₂).
Pyrrhotite	Composition close to that of iron sulphide, but deficient in iron. Some pyrrhotite is magnetic, important ore of nickel deposits
QA/QC	Quality assurance and quality control processes to determine accurate and consistent results
Quartz	Crystalline silica (SiO ₂).
Quartzite	A metamorphic rock formed when quartz-rich sandstone or chert has been exposed to high temperatures and pressures.
RAB	Rotary Air Blast, a drilling method comprising a rotating percussive bit which generates rock chip samples generally at shallow depths.
Regolith	Loose unconsolidated rock that sits atop a layer of bedrock
Reverse circulation drilling (RC)	Drilling method that uses compressed air and a hammer bit to produce rock chips.
Serpentine	Rock forming minerals found in low grade metamorphic environments and are derived from magnesium silicates.
Sill	Tabular igneous intrusion with boundaries conformable with the planar structure of the surrounding rock.
Sphalerite	A mineral comprised of zinc and sulphur with iron – zinc sulphide, the main economic ore of zinc.
Stratigraphic	The sequence of rock units through time.
Stratigraphy	The study of stratified rocks, their timing, characteristics and correlations in different locations.
Strike	Geological measurement – the direction of bearing of bedding or structure in the horizontal plane.
Structural orientation (Dip / Azimuth)	Method of measuring rock strata. Dip relates to the angle from the horizontal and azimuth is the direction the strata is dipping towards.
Supracrustal	Rocks deposited on existing basement rocks of the crust which may be further metamorphosed from either sedimentary and/or volcanic rocks.
Synform / Syncline	A synform is a geological feature is composed of stratigraphic layers in a concave formation. A syncline has been determined to have younger stratigraphic sequences overlying older.
Tholeiitic	Basalt variety that is poor in alkalis.
TMI	Total Magnetic Intensity (TMI) data measures variations in the intensity of the earth's magnetic field caused by the contrasting content of rock forming minerals in the earth's crust.

Term	Explanation
Total Graphitic Carbon (TGC)	
Ultramafic	Igneous rocks with very low silica content (less than 45%), generally >18% MgO, high FeO, low potassium and are composed of usually greater than 90% mafic minerals.
VALMIN Code	The Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets, 2015 Edition. The VALMIN Code provides a set of fundamental principles (Competence, Materiality and Transparency), mandatory requirements and supporting recommendations accepted as representing good professional practice to assist in the preparation of relevant Public Reports on any Technical Assessment or Valuation of Mineral Assets. It is a companion to the JORC Code.
Vein	A tabular or sheet like body of one or more minerals deposited in openings of fissures, joints, or faults.
Volcanic	Process of exhalation of rock matter through various classifications of volcanoes
Weathering	The process by which rocks are broken down and decomposed by the action of wind, rain, changes in temperature, plants and bacteria.
Wireframe surfaces	A digital process to link common domains of interest. Used in mineral resource estimation modelling
XRD Analysis	A process to analyse mineral species by a process of X-ray diffraction.

Appendix A

Springdale Graphite Project Mineral Resource Table

Domain	Tonnes (Mt)	Density (t/m ³)	Graphite (TGC%)	Classification
High-grade	2.6	2.1	17.5	Inferred
Low grade	13.0	2.2	3.7	Inferred
Total	15.6	2.2	6.0	Inferred

Appendix B

Springdale Graphite Project Drilling Collars and Significant Intersections

Drillhole Collars utilised in Mineral Resource (MGA94 / Zone 1)							
Hole No	Easting	Northing	RL	Type	Dip	Azi	EOH
H0004	257106	6246407	29	AC	-60	304	31
H0005	257115	6246401	30	AC	-60	304	23
H0007	257115	6246378	31	AC	-60	304	32
H0009	257300	6246688	29	AC	-60	304	29
H0010	257308	6246682	29	AC	-60	304	41
H0013	257078	6246300	31	AC	-90	0	30
H0014	256978	6246179	29	AC	-90	0	30
H0015	257018	6246180	30	AC	-90	0	30
H0016	257058	6246181	30	AC	-90	0	30
H0017	257100	6246181	31	AC	-90	0	30
H0018	257137	6246183	31	AC	-90	0	30
H0024	257058	6246061	29	AC	-90	0	30
H0025	257016	6246061	29	AC	-90	0	26
H0026	256977	6246061	29	AC	-90	0	30
H0039	257300	6246538	29	AC	-90	0	30
H0040	257337	6246539	28	AC	-90	0	30
H0046	257699	6246779	31	AC	-90	0	22
H0047	257657	6246792	33	AC	-90	0	23
H0048	257620	6246779	30	AC	-90	0	30
H0049	257581	6246779	30	AC	-90	0	29
H0050	257537	6246779	29	AC	-90	0	25
H0051	257496	6246780	27	AC	-90	0	30
H0052	257416	6246780	27	AC	-90	0	30
H0053	257458	6246780	27	AC	-90	0	36
H0054	257379	6246781	26	AC	-90	0	30
H0055	257381	6246899	26	AC	-90	0	30
H0056	257418	6246899	26	AC	-90	0	36
H0057	257499	6247018	26	AC	-90	0	30
H0058	257539	6247019	26	AC	-90	0	30
H0059	257579	6247019	26	AC	-90	0	30
H0060	257619	6247020	26	AC	-90	0	30
H0061	257701	6247151	26	AC	-90	0	33
H0063	257620	6247258	27	AC	-90	0	39
H0064	257661	6247258	26	AC	-90	0	30
H0065	257700	6247259	26	AC	-90	0	30
H0079	257940	6246179	28	AC	-90	0	30
H0080	257980	6246179	29	AC	-90	0	6
H0101	257118	6246301	31	AC	-90	0	30
H0102	257157	6246301	31	AC	-90	0	19
H0103	257198	6246302	31	AC	-90	0	30
H0107	257338	6246781	28	AC	-90	0	30
H0108	257297	6246781	27	AC	-90	0	23
H0109	257498	6246899	26	AC	-90	0	30
H0110	257537	6246898	27	AC	-90	0	36
H0113	257169	6246461	30	AC	-90	0	41
HR0001	258060	6246185	28	RC	-60	304	59
HR0002	258084	6246168	28	RC	-60	304	60
HR0003	257995	6246035	27	RC	-60	304	48
HR0004	258019	6246018	27	RC	-60	304	54
HR0008	258094	6245968	26	RC	-60	304	50
HR0009	257930	6245886	27	RC	-60	304	50
HR0010	257954	6245869	27	RC	-60	304	50
HR0011	257984	6245849	27	RC	-60	304	50
HR0013	258030	6245819	25	RC	-60	304	50
HR0014	258054	6245803	24	RC	-60	304	50
HR0015	258079	6245785	23	RC	-60	304	50
HR0016	257751	6245621	22	RC	-60	304	50
HR0017	257702	6245654	21	RC	-60	304	49
HR0018	257726	6245637	21	RC	-60	304	50
HR0019	257775	6245605	22	RC	-60	304	50

Drillhole Collars utilised in Mineral Resource (MGA94 / Zone 1)							
Hole No	Easting	Northing	RL	Type	Dip	Azi	EOH
HR0020	257802	6245587	23	RC	-60	304	48
HR0021	257825	6245571	23	RC	-60	304	50
HR0022	257850	6245553	24	RC	-60	304	50
HR0023	257925	6245503	25	RC	-60	304	50
HR0024	257949	6245486	25	RC	-60	304	50
HR0025	257976	6245468	25	RC	-60	304	50
HR0026	257999	6245454	26	RC	-60	304	50
HR0027	258025	6245436	27	RC	-60	304	50
HR0028	258049	6245419	27	RC	-60	304	50
HR0029	258074	6245403	26	RC	-60	304	50
HR0031	258120	6247693	26	RC	-60	304	50
HR0035	258122	6246334	28	RC	-60	304	50
HR0036	258149	6246317	28	RC	-60	304	50
HR0037	258174	6246300	28	RC	-60	304	72
HR0038	258212	6246466	25	RC	-60	304	50
HR0039	258238	6246448	26	RC	-60	304	50
HR0040	258264	6246432	26	RC	-60	180	60
HR0041	258126	6247061	24	RC	-60	180	50
HR0042	258126	6247088	25	RC	-60	180	50
HR0043	258126	6247118	25	RC	-60	180	50
HR0044	258126	6247148	26	RC	-60	180	54
HR0045	258127	6247179	26	RC	-60	180	60
HR0046	258127	6247209	26	RC	-60	180	54
HR0047	258548	6247161	26	RC	-60	277	50
HR0050	258577	6247158	26	RC	-60	277	33
HR0051	258607	6247155	25	RC	-60	277	50
HR0052	258636	6247153	25	RC	-60	277	50
HR0053	258666	6247151	24	RC	-60	277	49
HR0054	258696	6247149	24	RC	-60	277	38
HR0055	258563	6247392	26	RC	-60	205	50
HR0056	258572	6247417	27	RC	-60	205	50
HR0057	258591	6247447	28	RC	-60	205	50
HR0058	258598	6247474	27	RC	-60	205	50
HR0059	258458	6247593	26	RC	-60	205	48
HR0060	258470	6247618	26	RC	-60	205	50
HR0061	258484	6247651	27	RC	-60	205	50
HR0062	258491	6247667	26	RC	-60	205	50
HR0063	258506	6247707	26	RC	-60	195	50
HR0064	258163	6246307	28	RC	-60	305	72
HR0065	258118	6246148	27	RC	-90	180	102
HR0066	258125	6247238	27	RC	-60	180	60
HR0067	258126	6247269	27	RC	-60	180	60
HR0068	258127	6247460	26	RC	-60	180	50
HR0069	258006	6245839	26	RC	-60	305	78
HR0071	258070	6245991	26	RC	-60	305	120
HR0072	258099	6246163	28	RC	-70	305	72
HR0073	257740	6247152	26	RC	-60	305	96
HR0074	257735	6247253	25	RC	-60	305	48
HR0075	257756	6247235	25	RC	-60	305	78
HR0076	258052	6246011	26	RC	-60	305	84
HR0077	258079	6246073	27	RC	-60	305	108
HR0078	258056	6246090	27	RC	-60	305	60
HR0079	258121	6246239	29	RC	-60	305	60
HR0080	258146	6246223	29	RC	-60	305	132
HR0081	258133	6246232	29	RC	-60	305	72
HR0082	258466	6247615	26	RC	-60	025	42
HR0083	258459	6247603	26	RC	-60	205	60
HR0084	257811	6247297	25	AC	-60	305	78
HR0085	257840	6247277	25	AC	-60	305	78
HR0086	258122	6247630	25	AC	-60	180	50
HR0087	258122	6247659	25	AC	-60	180	78
HR0089	257686	6247291	26	RC	-60	125	60
HR0090	257883	6247509	26	RC	-60	305	50
HR0091	257909	6247490	25	AC	-60	305	50
HR0092	257932	6247472	25	AC	-60	305	48
HR0093	257961	6247454	25	AC	-90	305	48
HR0094	258387	6247721	26	RC	-90	0	44
HR0095	258380	6247690	26	RC	-90	0	46

Drillhole Collars utilised in Mineral Resource (MGA94 / Zone 1)							
Hole No	Easting	Northing	RL	Type	Dip	Azi	EOH
HR0096	258369	6247659	25	RC	-90	0	48
HR0097	258369	6247632	25	RC	-90	0	54
HR0098	258364	6247602	25	RC	-90	0	42
HR0099	258359	6247573	25	RC	-90	0	54
HR0100	258294	6247700	26	RC	-90	0	48
HR0101	258296	6247670	25	RC	-90	0	48
HR0102	258297	6247642	25	RC	-90	0	48
HR0103	258296	6247610	25	RC	-90	0	45
HR0104	258295	6247584	25	RC	-90	0	66
HR0105	258528	6247748	26	RC	-90	0	48
HR0106	258513	6247719	26	RC	-90	0	48
HR0109	258434	6247545	25	RC	-90	0	49
HR0110	258529	6247531	26	RC	-90	0	48
HR0111	258541	6247557	26	RC	-90	0	60
HR0112	258557	6247583	27	RC	-90	0	54
HR0113	258567	6247611	27	RC	-90	0	48
HR0114	258581	6247637	27	RC	-90	0	72
HR0115	258593	6247667	27	RC	-90	0	66
HR0116	258606	6247495	28	RC	-90	0	54
HR0117	258622	6247522	28	RC	-90	0	66
HR0118	258636	6247548	27	RC	-90	0	48
HR0119	258647	6247573	27	RC	-90	0	54
HR0120	258663	6247601	24	RC	-90	0	66
HR0121	258672	6247627	27	RC	-90	0	54
HR0122	258687	6247654	27	RC	-90	0	48
HR0123	258603	6247692	27	RC	-90	0	48
HR0124	258617	6247715	26	RC	-90	0	60
HR0125	258628	6247742	26	RC	-90	0	48
HR0126	258629	6247287	26	RC	-90	0	84
HR0127	258598	6247278	26	RC	-90	0	78
HR0128	258654	6247292	26	RC	-90	0	66
HR0129	258684	6247301	26	RC	-90	0	54
HR0130	258714	6247314	26	RC	-90	0	72
HR0131	258744	6247318	25	RC	-90	0	48
HR0132	258769	6247331	27	RC	-90	0	48
HR0133	258799	6247338	25	RC	-90	0	48
HR0134	258683	6247117	26	RC	-90	0	48
HR0135	258716	6247118	26	RC	-90	0	48
HR0136	258737	6247111	26	RC	-90	0	48
HR0137	258769	6247105	26	RC	-90	0	48
HR0138	258800	6247102	26	RC	-90	0	48
HR0139	258834	6247105	26	RC	-90	0	48
HR0140	258867	6247096	26	RC	-90	0	48
HD001	257236	6246513	30	DDHQ	-60.5	304	60.4
HD002	257248	6246505	30	DDHQ	-60.6	300	81.3
HD003	257138	6246384	31	DDHQ	-60.5	300	60.2
HD004	257155	6246372	31	DDHQ	-60.7	303	80.3
HD005	257223	6246521	30	DDHQ	-60	304	35.4
HD006	257177	6246454	30	DDHQ	-59.4	304	42.3
HD007	257194	6246444	31	DDHQ	-60.5	305	59.3
HD008	257126	6246392	30	DDHQ	-60.5	302	35.4
HD009	257016	6246277	30	DDHQ	-59.9	305	56.6
HD010	257033	6246267	30	DDHQ	-60.1	305	80.4
HD011	257300	6246665	28	DDHQ	-59.4	304	44.6
HD012	257317	6246653	29	DDHQ	-59.9	304	68.6
HD013	257337	6246640	28	DDHQ	-60	303	90.4
HD014	258089	6246171	28	DDHQ	-60	301	32.6
HD015	258100	6246163	28	DDHQ	-60.4	309	46.5
HD016	257688	6247192	26	DDHQ	-60.2	302	59.5
HD018	258107	6246160	28	DDPQ	-90	360	66.2
HD019	257326	6246647	28	DDPQ	-60	304	75
HD020	257712	6247166	25	DDPQ	-60	304	80

Drillhole Collars from drilling completed subsequent to Mineral Resource Estimation (MGA94 / Zone 1)							
Hole No	Easting	Northing	RL	Type	Dip	Azi	EOH
HD021	258569	6247619	26	DDH	-60	025	85.8
HD022	258452	6247585	26	DDH	-60	025	60.2
HD023	258648	6247582	27	DDH	-60	022	70
HD024	258595	6247280	26	DDH	-60	074	103.4
HD025	258610	6247601	27	DDH	-60	026	77.7
HD026	258597	6247574	27	DDH	-60	027	86.3
HD027	258595	6247400	26	DDH	-70	090	86.4
HD028	258587	6247326	27	DDH	-60	074	112.3
HR0140	258867	6247096	24	RC	-90	0	48
HR0141	260040	6246189	23	RC	-60	145	78
HR0142	260037	6246148	23	RC	-60	325	72
HR0143	258607	6247156	25	RC	-60	095	57
HR0144	258638	6247153	24	RC	-60	095	66
HR0145	259898	6246387	22	RC	-60	269	50
HR0146	259926	6246388	21	RC	-60	269	50
HR0147	259958	6246389	22	RC	-60	269	50
HR0148	259988	6246390	23	RC	-60	269	50
HR0149	260020	6246392	24	RC	-60	269	60
HR0150	260028	6246159	23	RC	-60	325	46
HR0151	256668	6244935	24	RC	-60	310	72

Appendix C

JORC Code Table 1 – Springdale Graphite Project

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling Techniques	• <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	The mineral resource estimate was based on data collected predominately from reverse circulation (RC) and diamond core (DD) drill holes, with a small number of aircore holes included where RC and DD drill hole density was low. All drill holes were completed by Comet Resources Limited (CRL) during the period 2016 to 2018. Sampling was performed at a uniform 1m interval in RC and AC drilling and predominately 1m (or less) in DD. Sampling techniques performed are considered to be of an industry standard and were conducted or supervised by qualified geological personnel. Reverse circulation drilling produced samples that were collected at one-metre intervals using a cone splitter to produce an approximate three-kilogram sample, which is considered representative of the full drill metre. Diamond drilling (HQ and PQ) produced samples that were cut into 1/2 core; one side of 1/2 core then being cut to produce two sections of 1/4 core. The 1/4 core was sampled to produce an approximate two kilogram sample, which is considered representative of the full drill metre. Some half core was used for routine samples in instances where core was broken or highly weathered (friable or clay-rich). Aircore drilling produced samples that were collected at one-metre intervals using a cone splitter to produce an approximate three-kilogram sample, which is considered representative of the full drill metre. Drill samples selected for analysis were limited to those containing visible graphite, together with a minimum five metre buffer of barren country rock. Analyses were undertaken by ALS Laboratories Perth and included Graphitic Carbon, with selected Au and multi-element analyses.
Drilling Techniques	• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face- sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	The Springdale drill data base utilised in resource estimation includes 102 RC (5911m), 18 DD (1080m) and 30 AC drill holes (909m). RC drill holes were completed by Three Rivers Drilling using a Schramm T450 RC drill rig with an onboard 900psi / 2200cfm compressor. An auxiliary booster was used on the majority of holes deeper than 70m.

Criteria	JORC Code explanation	Commentary
		The majority of drilling was carried out using a 100mm RC face sampling hammer. When clays became problematic, a 100mm blade bit was used. DD holes were completed by ONQ Exploration Solutions using a Desco 7000 rig. Triple tube HQ and PQ core were recovered. AC drill holes were completed by ONQ Exploration Solutions using an Edson 200 rig with a 400/200 compressor and a 90mm AC blade or hammer bit. Where RC and/or DD drill coverage was sufficient AC holes were excluded from the resource estimation process.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	RC and AC recoveries were considered good, with available air for drill sample recovery being deemed adequate for the ground conditions and depth of sampling undertaken. DD core recoveries were recorded over core runs and were good in fresh and moderately weathered material. Core recovery was reduced in some instances in highly weathered clay zones and this has been taken into consideration during resource estimation procedures. Appropriate measures have been undertaken to maximise sample recovery and ensure the representative nature of samples, including: • terminating RC and AC holes in the advent of reduced recovery at depth; • utilising triple tube DD core methods and tailoring run lengths to ground conditions (e.g. short runs in clay-rich or broken ground); and • increasing core diameter (PQ rather than HQ) for holes targeting mineralisation in shallow highly weathered material. No apparent relationship is seen between sample recovery and grade.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	Geological logging of the drill chips and core were recorded by a geologist for all holes and included description of lithology, mineralogy, veining, alteration, structure, grainsize, texture, weathering, oxidation, colour and other features of the samples. Logging of RC and AC drill chips is considered to be semi- quantitative, given the nature of rock chip fragments, whilst logging of DD is considered quantitative in nature. All diamond core was photographed (wet and dry). All drill holes were logged in their entirety (100%) and this logging is considered reliable and appropriate for the mineral resource estimate study undertaken. Geotechnical logging has not been undertaken.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	All RC and AC one-metre sub-samples from drill holes were collected from a cone or rotary splitter respectively, to produce an ~15% routine split sample for analysis. Diamond core one-metre (or smaller) samples were collected by diamond core quartering in competent material, or diamond core halving in broken or friable material. Quality Control and Quality Assurance (QAQC) procedures implemented to check sampling and assaying precision included duplicate samples (predominately using the same sub-sampling method) and pulp repeats. Sampling quality was also monitored using sample pulp sizing data and internal laboratory blanks. Review of this QAQC data has revealed that sample repeatability is acceptable and improved at higher grades, whilst the performance of blanks is very good and sample preparation (pulverisation) is acceptable. All samples were weighed on arrival at ALS laboratories Perth and the weights recorded along with analytical results. Routine sample preparation included drying, coarse crushing (-6mm) and total sample pulverisation (nominal 90% passing -75µm) and splitting to prepare a pulp of approximately 200 grams. The sample sizes are considered to be appropriate to adequately represent the mineralisation style under investigation.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	ALS laboratories performed Total Graphitic Carbon (TGC) assays on all routine and related QAQC samples. TGC analyses were performed using the Leco Method, in which carbonates are destroyed by treatment with hydrochloric acid and organic carbon is converted to carbon dioxide and eliminated by heating in air at 400° in a Leco furnace. This is an accepted industry analytical process appropriate for the determination of TGC and suitable for the nature and style of mineralisation under investigation. In addition to the QAQC procedures mentioned above relating to sampling precision and quality, assaying accuracy was monitored using Certified Reference Materials (CRM) submitted by CRL with each sample batch and the additional use of internal CRMs by the primary laboratory (ALS). A review of all CRM samples has revealed that ALS internal quality control procedures were satisfactory and that an acceptable level of accuracy has been achieved.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel.	No verification work has been conducted to date and no independent or alternative company has been engaged to verify results. Twin hole studies have not been completed.

Criteria	JORC Code explanation	Commentary
	<i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i>	A tailored structured database was devised for the storage of all Springdale digital drilling information. The database features a hierarchical database structure and procedures and data validation features designed to collate and maintain the integrity of all Springdale drill data. No adjustment has been made to assay data.
<i>Location of data points</i>	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used. Quality and adequacy of topographic control.</i>	All drill hole sites have been located using a Navcon SF-3050 unit used for DGPS/DGNSS surveying. The recorded locations used the MGA94 Zone 51 datum and the 1971 AHD. Accuracy is estimated at approximately. 10 cm. In the case of diamond drill holes, regular down-hole surveys (dip and azimuth) were collected using a single shot magnetic survey tool. A time-dependent declination was applied to magnetic readings to determine MGA94 Zone 51 azimuths.
<i>Data spacing and distribution</i>	<i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i>	In the Western Zone drilling has been completed on 80 – 200m spaced drill lines roughly perpendicular to strike with holes nominally 30m apart In the Northern Zone drilling has been completed on 100 – 200m spaced drill lines roughly perpendicular to strike with holes nominally 30m apart In the Eastern Zone drilling has been completed on 80 – 300m spaced drill lines roughly perpendicular to strike with holes nominally 30m apart This spacing and distribution is considered sufficient for Inferred mineral resource estimations.
<i>Orientation of data in relation to geological structure</i>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	The orientation of the drilling is not expected to introduce sampling bias. Most drill holes have intersected the mineralisation at a sufficient angle to the strike and dip of the mineralised units.
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	All samples were collected in calico sample bags with sample number identification on the bag. Bags were then checked against field manifests and loaded into plastic bags for transportation to ALS sample preparation in Perth WA (transported by Comet staff). Bags were checked on receipt by ALS and any discrepancies relative to the field manifest addressed/resolved.

Criteria	JORC Code explanation	Commentary
		Security over sample dispatch is considered adequate for these samples at this time.
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	No external audits or reviews have yet been conducted to date.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	Exploration license E74/562 that holds the Springdale Resource is current and 100% owned by Intergraph on conclusion of the IPO transaction with Comet Resources Ltd. Exploration license E74/612 adjoins E74/562 to the east. The tenement does not currently have any identified resources, however considerable exploration potential exists. The Project is largely covered by Freehold Agricultural properties with minor corridors of Shire roads and associated easements. Preliminary environmental studies have identified limited areas that will require additional environmental assessment prior to any further work. E74/0612 was granted subject to conditions requiring the Holder enter into Indigenous Land Use Agreements with the Wagyl Kaip Southern Noongar People and the Esperance Nyungars prior to exercising any of the rights, powers or duties pursuant to the licence. There are no outstanding issues regarding access or ownership on the targeted land.
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	All information in this Independent Technical Assessment Report relating to resource estimation and exploration activities were completed by Comet Resources Limited. The work has been reviewed by OMNI GeoX and is considered to meet the requirements under the JORC Code 2012 and Valmin 2015 requirements. OMNI has relied upon certain data as provided by Intergraph and has not undertaken any detailed re-modelling or estimation of the resource.
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	Archaean greenstone belt and the surrounding Archaean Munglinup Gneiss which encapsulates the Belt. The greenstone belt is located within the deformed southern margin of the Yilgarn Craton and constitutes part of the Northern Foreland lithotectonic unit of the Albany-Fraser

Criteria	JORC Code explanation	Commentary
		Orogen. Two different mineral deposit models are proposed: • A - Archaean style gold, nickel copper mineralisation in remnant greenstone and reworked Yilgarn Craton rocks; and • B - Graphite mineralisation within metamorphosed Archaean granitic and sedimentary rocks. Additionally, the collection of exploration data will done in such a way that additional deposits such as Intrusive related nickel-copper-PGE deposits and rare earth deposits will be identified if present.
Drill hole information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - easting and northing of the drill hole collar - elevation or RL (Reduced Level elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole o down hole length and interception depth - hole length. - If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	A listing of the entire drill hole database used to estimate the resource has been attached to the rear of this report.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of lo- grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	No new exploration results have been reported in this release. Reported intersections are based on an average of reverse circulation sample intervals. These intervals are uniformly 1 metre. No upper cuts are applied. Internal dilution of up to 1 metre has been incorporated in intersection calculations. No metal equivalents have been used in this report. A lower cut-off grade of 1% TGC has been used and nominal 1 metre waste (below 1%) has been included in extended intervals. Higher grade intercepts use a cut- off of 10% TGC.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Any intersections included in this report are downhole lengths. The true widths of these intersections are taken account by the wireframe modelling process.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should	Relevant maps, diagrams and tabulations are included in the body of this report.

Criteria	JORC Code explanation	Commentary
	<i>include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Mineral Resources are being reported in this announcement. No new exploration results have been reported in this release. A table of all drilling results is provided within the report.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	All material information, at least in summary, is included in this Report.
Further work	- The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). - Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Infill, depth and strike extension drilling of the resource has being planned A series of exploration targets have been identified and they will be systematically tested over time.

Section 3: Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	- Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. - Data validation procedures used.	A structured digital drilling database has been in place since inception of the Springdale Project in 2016. The Springdale deposit drill and survey databases use Microsoft Access, a relational database management system operating under Windows. The database is routinely checked and validated internally by various methods, including cross-validation during uploading into the CRL resource estimation software database (Datamine). These check and validation runs have not encountered any major errors and indicate that the data- loading undertaken was free of errors that would significantly affect resource estimation. OMNI has reviewed the resource and in its opinion believes the interpretation and estimation is reasonable to be classified as an Inferred Resource
Site visits	- Comment on any site visits undertaken by the Competent Person and the outcome of those visits. - If no site visits have been undertaken indicate why this is the case.	Mr Jones was a full-time employee of Comet Resources as Exploration Manager. He visited site on numerous occasions and oversaw the majority of the drilling included in the Resource Estimate. Mr Langworthy (OMNI) visited site as due diligence on the 5th Dec 2021 and inspected key areas where resource drilling had ben undertaken. The drill holes were located and Mr Langworthy was satisfied that the reported works had been undertaken.

Criteria	JORC Code explanation	Commentary
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	The confidence of the geological interpretation of low and high-grade graphitic horizons is considered robust for the purpose of estimated and reporting Inferred resources. Graphite is hosted stratigraphically within graphitic schists and gneiss. The location of drilling intercepts of graphitic stratigraphy confirms the anticipated position of the lenses. Graphite-rich stratigraphy sits within distinct magnetic lows which can be interpreted from high resolution aeromagnetic data that covers the project area. Continuity of mineralization is affected by stratigraphic position and structural position with thickening of prospective units occurring in fold closures. The boundary between graphitic schists and gneiss is usually sharp leaving few options to move the position of interpreted mineralization. No alternative interpretation has been considered at present. The weathered horizons (base of oxidation, transitional and top of fresh) have been generated from geological logging of AC, RC and DD holes. OMNI has reviewed the resource and in its opinion believes the interpretation and estimation is reasonable to be classified as an Inferred Resource
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	The mineral resource encompasses the parts of the Springdale Project that have been drill tested. This includes approximately 4 kilometres of stratigraphy that exists within a tightly folded sequence. The majority of drilling has been completed on the western limb and fold nose of a regional syncline with a NE-tending fold axes The Springdale Project mineralisation has been modelled in three spatial domains due to changes in orientation of the stratigraphy (Western, Northern and Eastern). Modelled Western Zone mineralisation has a strike of 1700m and has been interpreted to a nominal depth of 100m below the ground surface with typical widths of 5-20m. Modelled Northern Zone mineralisation has a strike of 1000m and has been interpreted to a nominal depth of 100m below the ground surface with typical widths of 5-30m.

Criteria	JORC Code explanation	Commentary
		<i>Modelled Eastern Zone mineralisation has a strike of 900m and has been interpreted to a nominal depth of 130m below the ground surface with typical widths of 5-30m.</i> <i>Mineralisation has been intersected at surface to a depth of approximately 130m.</i> <i>Along strike mineralisation domains were extended halfway between drill lines or up to approximately 300m beyond a drill line where there was support for stratigraphic continuity from aeromagnetic interpretation.</i> <i>Block model extents are 2220m east-west, 2430m north-south, -150RL</i> <i>Mineralisation is open at depth in all domains.</i> OMNI has reviewed the resource and in its opinion believes the data, interpretation and estimation is reasonable to be classified as an Inferred Resource
Estimation and modelling techniques	<i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i> <i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i> <i>The assumptions made regarding recovery of by-products.</i> <i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i> <i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i> <i>Any assumptions behind modelling of selective mining units.</i> <i>Any assumptions about correlation between variables.</i> <i>Description of how the geological interpretation was used to control the resource estimates.</i>	Estimation was completed in Datamine Studio RM using Ordinary Kriging to estimate the TGC grade and dynamic anisotropy to orient the search ellipse for each block. Continuity analysis using normal scores variograms was carried out on parts of the syncline with the best drill coverage and similar orientation based on the position on the fold (Northern Zone, Western Zone, Eastern Zone). The nugget for each of the mineralised domains was modelled at 20% of the sill. The range for the direction of maximum continuity in each zone was 90m. Ranges for the semi-major and minor directions of continuity were less clear due to the sparse drill data but were modelled as 30m and 10m respectively. Geostatistical analysis of composited (1m) drill hole data identified population breaks of TGC grade at 2% and 15%. These population breaks represent the high-grade graphitic schist unit and the surrounding low-grade zone. Wireframe domains were created for each of the mineralised populations. Interpretation of mineralised domains was extended to a nominal depth of 100m below the ground surface. Interpretation only extended beyond this depth where there was support from drilling. Along strike mineralisation domains were extended halfway between drill lines or up to approximately 300m beyond a drill line where there was support for stratigraphic continuity from aeromagnetic interpretation. A block model was created using the low and high-grade of mineralisation domains with a parent block size of X=2, Y=6m, Z=1m for mineralisation and X=10, Y=30m, Z=5m for

Criteria	JORC Code explanation	Commentary
	<i>Discussion of basis for using or not using grade cutting or capping.</i> <i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i>	waste. Blocks were allowed to sub-cell to X=1, Y=1m, Z=0.5m for resolution of the mineralisation boundary. Weathering zones were built into the model to define the oxidized, transitional and fresh parts of the profile. This was not used in the estimation process but to apply density values once the estimation was complete. Geostatistical analysis reviewed the need for top-cut of input drill grades and top-cutting was deemed unnecessary. Hard boundaries were employed between waste, low-grade and high-grade domains. No resources are reported from within the waste domain. Three search passes were used, the first started at the modelled variogram ranges (90m, 30m, 10m), the second doubled these ranges and the third multiplied these ranges by 5. The majority of blocks were informed in the first two search passes. Minor blocks that remained uninformed after the third pass were assigned the average composited drill hole grade for the domain. The grade estimates were validated visually and statistically to ensure that they honour spatially and statistically the input data. No previous estimate exists for this deposit OMNI has reviewed the resource and in its opinion believes the data, interpretation and estimation is reasonable to be classified as an Inferred Resource
Moisture	<i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i>	The Resource is reported on a dry tonnage basis
Cut-off parameters	<i>The basis of the adopted cut- off grade(s) or quality parameters applied.</i>	Geostatistical analysis of composited (1m) drill hole data identified population breaks of TGC grade at 2% and 15%. These population breaks represent the high-grade graphitic schist unit and the surrounding low- grade zone. Wireframe domains were created for each of the mineralised populations. The resource has been reported above the mineralised cut-off grade of $\geq 2\%$ TGC. Townend Mineralogy Laboratory conducted a petrographic examination with associated XRD analyses showed that Springdale project contains a variation of graphite flake sizes from Jumbo to Small Flakes. Some flakes were up to 500 μm in size. Flakes ($>180\mu\text{m}$) are common in most samples and these flakes tend to be elongate in nature. Flakes with a blocky habit are more typically in the samples with a small to medium flake size range (75-180μm). Flotation testwork has achieved up to 97% graphite purity. Further testwork has also demonstrated that this material can be

Criteria	JORC Code explanation	Commentary
		upgraded and has been used in battery testwork. These results suggest that the graphite mineralisation can be processed and produce a saleable product. OMNI has reviewed the resource and in its opinion believes the data, interpretation and estimation is reasonable to be classified as an Inferred Resource
Mining factors or assumptions	• <i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i>	Based on the orientations, thicknesses and depths to which the graphitic lenses have been modelled and their estimated TGC, the potential mining method is considered to be open pit mining. OMNI believes it is reasonable to expect that the resource could, with additional evaluation, be exploited via an open pit mining operation.
Metallurgical factors or assumptions	• <i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>	The shallow, high-grade nature of the mineralisation together with positive indications from metallurgical testwork completed for both graphene extraction through electrical exfoliation and battery applications supports the Company's opinion that the deposit has the potential for eventual economic extraction.
Environmental factors or assumptions	• <i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i>	It is assumed that the processing of ore will have a minimal environmental impact. This is based upon other graphite processing operations.
Bulk density	• <i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i> • <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i> • <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i>	The bulk densities used to report the Mineral Resource is based on 13 measurements made by the water displacement method on HQ and PQ diamond core carried out by the IMO Metallurgical laboratory in Perth Bulk densities were then applied to the block model using coded weathering and mineralisation domains.

Criteria	JORC Code explanation	Commentary
Classification	• The basis for the classification of the Mineral Resources into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Person's view of the deposit.	Graphite-rich stratigraphy has been shown to be continuous for significant distances via completed aircore, RC and diamond drilling. Mineralised stratigraphy has been interpreted successfully from aeromagnetic imagery. Drill-spacing in each area is considered adequate for an Inferred Resource classification. Excessive extrapolation has not been undertaken with mineralised zones only modelled to 100m below the ground surface except where there was drill support at greater depth. Along strike mineralisation domains were extended halfway between drill lines or up to approximately 300m beyond a drill line where there was support for stratigraphic continuity from aeromagnetic interpretation. The Mineral Resource estimate appropriately reflects the view of the Competent Persons OMNI has reviewed the resource and in its opinion believes the data, interpretation and estimation is reasonable to be classified as an Inferred Resource
Audits or reviews	The results of any audits or reviews of Mineral Resource Estimates	The Mineral Resource was audited internally by Comet as part of the validation process. There has been no external review of the Mineral Resource Estimate. OMNI has reviewed the resource and in its opinion believes the data, interpretation and estimation is reasonable to be classified as an Inferred Resource
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	The relative accuracy of the Mineral Resource estimate is reflected in the reporting of an Inferred Resource as per the guidelines of the JORC Code (2012 Edition). The Mineral Resource is a global estimate of tonnes and grade. Relative tonnages and grade above the nominated cut-off grades for TGC are provided in the body of this report. No production data is available to reconcile results with.

ANNEXURE B

SOLICITOR'S REPORT ON TENEMENTS

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18 February 2022

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International Graphite Limited
18 Sangiorgio Court
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To the Board of Directors of International Graphite Limited

SOLICITOR'S REPORT ON TENEMENTS

This Report is prepared for inclusion in a prospectus for the initial public offer of up to 50,000,000 fully paid ordinary shares in the capital of International Graphite Limited (ACN 624 579 326) (**Company**) at an issue price of \$0.20 cents per share to raise up to \$10,000,000 (**Prospectus**).

1. SCOPE

We have been requested to report on certain mining tenements in which the Company has an interest (the **Tenements**).

The Tenements are located in Western Australia. Details of the Tenements are set out in Part I of this Report.

This Report is limited to the Searches (as defined below) set out in Section 2 of this Report.

2. SEARCHES

For the purposes of this Report, we have conducted searches and made enquiries in respect of all of the Tenements as follows (**Searches**):

- (a) we have obtained mining tenement register searches of the Tenements from the registers maintained by the Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**) (**Tenement Searches**). These searches

were conducted on 18 November 2021 and again on 16 February 2022. Key details on the status of the Tenements are set out in Part I of this Report;

- (b) we have obtained results of searches of the schedule of native title applications, register of native title claims, national native title register, register of indigenous land use agreements and national land use agreements as maintained by the National Native Title Tribunal (**NNTT**) for any native title claims (registered or unregistered), native title determinations and indigenous land use agreements (**ILUAs**) that overlap or apply to the Tenements. This material was obtained on 18 November 2021 and again on 17 February 2022. Details of any native title claims (registered or unregistered), native title determinations and ILUAs are set out in Section 7 of this Report and Part II of this Report;
- (c) Aboriginal heritage site searches and other heritage places searches on the Register of Aboriginal Sites maintained by the Department of Planning, Lands and Heritage (**DPLH**) on 15 December 2021 and again on 16 February 2022, (**Heritage Searches**),
- (d) we have obtained quick appraisal user searches of Tengraph which is maintained by the DMIRS to obtain details of features or interests affecting the Tenements (**Tengraph Searches**). These searches were conducted on 18 November 2021 and again on 16 February 2022. Details of any material issues identified from the Tengraph Searches are set out in the notes to Part I of this Report; and
- (e) we have reviewed all material agreements relating to the Tenements provided to us or registered as dealings against the Tenements as at the date of the Tenement Searches. Those that we consider material to the Tenements are summarised in Section 9.2 of the Prospectus.

3. **OPINION**

As a result of our Searches, but subject to the assumptions and qualifications set out in this Report, we are of the view that, as at the date of the relevant Searches this Report provides an accurate statement as to:

(a) **Company's interest**

The Company's interest in the Tenements.

(b) **Good standing**

The validity and good standing of the Tenements.

(c) **Third party interests**

Third party interests, including encumbrances, in relation to the Tenements.

4. **EXECUTIVE SUMMARY**

Subject to the qualifications and assumptions in this Report, we consider the following to be material issues in relation to the Tenements:

(a) **Crown land**

Land the subject of the Tenements overlaps Crown land. Further details are provided in Section 8 of this Report. The Mining Act imposes prohibitions on prospecting, exploration and mining activities and restrictions on access to certain parts of mining tenements that overlap Crown land without the prior agreement of the occupier which commonly involves the tenement holder paying compensation to the occupier of the Crown land. Although the Company will be able to undertake its proposed activities on those parts of the granted Tenements not covered by the prohibitions and pass over those parts of the Tenements to which the restrictions do not apply immediately upon listing on ASX, the Company should consider entering into access and compensation agreements with the occupiers of the Crown land upon commencement of those activities in the event further activities are required on other areas of the Tenements which are subject to prohibitions or restrictions.

(b) **Company's interest**

The Company does not have a registered interest in the Tenements. It only has an equitable interest under the tenement sale agreement entered into with Comet Resources Limited (**Comet Resources**), under which it has agreed to acquire a 100% interest in the Tenements via its wholly owned subsidiary, International Graphite Springdale Pty Ltd (**International Graphite Springdale**). The material terms of the agreement are summarised in Section 9.2 of the Prospectus.

(c) **Compensation agreements**

The current holder of the Tenements, Comet Resources, has not entered into compensation agreements with the private land owners whose land overlaps with exploration licences 74/562 (**E74/562**) and 74/612 (**E74/612**). Whilst the Company is in the process of negotiating new access and or compensation agreements with the owners of the private land over which E74/562 and E74/612 encroach, there is a risk that the Company will not be able to negotiate entry into such access agreements in respect of all or some of the affected Tenements on favourable terms (or at all) which may impact the Company's proposed activities.

(d) **Heritage agreements**

The Tenements wholly or partially overlap land which has determined native title and Aboriginal heritage. As such, the Company, via International Graphite Springdale, will need to enter into Aboriginal heritage agreements with the relevant representative bodies following completion of the acquisition of the Springdale Graphite Project.

5. DESCRIPTION OF THE TENEMENTS

The Tenements comprise of one (1) prospecting licence and two (2) exploration licences granted under the *Mining Act 1978* (WA) (**Mining Act**). Part 1 provides a list of the Tenements. Section 5.1 and 5.2 provides a description of the nature and key terms of these types of mining tenements as set out in the Mining Act and potential successor tenements.

5.1 Prospecting licence

(a) Application

A person may lodge an application for a prospecting licence in accordance with the Mining Act. The mining registrar or warden decides whether to grant an application for a prospecting licence. An application for a prospecting licence (unless a reversion application) cannot be legally transferred and continues in the name of the applicant.

(b) Rights

The holder of a prospecting licence is entitled to:

- (i) enter and re-enter upon land for the purposes of prospecting for minerals with employees and contractors, with such vehicles, machinery and equipment as may be necessary or expedient;
- (ii) excavate, extract or remove (subject to any conditions) from such land, earth, soil, rock, stone, fluid or mineral bearing substances in an amount which does not exceed the prescribed limit, or in such greater amount as the Minister may approve in writing; and
- (iii) take and divert, subject to the *Rights in Water and Irrigation Act 1914* (WA), or any Act amending or replacing the provisions of that Act, water from any natural spring, lake pool or stream on or flowing through the land or from any excavation previously made and used for mining purposes, and subject to that Act, to sink a well or bore on such land and take water for that persons domestic purposes and for any purpose in connection with prospecting for minerals on the land.

(c) Term

A prospecting licence has a term of 4 years. Where a prospecting licence was applied for and granted after 10 February 2006, the Minister may extend the term by 4 years and if retention status is granted (as discussed below), by a further term or terms of 4 years. Where a prospecting licence is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

(d) Retention status

The holder of a prospecting licence applied for and granted after 10 February 2006 may apply for approval of retention status for the prospecting licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the prospecting licence, but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years. However, the Minister has the right to impose a program of works or require the holder to apply for a mining lease. The holder of a prospecting licence applied for or granted before 10 February 2006 can apply for a retention licence (see below), rather than retention status.

(e) **Conditions**

Prospecting licences are granted subject to various standard conditions including conditions including compliance with minimum expenditure, the payment of rent and observance of environmental protection and reporting requirements. These standard conditions are not detailed in Part 1 of this Report. A failure to comply with these conditions or obtain an exemption from compliance may lead to forfeiture of the prospecting licence.

(f) **Relinquishment**

There is no requirement to relinquish any portion of a prospecting licence.

(g) **Priority to apply for a mining lease or general-purpose lease**

The holder of a prospecting licence has priority to apply for a mining lease or general-purpose lease over any of the land subject to a prospecting licence. An application for a mining lease or a general-purpose lease must be made prior to the expiry of the prospecting licence. A prospecting licence remains in force until the application for the mining lease or general-purpose lease is determined.

(h) **Transfer**

There is no restriction on transfer or other dealing in a prospecting licence.

5.2 **Exploration Licence**

(a) **Rights**

The holder of an exploration licence is entitled to enter and re-enter the land for the purposes of exploration for minerals with employees and contractors and such vehicles, machinery and equipment as may be necessary or expedient. The holder also has the right, subject to conditions, to excavate, extract, remove mineral bearing material from the land, and to take and divert water from the land the land.

(b) **Term**

An exploration licence has a term of 5 years from the date of grant. The Minister may extend the term by a further period of 5 years followed by a further period or periods of 2 years. If the term of the exploration licence would expire but for an application for extension of term, then the exploration licence remains in force until the application for extension is determined.

(c) **Retention status**

The holder of an exploration licence granted after 10 February 2006 may apply for approval of retention status for the exploration licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the exploration licence but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years. However, the Minister has the right to impose a programme of works or require the holder to apply for a mining lease.

(d) **Conditions**

Exploration licences are granted subject to various standard conditions, including conditions including compliance with minimum expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. These standard conditions are not detailed in Part 1 of this Report. A failure to comply with these conditions or obtain an exemption from compliance may lead to forfeiture of the exploration licence.

(e) **Compulsory partial surrender**

The holder of an exploration licence applied for prior to 10 February 2006 must be reduced at the end of its 3rd and 4th years by 50% each year. It is possible to apply for an exemption from the requirement to surrender ground at the end of the 3rd and 4th years where holders, for specified reasons, are unable to conduct or complete planned exploration programmes.

The holder of an exploration licence applied for and granted after 10 February 2006 which contains more than 10 blocks must be reduced by 40% at the end of its 6th year of its term. There is no ability to apply for an exemption or deferral of this compulsory surrender requirement.

A failure to lodge the required partial surrender could render the tenement liable for forfeiture.

(f) **Priority to apply for mining lease or general-purpose lease**

The holder of an exploration licence has priority to apply for a mining lease or general-purpose lease over any of the land subject to the exploration licence. Any application for a mining lease or general-purpose lease must be made prior to the expiry of the exploration licence. The exploration licence remains in force until the application for the mining lease or general-purpose lease is determined.

(g) **Transfer**

No legal or equitable interest in an exploration licence can be transferred or otherwise dealt with during the first year of its term without the prior written consent of the Minister. Thereafter, there is no restriction on transfer or other dealings.

6. ABORIGINAL HERITAGE

No Aboriginal sites were identified from the Heritage Searches. However, there is no obligation under the relevant legislation to register sites or objects and the exact location of Aboriginal sites within the area of a known site cannot be ascertained from these searches.

It is important to note that an Aboriginal site may:

- (a) exist in any area of Western Australia;
- (b) not have been recorded in the Register of Aboriginal Sites or elsewhere; and
- (c) not have been identified in previous heritage surveys or reports on that area,

but remains fully protected under the *Aboriginal Heritage Act 1972 (WA)* (**AHA**). Therefore, the absence of any reference to an Aboriginal site of interest from the Aboriginal Heritage Inquiry System is not conclusive.

We have not obtained information from the Commonwealth in connection with any places, areas and objects, which are registered or recognised in the National Heritage List, the Commonwealth Heritage List or other heritage lists or registers maintained by the Commonwealth.

The Company must ensure that it does not breach the Commonwealth and applicable State legislation relating to Aboriginal heritage as set out below. To ensure that it does not contravene such legislation, it would be prudent for the Company (and it would accord with industry practice and Aboriginal expectations) to conduct heritage surveys to determine if any Aboriginal sites or objects exist within the area of the Tenements. Any interference with these sites or objects must be in strict conformity with the provisions of the relevant legislation. It may also be necessary for the Company to enter into separate arrangements with the traditional owners of the sites.

It is noted that the Tenements encroach wholly or partially upon the determined lands of the Wagyl Kaip and Southern Noongar, or the Esperance Noongar and are subject to Indigenous Land Use Agreements (**ILUAs**). Further details of the ILUAs are contained in Section 0 of this Report.

6.2 Commonwealth legislation

The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth)* (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal areas and objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which have the potential to halt exploration activities. Compensation is payable by the Minister for Aboriginal Affairs to a person who is, or is likely to be, affected by a permanent declaration of preservation.

It is an offence to contravene a declaration made under the Commonwealth Heritage Act.

6.3 Western Australian legislation

Tenements are granted subject to a condition requiring observance of the *Aboriginal Heritage Act 1972 (WA)* (**WA Heritage Act**).

The WA Heritage Act makes it an offence to alter or damage sacred ritual or ceremonial Aboriginal sites and areas of significance to Aboriginal persons (whether or not they are recorded on the register or otherwise known to the Register of Aboriginal Sites, DPLH or the Aboriginal Cultural Material Committee).

The Minister's consent is required where any use of land is likely to result in the excavation, alteration or damage to an Aboriginal site or any objects on or under that site.

Aboriginal sites may be registered under the WA Heritage Act. However, there is no requirement for a site to be registered. The WA Heritage Act protects all registered and unregistered sites.

7. NATIVE TITLE

7.1 General

The law of Australia recognises the existence of native title rights held by indigenous Australians over their traditional lands¹. Native title exists where an indigenous group has maintained a continuous traditional connection with the land, and those rights have not been extinguished.

Native title may be extinguished:

- (a) in whole by the grant of an interest in land conferring "exclusive possession" such as a freehold interest in the land; or
- (b) in part by the grant of an interest conferring "non-exclusive possession" including the grant of pastoral leases and mining leases, or the creation of certain reserves. In this case, the native title will co-exist with the other rights to the land.

The *Native Title Act 1993* (Cth) (**NTA**):

- (a) provides a process for indigenous people to claim native title rights² and compensation³;
- (b) confirms the validity of past actions (including grants of land tenure) by the Commonwealth and State governments⁴; and
- (c) specifies the procedures which must be complied with to ensure that acts that may affect native title rights (such as the grant or renewal of a mining tenement) are valid.

The NTA has been adopted in Western Australia by the enactment of the Titles (Validation) and Native Title (Effect of Past Acts) Act 1995.

7.2 Native title claim process

Persons claiming to hold native title may lodge an application for determination of native title with the Federal Court. The application is then referred to the National Native Title Tribunal (**NNTT**) to assess whether the claim meets the registration requirements in the NTA, and if so, the native title claim will be entered on the register of native title claims (**RNTC**) maintained by the NTTT.

Native title claimants have certain procedural rights, including the rights to negotiation and compensation, in relation to the grant of mining tenements if their native title claim is registered at the time the State issues a notice of the proposed grant of the mining tenement (**Section 29 Notice**), or if their claim becomes registered within four months after the Section 29 Notice.

Once a claim is registered, a claimant must prove its claim in the Federal Court in order to have native title determined and the claim entered on the National Native Title Register (**NNTR**).

¹ *Mabo v Queensland (No 2)* (1992) 175 CLR 1

² Parts 3 and 4 of the NTA

³ Part 3, Division 5 of the NTA

⁴ Part 2, Division 2 of the NTA

7.3 Grant of tenements and compliance with the NTA

The grant of any mining tenement after 23 December 1996 must comply with the applicable NTA procedures in order to be valid. The exception to this is where native title has never existed over the land covered by the tenement or has been extinguished prior to the grant of the tenement.

The absence of a claim does not necessarily indicate that there is no native title over an area, as native title claims could be made in the future.

Unless it is clear that native title does not exist (such as where the land the subject of a tenement application is freehold land), the usual practice of the State is to comply with the NTA when granting a tenement. This ensures the grant will be valid if a court subsequently determines that native title rights exist over the land subject to the tenement.

The procedural requirements in the NTA relating to the grant of a mining tenement (referred to as the “**Future Act**” procedures) include four alternatives:

- (a) the right to negotiate, which is the primary Future Act procedure prescribed by the NTA;
- (b) the expedited procedure, which may be used in relation to the grant of exploration and prospecting licences;
- (c) an ILUA; and
- (d) the infrastructure process.

Future Act procedures are provided below.

7.4 Right to negotiate

The primary Future Act procedure prescribed by the NTA is the “right to negotiate”.

The right to negotiate involves a negotiation between the registered native title claimants, the tenement applicant and the State government, the aim of which is to agree the terms on which the tenement may be granted.

The applicant for the tenement is usually liable for any compensation that the parties agree to pay to the native title claimants. The parties may also agree on conditions that will apply to activities carried out on the tenement.

The initial negotiation period is six months from the date on which the State issues a Section 29 Notice.

If the parties cannot reach an agreement within the initial six-month period, either party may refer the matter to arbitration before the NNTT, which then has six (6) months to determine whether the tenement can be granted and if so, on what conditions.

7.5 Expedited procedure

Where the grant of a tenement is unlikely to directly interfere with community or social activities or areas or sites of particular significance, or involve major disturbance to land or waters, the NTA permits the State to follow an expedited procedure for the grant of a tenement.

The State applies the expedited procedure to the grant of exploration and prospecting tenements.

Registered native title parties may lodge a NTA objection to the use of the expedited procedure within the period of four months following the issue of the Section 29 Notice by the State (**Objection Period**).

If no objections are lodged or if the objections are withdrawn, the State may grant the tenement at the expiry of the Objection Period without undertaking a negotiation process. It should be noted however, that if the tenement encroaches upon a native title claim, irrespective of the native title claimant not lodging an objection, the holder is still required to comply with the NTA and the AHA.

If an objection is lodged, the NNTT must determine whether the grant of the tenement is an act attracting the Expedited Procedure. If the NNTT determines the expedited procedure does not apply, the parties must follow the right to negotiate procedure or enter into an indigenous land use agreement.

The DMIRS currently has a policy of requiring applicants for prospecting licences and exploration licences to sign and send a Regional Standard Heritage Agreement (**RSHA**) to the registered native title claimant, or prove they have an existing RSHA or Alternative Heritage Agreement in place.

The RSHA provides a framework for the conduct of Aboriginal heritage surveys over the land the subject of a tenement prior to the conducting of ground-disturbing work and conditions that apply to activities carried out within the tenement.

If the registered native title claimant does not execute the RSHA within the Objection Period (and no objections are otherwise lodged), the tenement may still be granted at the expiry of the Objection Period. If the tenement applicant refuses or fails to execute or send the RSHA to the registered native title holder, the DMIRS will process the application under the right to negotiate procedure.

It is noted that P74/382 is subject to a Standard Noongar Heritage Agreement.

7.6 Indigenous land use agreement

The right to negotiate and expedited procedures do not have to be followed if an ILUA has been registered with the NNTT.

An ILUA is a voluntary contractual arrangement negotiated with all registered native title claimants for a relevant area. The State and the applicant for the tenement are usually the other parties to the ILUA.

An ILUA must set out the terms on which the relevant mining tenement may be granted. An ILUA will also specify conditions on which activities may be carried out within the tenement. The applicant for a tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants in

return for the grant of the tenement being approved. These obligations pass to a transferee of the tenement.

Once an ILUA is agreed and registered, it binds the whole native title claimant group and all holders of native title in the area (including future claimants), even though they may not be parties to it.

7.7 Infrastructure process

The right to negotiate and expedited procedures also do not apply for grants of tenements for the sole purpose of the construction of an infrastructure facility.

In Western Australia, the DMIRS applies the infrastructure process to most miscellaneous licences and general-purpose leases, depending on their purpose. For these types of tenements, an alternative consultation process applies, and in the absence of an agreement between the native title claimants and the applicant, the matter can be referred to an independent person for determination.

7.8 Renewals

Renewals of mining tenements made after 23 December 1996 must comply with the Future Act provisions in order to be valid under the NTA, except where:

- (a) the area to which the mining tenement applies is not extended;
- (b) the term of the renewed mining tenement is not longer than the term of the earlier mining tenement; and
- (c) the rights to be created are not greater than the rights conferred by the earlier mining tenement.

7.9 Native title claims and determinations affecting the Tenements

Our searches indicate that all of the Tenements are within the external boundaries of the native title claims and determinations as specified in Table 1 of Part 2.

7.10 Indigenous land use agreements affecting the Tenements

Our searches indicate that the Tenements are within the area of the registered ILUA's as specified in Table 2 of Part 2 of this Report.

8. CROWN LAND

As set out in Part I of this Report, land the subject of the Tenements overlaps Crown land as set out in the table below.

Tenement	Crown land	% overlap
E74/612	"C" Class Reserve Paddock Rabbit Dept	0.11%
P74/382	"C" Class Reserve Water	100%

The Mining Act:

- (a) prohibits the carrying out of prospecting, exploration or mining activities on Crown land that is less than 30 metres below the lowest part of the natural surface of the land and;

- (i) for the time being under crop (or within 100 metres of that crop);
 - (ii) used as or situated within 100 metres of a yard, stockyard, garden, cultivated field, orchard vineyard, plantation, airstrip or airfield;
 - (iii) situated within 100 metres of any land that is an actual occupation and on which a house or other substantial building is erected;
 - (iv) the site of or situated within 100 metres of any cemetery or burial ground; or
 - (v) if the Crown land is a pastoral lease, the site of or situated within 400 metres of any water works, race, dam, well or bore not being an excavation previously made and used for purposes by a person other than the pastoral lessee,

without the written consent of the occupier, unless the warden by order otherwise directs.
- (b) imposes restrictions on a tenement holder passing over Crown land referred to in section 8(a), including:
 - (i) taking all necessary steps to notify the occupier of any intention to pass over the Crown land;
 - (ii) the sole purpose for passing over the Crown land must be to gain access to other land not covered by section 8(a) to carry out prospecting, exploration or mining activities;
 - (iii) taking all necessary steps to prevent fire, damage to trees, damage to property or damage to livestock by the presence of dogs, the discharge of firearms, the use of vehicles or otherwise; and
 - (iv) causing as little inconvenience as possible to the occupier by keeping the number of occasions of passing over the Crown land to a minimum and complying with any reasonable request by the occupier as to the manner of passage.
- (c) requires a tenement holder to compensate the occupier of Crown land:
 - (i) by making good any damage to any improvements or livestock caused by passing over Crown land referred to in section 8(a) or otherwise compensate the occupier for any such damage not made good; and
 - (ii) in respect of land under cultivation, for any substantial loss of earnings suffered by the occupier caused by passing over Crown land referred to in section 8(a).

The warden may not give the order referred to in section 8(a) that dispenses with the occupier's consent in respect of Crown land covered by section 8(a)(iii). In respect of other areas of Crown land covered by the prohibition in section 8(a), the warden may not make such an order unless he is satisfied that the land is genuinely required for mining purposes and that compensation in accordance with the Mining Act for all loss or damage suffered or likely to be suffered by the occupier has been agreed between the occupier and the tenement holder or assessed by the warden under the Mining Act.

Although the Company will be able to undertake its proposed activities on those parts of the Tenements not covered by the prohibitions and pass over those parts of the Tenements to which the restrictions do not apply immediately upon listing on ASX, the Company should consider entering into access and compensation agreements with the occupiers of the Crown land upon commencement of those activities in the event further activities are required on other areas of the Tenements which are subject to prohibitions or restrictions.

9. FLORA AND FAUNA RESERVES

As set out in Part I of this Report the following tenement overlaps with flora and fauna reserves as follows:

Tenement	Crown land	% overlap
E74/612	"A" Class Reserve Conservation of Flora and Fauna	17.98%

State Government policy provides that mining should not occur on national parks, nature reserves, conservation parks or state forests and, where possible, a tenement applicant is encouraged to excise the conservation area from the area of the application.

If a conservation area is not excised, the DMIRS will refer the application to the Department of Environment Regulation (**DER**) for comment and or consent. Under the Mining Act, mineral exploration on national parks, class "A" nature reserves and certain conservation parks requires the concurrence of the Minister for Environment. In relation to nature reserves other than class "A" reserves, and certain conservation parks, the Minister for the Environment and Conservation is required to give his recommendation in relation to the grant.

Where the Minister for the Environment and Conservation concurs with the grant or provides recommendations in relation to the grant, additional conditions and endorsements are generally placed on the tenement. These conditions are designed to minimise the impacts on the environment and to draw the tenement holder's attention to the requirements under other environmental protection legislation.

It is noted that class "A" nature reserves are afforded the greatest degree of protection and attract restrictions on mining activities within the conservation reserves, including:

- (a) a mining lease or a general-purpose lease cannot be granted over a class A reserve without the consent of both Houses of Parliament; and
- (b) mining can only be commenced in a class A reserve with the approval of the Minister for Mines and Petroleum and the Minister for Environment and Conservation.

The Company has advised that it has no present intention of conducting any exploration, production or any other work on the areas of E74/612 which are subject to the class "A" reserve.

10. PRIVATE LAND

Generally, and subject to certain exceptions and limitations, private land which is not already subject to a mining tenement is considered open for mining under the Mining Act, and a mining tenement may be issued in relation to such land, entitling the

holder to the rights granted thereby. However, a tenement may not be granted in respect of private land which is:

- (a) in *bona fide* and regular use as a yard, stockyard, garden, orchard, vineyard, plant nursery or plantation or is land under cultivation or within 100m of that site;
- (b) the site of a cemetery or burial ground or within 100 metres of that site;
- (c) the site of a dam, bore, well or spring or within 100 metres of that site;
- (d) on which there is erected a substantial improvement or within 100 metres of that improvement; or
- (e) a parcel of land with an area of 2,000 square metres or less,

unless the written consent of the private landholder and any other occupier is obtained, or the tenement is only granted in respect of the land below 30 metres from the surface of the private land. If the tenement is only granted in respect of the land below 30 metres from the surface of the private land, the tenement holder can apply to the Minister for the land between the surface and 30 metres depth to be included in the tenement, which application may be granted provided that the private landowner has consented to such land being included in the tenement.

The following exploration licences overlap with private land as follows:

Tenement	Freehold Land	% overlap
E74/562	Freehold Regional; 10 Land parcels affected	94.86
E74/612	Freehold Regional; 17 Land parcels affected	80.12

The owners and occupiers of any land where mining takes place are entitled, according to their respective interests, to compensation for all loss and damage suffered or likely to be suffered by them resulting or arising from the mining, whether or not lawfully carried out. The tenement holder may not commence mining on the surface or within a depth of 30 metres from the surface until compensation has been agreed with the private landowner or paid in accordance with the Mining Act. Compensation may be determined by agreement between the tenement holder and private landowner or occupier

Where compensation has not been agreed, and the private holder consents, the payment of compensation may be determined by the warden's court, without requiring any formal proceedings to be taken, subject to a claim being made in the prescribed manner. In any other case, compensation shall be determined by the warden's court in formal proceedings, upon application by the private landholder.

The owner and any other occupier may be entitled to compensation for:

- (a) deprivation of the possession or use of the natural surface or any part of the land;
- (b) damage to the land or any part of the land;
- (c) severance of the land or any part of the land from other land of, or used by, the owner or occupier;

- (d) loss or restriction of a right of way or other easement or right;
- (e) loss of, or damage to, improvements;
- (f) social disruption;
- (g) in the case of private land that is land under cultivation, any substantial loss of earnings, delay, loss of time, reasonable legal or other costs of negotiation, disruption to agricultural activities, disturbance of the balance of the agricultural holding, the failure on the part of a person concerned in the mining to observe the same laws or requirements in relation to that land as regards the spread of weeds, pests, disease, fire or erosion, or as to soil conservation practices, as are observed by the owner or occupier of that land; and
- (h) any reasonable expenses properly arising from the need to reduce or control the damage resulting or arising from the mining.

The Company has advised that it is currently negotiating compensation agreements with the private landholders of Oldfield Lots 835 and 836 in respect of E74/562.

11. FILE NOTATION AREAS

The Tenements encroach upon the following File Notation Area:

Tenement	Description	% overlap
E74/612	FNA 8375; File Notation Area change of purpose to "Use and Benefit of Aboriginal Inhabitants" for Reserves 7580 and 9393.	0.11

- (a) The DMIRS, on behalf of the Minister for the Minister for Mining and Petroleum, holds an approval role for changes to Crown land tenure.
- (b) Land tenure change proposals assessed by the DMRS are referred to as File Notation Areas. These areas are critical to land use planning as they inform stakeholders of proposed land tenure changes which may affect their land interests.
- (c) A proposal exists on Crown Reserves 7580 and 9393 to change the purpose of the Reserve for the "Use and Benefit of Aboriginal Inhabitants".

The Company has advised that it has no present intention of conducting any exploration, production or any other work on the area of E74/612 which overlaps the File Notation Area.

12. TENEMENT ENCROACHMENTS

The Tenements encroach upon the following tenure:

Tenement	Tenement affected	% overlap
E74/562	L74/21; FQM Australia Nickel Pty Ltd; Live	2.48
E74/612	L74/21; FQM Australia Nickel Pty Ltd; Live	0.21

- (a) Under the Mining Act, a mining tenement may be granted in respect of land that is subject to a miscellaneous licence. The miscellaneous licence and the mining tenement apply concurrently with respect to that land.
- (b) Miscellaneous licence 74/21 (**L74/21**) is granted for the purposes of an access road, power lines (above and below ground), pump station and pipeline.

13. QUALIFICATIONS AND ASSUMPTIONS

This Report is subject to the following qualifications and assumptions:

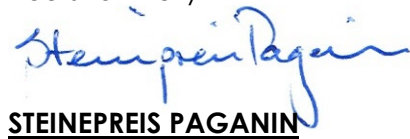
- (a) we have assumed the accuracy and completeness of all Searches, register extracts and other information or responses which were obtained from the relevant department or authority including the NNTT;
- (b) we assume that the registered holder of a Tenement has valid legal title to the Tenement;
- (c) this Report does not cover any third party interests, including encumbrances, in relation to the Tenements that are not apparent from our Searches and the information provided to us;
- (d) we have assumed that any agreements provided to us in relation to the Tenements are authentic, were within the powers and capacity of those who executed them, were duly authorised, executed and delivered and are binding on the parties to them;
- (e) with respect to the granting of the Tenements, we have assumed that the State and the applicant for the Tenements have complied with, or will comply with, the applicable Future Act Provisions;
- (f) we have assumed the accuracy and completeness of any instructions or information which we have received from the Company or any of its officers, agents and representatives;
- (g) unless apparent from our Searches or the information provided to us, we have assumed compliance with the requirements necessary to maintain a Tenement in good standing;
- (h) references in Parts I and II of this Report to any area of land are taken from details shown on searches obtained from the relevant department. It is not possible to verify the accuracy of those areas without conducting a survey;
- (i) the information in Parts I and II of this Report is accurate as at the date the relevant Searches were obtained. We cannot comment on whether any changes have occurred in respect of the Tenements between the date of the Searches and the date of this Report;
- (j) where Ministerial consent is required in relation to the transfer of any Tenement, we express no opinion as to whether such consent will be granted, or the consequences of consent being refused, although we are not aware of any matter which would cause consent to be refused;
- (k) we have not conducted searches of the Database of Contaminated Sites maintained by the Department of the Environment and Conservation;

- (l) native title may exist in the areas covered by the Tenements. Whilst we have conducted Searches to ascertain that native title claims and determinations, if any, have been lodged in the Federal Court in relation to the areas covered by the Tenements, we have not conducted any research on the likely existence or non-existence of native title rights and interests in respect of those areas. Further, the NTA contains no sunset provisions and it is possible that native title claims could be made in the future; and
- (m) Aboriginal heritage sites or objects (as defined in the WA Heritage Act or under the Commonwealth Heritage Act) may exist in the areas covered by the Tenements regardless of whether or not that site has been entered on the Register of Aboriginal Sites established by the WA Heritage Act or is the subject of a declaration under the Commonwealth Heritage Act other than the Heritage Searches. We have not conducted any legal, historical, anthropological or ethnographic research regarding the existence or likely existence of any such Aboriginal heritage sites or objects within the area of the Tenements.

14. CONSENT

This report is given for the benefit of the Company and the directors of the Company in connection with the issue of the Prospectus and is not to be disclosed to any other person or used for any other purpose or quoted or referred to in any public document or filed with any government body or other person without our prior consent.

Yours faithfully



STEINEPREIS PAGANIN

PART I – TENEMENT SCHEDULE

TENEMENT	REGISTERED HOLDER/ APPLICANT	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS / ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
E74/562	Comet Resources Limited	100/100	20/05/2015	19/05/2025	24 BL	\$7,800	Previous Tenement Year- \$68,000 Reported Tenement Expenditure for Previous Year: \$144,984 Current Tenement Year-\$50,000	Encumbrances: Refer to notes 1-6 of Table 4 below.	Non-Standard Endorsements: Refer to notes 1,2,3 and 6 of Table 1 below. Non- Standard Conditions: Refer to notes 3, 4, 5, 6, and 7 of Table 2 below.	Native Title: Refer to Section 6 and Part 2 of this Report. Aboriginal Heritage: No Registered Site or Other Heritage Places recorded
E74/612	Comet Resources Limited	100/100	06/07/2017	05/07/2022	35 BL	\$9,170	Previous Tenement Year- \$52,500 Reported Tenement Expenditure for Previous Year: \$77,985 Current Tenement Year-\$52,500	None	Non-Standard Endorsements: Refer to notes 7, 8 and 9 of Table 2 below. Non-Standard Conditions: Refer to notes 1, 2, 6, 8, 9 and 11 of Table 2 below.	Native Title: Refer to Section 6 and Part 2 of this Report. Aboriginal Heritage: No Registered Site or Other Heritage Places recorded

TENEMENT	REGISTERED HOLDER/ APPLICANT	SHARES HELD	GRANT DATE	EXPIRY DATE	AREA SIZE (Blocks)	ANNUAL RENT (Next rental year)	MINIMUM ANNUAL EXPENDITURE	REGISTERED DEALINGS / ENCUMBRANCES	NOTES	NATIVE TITLE AND ABORIGINAL HERITAGE
P74/382	Comet Resources Limited	100/100	01/07/2020	30/06/2024	12.94 HA	\$42.90	Previous Tenement Year- \$2,000 Reported Tenement Expenditure for Previous Year: \$6,976 Current Tenement Year-\$2,000	None	Non-Standard Endorsements: Refer to notes 4 and 5 of Table 2 below. Non-Standard Conditions: Refer to notes 1, 6 and 10 of Table 2 below.	Native Title: Refer to Section 6 and Part 2 of this Report. Aboriginal Heritage: No Registered Site or Other Heritage Places recorded

Key to Tenement Schedule

P – Prospecting Licence

E – Exploration Licence

References to numbers in the “Notes” column refers to the notes following this table.

Unless otherwise indicated, capitalised terms have the same meaning given to them in the Prospectus.

Please refer to Part II of this Report for further details on native title and Aboriginal heritage matters.

Notes:

Table 1 – Non-Standard Endorsements

Endorsements	
1.	Advice shall be sought from the DoW if proposing any exploration within a defined waterway and within a lateral distance of: (a) 50 metres from the outer-most water dependent vegetation of any perennial waterway; and (b) 30 metres from the outer-most water dependent vegetation of any seasonal waterway.
2.	By approval the grant of this licence is amended to include Oldfield Lot 836 on Deposited Plan 209237 to a depth of 30 metres from the natural surface.

Endorsements	
3.	By approval the grant of this licence is amended to include Oldfield Lot 835 on Deposited Plan 209237 to a depth of 30 metres from the natural surface.
4.	The Licensee's attention is drawn to the provisions of section 55 of the Land Administration Act 1997.
5.	The land the subject of this Licence may affect Threatened Ecological Communities (Kwong 07700, Kwong 0804 and Kwong 10573) The Licensee is advised to contact the Department of Biodiversity Conservation and Attractions (DBCA) Threatened Species and Communities Unit for further information on this Threatened Ecological Community at communities.data@dbca.wa.gov.au
6.	The land the subject of this licences affects a Rare Flora site (including Rare Flora Site 89830) declared under the Wildlife Conservation Act 1950. The licensee is advised to contact the Department of Parks and Wildlife for information on the management of Declared Rare Flora (or Priority Listed Flora) present within the tenement area.
7.	The land the subject of this Licence may affect a Threatened Ecological Community. The Licensee is advised to contact the Department of Parks and Wildlife's Threatened Species and Communities Unit for details information on management.
8.	Measures such as drainage controls and stormwater retention facilities are to be implemented to minimise erosion and sedimentation of adjacent areas, receiving catchments and waterways.
9.	All activities to be undertaken so as to avoid or minimise damage, disturbance or contamination of waterways, including their beds and banks, and riparian and other water dependent vegetation.

Table 2 – Non-Standard Tenement Conditions

Conditions	
1.	As the Wagyl Kaip Southern Noongar People ILUA (relevant ILUA) applies to this Exploration Licence, the Licensee must before exercising any of the rights, powers or duties pursuant to this Exploration Licence over that portion of the area of land the subject of the relevant ILUA: (a) subject to paragraph (ii) execute and enter into in respect of this Exploration Licence an Aboriginal Heritage Agreement (as defined in the relevant ILUA) with the Native Title Agreement Group or Regional Corporation (as the case requires) for the relevant ILUA on terms and conditions agreed by the Licensee and the Native Title Agreement Group or Regional Corporation (as the case may be) for the relevant ILUA (the Parties) or, failing such agreement being reached between the Parties within 20 Business Days of the commencement of negotiations, execute and enter into a NSHA subject only to any necessary modifications in terminology required for the tenure; (b) where: (c) the Parties have been unable to reach agreement on the terms and conditions of an Aboriginal Heritage Agreement under paragraph (i); (i) the Licensee executes a NSHA (subject only to any necessary modifications in terminology required for the tenure); and (ii) The Licensee provides a copy of the NSHA to the Native Title Agreement Group or Regional Corporation (as the case requires) for the relevant ILUA for execution; if the Native Title Agreement Group or Regional Corporation (as the case requires) does not execute the NSHA and provide a copy of the executed NSHA to the Licensee within 20 Business Days of receipt of the NSHA, the requirements of

	Conditions
	paragraph (i) do not apply; and (d) provide to the Department of Mines and Petroleum a statutory declaration from the Licensee (or if the Licensee is a corporation, from a director of that corporation on its behalf)] in the form contained in Annexure U to the Settlement Terms (as defined in the relevant ILUA), as evidence that the Licensee has complied with the requirements of paragraph (i) of this condition or that paragraph (ii) of this condition applies."
2.	As the Esperance Nyungar Government Indigenous Land Use Agreement (relevant ILUA) applies to this exploration licence the licensee must before exercising any of the rights, powers or duties pursuant to this licence over that portion of the area of land the subject of the relevant ILUA, execute and enter into, in respect of this licence, one of the following types of agreements and maintain such agreement for the term of this licence: (a) an Aboriginal Heritage Agreement as defined in the relevant ILUA with the Esperance Nyungar Native Title Group; (b) at the election of the Esperance Nyungar Native Title Group, a Regional Standard Aboriginal Heritage Agreement as defined in the relevant ILUA with the Esperance Nyungar Native Title Group; (c) a PSHA as defined in the relevant ILUA with the Esperance Nyungar Native Title Group; or (d) a Proponent Acceptance Deed as defined in the relevant ILUA; and provide to the Minister for Mines and Petroleum a statutory declaration from the licensee, (where the licensee is a corporation, from a director of that corporation on its behalf), in the form contained in schedule 6 to the relevant ILUA, as evidence that: (e) the licensee has complied with the requirements of paragraph (i), (ii) or (iii) of this condition; or (f) the licensee has complied with the requirements of paragraph (iv) of this condition, in circumstances where the Esperance Nyungar Native Title Group did not make an election under paragraph (ii) and the licensee made reasonable endeavours to enter into an agreement as contemplated in paragraphs (i) and (iii) of this condition but was unable to do so within 60 Business Days of the later date of the grant of this licence or the date on which the Esperance Nyungar Native Title Group received notification of such grant under clause 9.6 of the relevant ILUA.
3.	All surface holes drilled for the purpose of exploration are to be capped, filled or otherwise made safe immediately after completion.
4.	The rights of ingress to and egress from Miscellaneous Licence 74/21 & 74/37 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.
5.	No interference with Geodetic Survey Station UR 122 & UR 227 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.
6.	In areas of native vegetation within the tenement, no exploration activities commencing until the licensee provides a plan of management to prevent the spread of dieback disease (<i>Phytophthora</i> sp) to the Executive Director, Environment Division, DMP for assessment and until his written approval has been received. All exploration activities shall then comply with the commitments made in the management plan.
7.	The construction and operation of the project and measures to protect the environment to be carried out in accordance with the document titled: (PoW Reg ID 74029) "Springdale Project, Exploration Licence 74/562, Dieback Management Plan" dated 23 May 2018 and signed by Matt Jones, and retained on Department of Mines, Industry Regulation and Safety File No. EARS-POW-74029 as Doc ID 5772461
8.	The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on Paddock Rabbit Dept. Reserve 9393.

	Conditions
9.	The prior written consent of the Minister responsible for the Mining Act 1978 being obtained, with the concurrence of the Minister for Environment, before entering or commencing any prospecting or exploration activity on Conservation of Flora and Fauna Reserve 40156
10.	Consent to Prospect on Water Reserve 28036 granted by the Minister responsible for the Mining Act 1978
11.	The rights of ingress to and egress from Miscellaneous licence 74/21 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence

Table 3 – Tengraph interests

	Land Type	Description
1.	Crown Reserve (see section 7 of this Report)	Under section 41 of the Land Administration Act 1997 the Minister may set aside Crown lands by Ministerial Order in the public interest. Every such reservation has its description and designated purpose registered on a Crown Land Title (CLT) and is depicted on an authenticated map held by Landgate. Reservation action is normally initiated by the Department for Planning and Infrastructure following community or Government request, land planning decisions, or as a result of the subdivision of land. The Land Act 1933 provided for State reserves to be classified as Class A, B or C. There is no provision in the LAA to create new Class B reserves and there is no longer reference to Class C reserves. Class A affords the greatest degree of protection for reserved lands, requiring approval of Parliament to amend the reserve's purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue but are no longer created under the LAA. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session. Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a Management Order registered against the relevant CLT. A Management Order under the LAA does not convey ownership of the land – only as much control as is essential for the land's management. Tenement E74/612 partially overlaps: (a) Class "A" Reserve Conservation of Flora and Fauna (17.98%); and (b) Class "C" Reserve Paddock Rabbit Dept (0.11%). The following Tenement overlaps with the "C" Class Reserve Water: (a) P74/382 – (100%)
2.	Private/Freehold Land (see section 10 of this Report)	Tenement E74/562 partially (94.86%) overlaps Private Land, with additional exploration rights granted over: (a) Oldfield Lot 835; (b) Oldfield Lot 836. Tenement E74/612 partially (80.12%) overlaps Private Land.
3.	Reserves	Tenements E74/562 and E74/612 overlap the following Reserves: (a) Mason Bay Road (b) Springdale Road Tenement P74/382 overlaps the following Reserve: (a) Mason Bay Road

	Land Type	Description
4.	Proposed Nature Reserves	Tenement E74/612 partially (0.11%) overlaps a Proposed Nature Reserve: a) PNR64.
5.	File Notation Areas	File Notation Areas are any proposed land transaction, or alienation from the Crown, or other proposed change in land use. Tenement E74/612 partially (0.11%) overlaps File Notation Area: (a) FNA 8275; File Notation Area change of purpose to "Use and Benefit of Aboriginal Inhabitants" for Reserves 7580 and 9393.
6.	Groundwater Area	Groundwater is a reserve of water beneath the earth's surface in pores and crevices of rocks and soil. Recharge of groundwater aquifers is slow and can take many years. Groundwater often supports wetland and stream ecosystems. Groundwater areas are proclaimed under the Rights in Water and Irrigation Act, 1914. There are 45 proclaimed groundwater areas in Western Australia where licences are required to construct or alter a well and to take groundwater. The Department of Water is responsible for managing proclaimed areas under the Act. Ground Water Area - GWA 24, Hopetoun was identified on E74/612 overlapping 0.13% of all the Tenements.
7.	Threatened Ecological Community	An ecological community is defined as 'a naturally occurring biological assemblage that occurs in a particular type of habitat'. A Threatened Ecological Community, (TEC) is one which is found to fit into one of the following categories; "presumed totally destroyed", "critically endangered", "endangered" or "vulnerable", and for which that classification has been endorsed by the Western Australian Minister for the Environment and Heritage. Some of the communities in the dataset are also listed as 'threatened' under the Commonwealth Environmental Protection and Biodiversity Conservation Act 1999. Communities are based on various life-forms including plants, invertebrates and micro-organisms. The buffer is identified to encompass the estimated 'area of influence' of each occurrence of an ecological community. This area may include the edges of a patch of bushland that provides a buffer to the occurrence, the likely catchment for a wetland community, or may simply encompass the boundaries of an upland plant community. The following Tenements overlap with Threatened Ecological Communities: (a) E74/562 – 102 land parcels affected; (b) E74/612 – 82 land parcels affected; and (c) P74/382 – 4 land parcels affected.

Table 4 – Registered Dealings and Encumbrances

	Dealing/Encumbrance	Description
1.	Inclusion of Private Land 481207	Encumbrances Inclusion of Private Land 481207 Lodged: 15:46 03 February 2016 Amending the grant of this licence to include Oldfield Lot 835 on Deposited Plan 209237 to a depth of 30 metres from the natural surface. RECORDED: 15:46 03 February 2016 GRANTED: 04 February 2016
2.	Partial Surrender - Voluntary 484470	Lodged: 14:55 05 April 2016 Surrendered: ESPERANCE 1660 e Blocks: ESPERANCE 1661 a, b, c, d, e Surrendered Total: 6 BL. REGISTERED: 14:55 05 April 2016
3.	Inclusion of Private Land 519158	Lodged: 13:47:12 28 November 2017 RECORDED: 13:47:12 28 November 2017 Amending the grant of this licence to include Oldfield Lot 836 on Deposited Plan 209237 to a depth of 30 metres from the natural surface. GRANTED: 29 November 2017
4.	Application to Amend 551849	Lodged: 16:12:50 16 April 2019 Amending: Address (Including DTC Details) From: Principal Place of Business : COMET RESOURCES LTD, SAME AS CORRESPONDENCE and DTC :COMET RESOURCES LTD, C/- MCMAHON MINING TITLE SERVICES PTY LTD, PO BOX 592, MAYLANDS, WA, 6931 To: Principal Place of Business : COMET RESOURCES LTD, C/- MCMAHON MINING TITLE SERVICES PTY LTD, PO BOX 592,

	Dealing/Encumbrance	Description
		MAYLANDS, WA, 6931, mmts@mmts.net.au, 08 6467 7997 and DTC :COMET RESOURCES LTD, MCMAHON MINING TITLE SERVICES PTY LTD, C/- MCMAHON MINING TITLE SERVICES PTY LTD, PO BOX 592, MAYLANDS, WA, 6931, mmts@mmts.net.au, 08 6467 7997 RECORDED: 16:12:50 16 April 2019
5.	Extension / Renewal of Term 577429	Lodged: 11:01:06 07 May 2020 Applied For Period: 5 Years RECORDED: 11:01:06 07 May 2020 GRANTED: 18 June 2020 Granted Period: 5 Years Term Extended To: 19/05/2025
6.	Partial Surrender - Compulsory 622459	Lodged: 11:04:54 14 May 2021 Section: Section 65 (3) Surrendered: ESPERANCE 1517 z Blocks: ESPERANCE 1518 v, w ESPERANCE 1588 e ESPERANCE 1589 a, b, c, d, e ESPERANCE 1590 a Surrendered Total: 10 BL. REGISTERED: Midnight 19 May 2021 Surrendered area to be released 08:30:00 02/07/2021 under Section 65 (3) Surrendered area released 08:30:00 02/07/2021 under Section 65 (3)

PART II – NATIVE TITLE CLAIMS

Table 1 – Native Title Determinations

TRIBUNAL NUMBER	FEDERAL COURT NUMBER	APPLICATION NAME	REGISTERED	OVERLAPPING TENEMENTS	OVERLAP AREA %
WC1996/109	WAD6134/1998	Southern Noongar	Registered from 18/11/1996	P74/0382	100%
WC1998/070	WAD6286/1998	Wagyl Kaip	Registered from 29/09/1998	P74/0382	100%
WC1996/109	WAD6134/1998	Southern Noongar	Registered from 18/11/1996	E74/562	100%
WC1998/070	WAD6286/1998	Wagyl Kaip	Registered from 29/09/1998	E74/562	100%
WC1996/109	WAD6134/1998	Southern Noongar	Registered from 18/11/1996	E74/612	64.45%
WC1998/070	WAD6286/1998	Wagyl Kaip	Registered from 29/09/1998	E74/612	64.45%
WCD2014/002	WAD6097/1998	The Esperance Nyungars	Native title exists in parts of the determination area. Determined on 14/03/14	E74/612	35.50%

The land under the Tenements as listed in Table 1 of this Part 2 are subject to the relevant Native Title Determinations listed in the Table respectively and those native titles exist in relation to parts of the land the subject of those Tenements.

Table 2 – Indigenous Land Use Agreements

TRIBUNAL NUMBER	ILUA TYPE	APPLICATION NAME	REGISTERED	OVERLAPPING TENEMENTS
WI2017/014	Area Agreement	Wagyl Kaip & Southern Noongar Indigenous Land Use Agreement	17/10/2018	P74/0382
WI2017/014	Area Agreement	Wagyl Kaip & Southern Noongar Indigenous Land Use Agreement	17/10/2018	E74/562
WI2014/006	Area Agreement	Esperance Nyungar Government ILUA	21/11/2014	E74/612
WI2017/014	Area Agreement	Wagyl Kaip & Southern Noongar Indigenous Land Use Agreement	17/10/2018	E74/612

The land under the Tenements listed in Table 2 of this Part 2 are subject to the relevant Indigenous Land Use Agreements (**ILUA**) listed in the Table respectively and those ILUAs exist in relation to parts of the land the subject of those Tenements.

HERITAGE & COMPENSATION AGREEMENTS

A Noongar Standard Heritage Agreement exists in respect of P74/382 (see Table 3 below).

Table 3 – Heritage Agreements

PARTIES	AGREEMENT TYPE	OVERLAPPING TENEMENTS
Comet Resources Ltd and Waigi Kaip/ Southern Noongar People	Noongar Standard Heritage Agreement	P74/382

The Company intends to enter into additional heritage agreements in respect of the remaining Tenements following completion of the acquisition of the Springdale Graphite Project.

ABORIGINAL HERITAGE SITES – WESTERN AUSTRALIA

None registered.

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ANNEXURE C

INVESTIGATING ACCOUNTANT'S REPORT

15 February 2022

The Directors
International Graphite Limited
Level 1, 333 Charles Street
NORTH PERTH WA 6006

Dear Directors,

INVESTIGATING ACCOUNTANT'S REPORT

1. INTRODUCTION

Armada Audit and Assurance Pty Ltd (**'Armada'**) has been engaged by International Graphite Limited (**'International Graphite'** or **'the Company'**) to prepare this Investigating Accountant's Report (**'Report'**) for inclusion in a prospectus to be lodged by the Company on or about 18 February 2022 (**'Prospectus'**) in respect of the initial public offering of shares in the Company (**'the Offer'**) and the listing of the Company on the Australian Securities Exchange (**'ASX'**).

Pursuant to the Prospectus, the Company will offer, amongst other things, 40,000,000 shares at an issue price of \$0.20 per share to raise a minimum of \$8,000,000 (**'Minimum Subscription'**), and up to 50,000,000 shares at an issue price of \$0.20 per share to raise a maximum of \$10,000,000 (**'Maximum Subscription'**) before associated costs (**'Public Offer'**).

The Company will also issue 40,000,000 shares (**'Consideration Shares'**) to the vendors of Comet Resources Limited in consideration for acquiring all of the rights, title and interest in the Springdale Graphite Project (**'the Acquisition'**).

The Company has appointed Pamplona Capital Pty Ltd and Peloton Capital Pty Ltd (**'Pamplona'**, **'Peloton'** or **'the Lead Managers'**) as joint lead managers in connection with the Public Offer and will receive fees described in Section 6 of the prospectus.

This Report has been included in the Prospectus to assist potential investors and their financial advisers to make an assessment of the financial position and performance of the Company. Expressions defined in the Prospectus have the same meaning in this Report. This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

2. SCOPE

You have requested Armada to review the following historical financial information (together referred to as the '**Historical Financial Information**') included in the Prospectus:

- the historical Statement of Profit or Loss and Other Comprehensive Income of the Company for the years ended 30 June 2020, 30 June 2021 and half year ended 31 December 2021;
- the historical Statement of Cash Flows of the Company for the years ended 30 June 2020, 30 June 2021 and half year ended 31 December 2021; and
- the historical Statement of Financial Position of the Company for the half year ended 31 December 2021;

The Historical Financial Information of International Graphite has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (including Australian Interpretations) and the *Corporations Act 2001*.

The Historical Financial Information of International Graphite has been extracted from the audited general purpose financial reports for the years ended 30 June 2020, 30 June 2021 and the interim financial report for the half year ended 31 December 2021.

Armada Audit and Assurance Pty Ltd audited the general purpose financial reports for the years ended 30 June 2020, 30 June 2021 and the interim financial report for the half year ended 31 December 2021.

Armada Audit and Assurance Pty Ltd issued unmodified opinions with a material uncertainty clause in relation to going concern on the financial statements for the years ended 30 June 2020 and 30 June 2021. An unmodified audit opinion was issued on the interim financial report for the half-year ended 31 December 2021.

Pro-Forma Historical Financial Information

You have requested Armada to review the following Pro-Forma historical financial information (the '**Pro-Forma Historical Financial Information**') included in the Prospectus:

- the Pro-Forma Historical Statement of Financial Position as at 31 December 2021.

The Pro-Forma Historical Financial Information has been derived from the Historical Financial Information of International Graphite after adjusting for the effects of the Pro-Forma adjustments as detailed in Section 6.6.2 of the Prospectus. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transaction to which the Pro-Forma adjustments relate as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Pro-Forma Historical Financial Information does not represent the Company's actual or prospective financial position or financial performance.

The Pro-Forma Historical Financial Information has been compiled by International Graphite to illustrate the impact of the events or transactions detailed in Section 6.6.2 of the Prospectus on International Graphite's financial position as at 31 December 2021. As part of this process, information about International Graphite's financial position has been extracted by International Graphite from the Company's financial statements for the half year ended 31 December 2021.

3. DIRECTORS' RESPONSIBILITIES

The Directors of International Graphite are responsible for the preparation and presentation of the Historical Financial Information and Pro-Forma Historical Financial Information, including the selection and determination of Pro-Forma adjustments made to the Historical Financial Information and included in the Pro-Forma Historical Financial Information. This includes responsibility of such internal controls as the Directors determine are necessary to enable the preparation of Historical Financial Information and Pro-Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

4. OUR RESPONSIBILITY

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro-Forma Historical Financial Information. We have conducted our limited assurance engagement in accordance with the Standard ASAE 3420 *Assurance Engagements to Report on the Compilation of Pro-Forma Historical Financial Information included in a Prospectus or other Document*.

Based on our limited assurance engagement, we made such inquiries and performed such procedures as we, in our professional judgement, considered reasonable in the circumstances including:

- a review of contractual agreements;
- a review of financial statements, management accounts, work papers, accounting records and other documents, to the extent considered necessary;
- analytical procedures, to the extent considered necessary; and
- enquiries primarily of persons responsible for financial and accounting matters.

A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we **do not express an audit opinion**.

A limited assurance engagement of this nature provides less assurance than an audit, and accordingly, this Report **does not express an audit opinion** on the Historical Financial Information and Pro-Forma Financial Information included in this Report or elsewhere in the Prospectus.

For purposes of this engagement, we are not responsible for updating or re-issuing any reports or opinions on any Historical Financial Information used in compiling the Pro-Forma Historical Financial Information.

5. CONCLUSION

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in Section 6: Financial Information of the Prospectus, and comprising:

- the Historical Statement of Profit or Loss and Other Comprehensive Income of International Graphite for the years ended 30 June 2020, 30 June 2021 and half year ended 31 December 2021 (Section 6.3);
- the Historical Statement of Cash Flows of International Graphite for the years ended 30 June 2020, 30 June 2021 and half year ended 31 December 2021 (Section 6.4), and
- the Historical Statement of Financial Position for International Graphite as at 31 December 2021 (Section 6.5); and

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

Pro-Forma Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro-Forma Historical Financial Information as described in the Appendices to this Report, and comprising:

- the Pro-Forma Historical Statement of Financial Position of International Graphite as at 31 December 2021 (Section 6.5),

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

6. INDEPENDENCE

Armada is a member of the Armada Group. Armada does not have any interest in the outcome of the Acquisition other than in connection with the preparation of this Report, for which professional fees will be received.

7. DISCLOSURES

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which described the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

Armada has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, Armada has not authorised the issue of the Prospectus. Accordingly, Armada makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully,

*Armada Audit
& Assurance*

ARMADA AUDIT & ASSURANCE PTY LTD



Nigel Dias
Director

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