



## ***InVert Graphite Limited***

**ACN 101 955 088**

**(formerly Dominion Minerals Limited)**

# **PROSPECTUS**

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### **For the Offer of fully paid ordinary shares in InVert Graphite (Shares)**

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This Prospectus has been issued to provide information on the offer of 110,000,000 Shares at an Offer Price of A\$0.03 per Share to raise A\$3,300,000 (before associated costs) with the ability to accept oversubscriptions of up to an additional 6,666,667 Shares at A\$0.03 per Share to raise an additional A\$200,000 (before associated costs) (**Offer**).

It is proposed that the Offer will close at 5.00 pm (Sydney time) on 10 April 2025. The Directors reserve the right to close the Offer earlier or to extend this date without notice. Applications must be received before that time.

This is an important document and requires your immediate attention. It should be read in its entirety. Please consult your professional adviser(s) if you have any questions about this Prospectus. Investment in the Shares offered pursuant to this Prospectus should be regarded as highly speculative in nature, and investors should be aware that they may lose some or all of their investment. Refer to Section 3 for a summary of the key risks associated with an investment in the Shares.

This Prospectus may not be distributed in the United States except by InVert Graphite to its directors.

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**Thomson Geer**

Lawyers

Australian legal advisor



TAYLOR COLLISON

Lead Manager

# CORPORATE DIRECTORY

## Directors as at the date of this Prospectus

Dr David Brookes – Non-Executive Chairman  
Mr Anastasios Arima – Non-Executive Director  
Mr Dominic Allen – Executive Director

## Directors upon Readmission\*\*

Dr David Brookes – Non-Executive Chairman  
Mr Simon Taylor – Non-Executive Director  
Mr Andrew Boyd – Executive Director  
Mr Anastasios Arima – Non-Executive Director  
Mr Dominic Allen – Non-Executive Director

## Chief Executive Officer upon Readmission\*\*

Mr Andrew Lawson

## Company Secretary and Chief Financial Officer

Ms Louisa Martino

## Registered Office

Level 5, 56 Pitt Street  
Sydney NSW 2000  
Phone: + 61 2 8823 3179  
Email: [info@invertgraphite.com.au](mailto:info@invertgraphite.com.au)

## Principal Place of Business

Level 5, 56 Pitt Street  
Sydney NSW 2000  
Phone: + 61 2 8823 3179  
Email: [info@invertgraphite.com.au](mailto:info@invertgraphite.com.au)

## Stock Exchange Listing\*

Australian Securities Exchange (ASX)  
ASX Code: IVG

## Company website

[www.invertgraphite.com.au](http://www.invertgraphite.com.au)

## Share Registry\*

MUFG Corporate Markets  
Level 12, 680 George Street  
Sydney NSW 2000  
Phone: + 61 1300 554 474  
Email: [info@mpms.mufg.com](mailto:info@mpms.mufg.com)

## Australian Legal Adviser

Thomson Geer  
Level 29, Central Park Tower,  
152-158 St Georges Terrace  
Perth WA 6000

## Auditor and Investigating Accountant

PKF Brisbane Audit Level 2, 66 Eagle Street  
Brisbane QLD 4000

## Independent Technical Expert

SRK Consulting (Australasia) Pty Ltd  
Level 3, 18-32 Parliament Place  
West Perth WA 6005

## Independent Tenement Solicitor (Tanzania)

Bowmans Tanzania Limited  
2nd Floor, The Luminary  
Cnr Halle Selassie and Chole Roads  
Masaki, Dar es Salaam  
TANZANIA

## Independent Tenement Solicitor (Australia)

O'Loughlins Lawyers  
Level 3 South  
191 Pulteney Street  
Adelaide SA 5000

## Lead Manager

Taylor Collison Limited  
Level 16, 211 Victoria Square  
Adelaide SA 5000

\* These entities are included for information purposes only. They have not been involved in any part of this Prospectus.

\*\* The Board may in its sole discretion appoint Mr Andrew Lawson (who is to be appointed as the Company's Chief Executive Officer effective on (or around) the time of completion of the Acquisition defined in Section 2.2) as the Managing Director of the Company after he has served as the Company's Chief Executive Officer for three months. Mr Simon Taylor is to be appointed as the Non-Executive Chairman of the Company within three months of completion of the Acquisition.

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# IMPORTANT NOTICE

## Offer

The Offer detailed in this Prospectus is an invitation to eligible Applicants to apply for fully paid ordinary shares in InVert Graphite (**Shares**) in accordance with the terms and conditions detailed in this Prospectus. This Prospectus is issued by InVert Graphite for the purpose of Chapter 6D of the Corporations Act and for the purposes of satisfying certain ASX requirements for the Readmission.

The Offer comprises:

- the Broker Firm Offer, which is open to eligible Australian retail clients and other eligible clients (subject to compliance with applicable laws) of Brokers; and
- the Priority Offer, which is open to investors who have received an invitation to participate in the Offer from the Company and who have a registered address in Australia, or are otherwise Institutional Investors in other Permitted Jurisdictions or are Approved US Shareholders (or as may otherwise be permitted by the law and accepted by the Company).

## The Acquisition and InVert Graphite's proposed re-compliance with ASX's admission requirements

InVert Graphite is an ASX-listed company incorporated in Australia.

On 7 August 2024, InVert Graphite entered into a binding term sheet (**EGA Term Sheet**) whereby it conditionally agreed to acquire a 100% ownership interest in Exceptional Graphite (Aust) Pty Ltd ACN 667 051 372 (**Exceptional Graphite**), an Australian-incorporated private company. The Company and Exceptional Graphite have also entered into a binding term sheet (**EGR Tanzania Term Sheet**) with other parties for Exceptional Graphite and its wholly-owned Australian subsidiary (Green Valley Resources Pty Ltd ACN 664 301 679 (**Green Valley**)) to, subject to conditions precedent, acquire a 100% ownership interest in Exceptional Graphite Resources Limited (Company Registration Number: 155732989) (**EGR Tanzania**),<sup>1</sup> which is a Tanzanian-incorporated company.

InVert Graphite and Exceptional Graphite have also entered into an agreement (**White Hill Tenement Purchase Agreement**) with White Hill Resources Pty Limited ACN 152 253 284 (**White Hill Resources Pty Limited**) for Exceptional Graphite to, subject to conditions precedent, acquire a 100% ownership interest in the South Australian exploration licences EL6786 and EL6787 (**White Hill Licences**) from White Hill Resources Pty Limited.

The acquisition of Exceptional Graphite by the Company, the acquisition of EGR Tanzania by Exceptional Graphite and Green Valley and the acquisition of the White Hill Licences by Exceptional Graphite are all collectively referred to as the "**Acquisition**" in this Prospectus. The EGA Term Sheet, EGR Tanzania Term Sheet and the White Hill Tenement Purchase Agreement are all collectively referred to as the "**Acquisition Agreements**" in this Prospectus.

The conditions precedent which must be satisfied or waived for the Acquisition to occur are summarised in Section 2.2 of this Prospectus. Among other conditions, this includes the condition of InVert Graphite obtaining certain Shareholder approvals in relation to the Acquisition (which approvals were received at the extraordinary general meeting of the Company held on 20 December 2024 (**General Meeting**)). Refer to Section 1.6 for the resolutions approved by Shareholders at the General Meeting and to Section 10.9(b) for a summary of the material terms of the Acquisition Agreements.

In conjunction with completion of the Acquisition, InVert Graphite will be required to re-comply with the requirements of Chapters 1 and 2 of the Listing Rules in accordance with Listing Rule 11.1.3 (i.e. the Company is required to re-comply with ASX's admission tests). This is as a result of the significant change to the nature and scale of InVert Graphite's activities arising from the Acquisition. Accordingly, this Prospectus is issued partly for the purpose of satisfying part of ASX's requirements for InVert Graphite's

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<sup>1</sup> Noting that Exceptional Graphite and its wholly owned subsidiary Green Valley would be the shareholders of EGR Tanzania following completion of that acquisition as detailed in Section 2.7 (with Exceptional Graphite proposed to acquire 90% of the EGR Tanzania shares and Green Valley proposed to acquire the remaining 10%, as part of the Acquisition).

proposed Readmission to the Official List of ASX (in conjunction with the completion of the Acquisition), as well as for the purpose of making the Offer.

InVert Graphite's Shares are currently listed on the ASX. The Shares have been voluntarily suspended from Official Quotation since 31 August 2023 and will continue to remain suspended from Official Quotation until InVert Graphite has re-complied with all of the requirements of Chapters 1 and 2 of the Listing Rules and completed the Acquisition.

Readmission to the Official List of ASX is subject to ASX's discretion and is not guaranteed. There is a risk that the Company may not be able to meet the requirements of ASX for re-compliance with Chapters 1 and 2 of the Listing Rules (in which case it is anticipated that the Company would not receive ASX permission for Official Quotation of the Shares pursuant to the Offer). If ASX does not grant permission for Official Quotation (of the relevant number of Shares to be issued pursuant to the Offer) within 3 months after the date of this Prospectus (or within such longer period as may be permitted by law) the Offer will be withdrawn and all Application Monies received by InVert Graphite will be refunded to Applicants (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.

In addition, in the event the conditions to the Offer detailed in Section 1.5 of this Prospectus are not satisfied, then (absent a waiver by the Board), InVert Graphite will not proceed with the issue of Shares pursuant to the Offer and will return to Applicants all the Application Monies (without interest) in accordance with the provisions of the Corporations Act.

## **Prospectus**

This Prospectus is dated, and was lodged with ASIC on, 13 March 2025. Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The expiry date of this Prospectus is 5:00pm (Sydney time) on that date which is thirteen (13) months after the date of this Prospectus. No Shares will be issued on the basis of this Prospectus after that expiry date.

An application will be made to ASX within seven (7) days of the date of this Prospectus for Official Quotation of the Shares the subject of the Offer.

No person is authorised to give any information or to make any representation in connection with the Offer, other than as is contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by InVert Graphite, the Directors, or any other person in connection with the Offer. You should rely only on the information in this Prospectus.

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

## **Not Investment Advice**

The information detailed in this Prospectus is not investment or financial product advice and does not take into account your investment objectives, financial situation or particular needs. This Prospectus should not be construed as financial, taxation, legal or other advice. InVert Graphite is not licensed to provide financial product advice in respect of its Shares or any other financial products.

## **Disclaimer**

The lead manager of the Offer, being Taylor Collison Limited ACN 008 172 450 (**Lead Manager**) and its related bodies corporate and affiliates, and officers, directors, employees, agents and advisers of each of the foregoing (collectively, **Lead Manager Parties**), take no responsibility for the Offer and make no recommendations as to whether any person should participate in the Offer nor do they make any representations or warranties (express or implied) concerning the Offer, and they disclaim (and by accepting this Prospectus you disclaim) any fiduciary relationship between them and the recipients of this Prospectus, or any duty to the recipients of this Prospectus or participants in the Offer or any other person. The Lead Manager Parties have not authorised, permitted or caused the issue, submission, dispatch or provision of this Prospectus. The disclaimer above does not purport to disclaim any warranty or liability which cannot be disclaimed by law.

Determination of eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal requirements and the discretion of InVert Graphite and the Lead Manager. InVert Graphite and the Lead Manager and their respective affiliates, officers, employees and advisers

disclaim any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

### **Consider Risks of Investments**

This Prospectus is important and should be read in its entirety prior to deciding whether to invest in Shares. There are risks associated with an investment in Shares and some of the key risks are detailed in Section 3. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in Shares. There may also be risks in addition to these that should be considered in light of your personal circumstances.

If you do not fully understand this Prospectus or are in doubt as to how to deal with it, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in Shares.

No person named in this Prospectus warrants or guarantees InVert Graphite's performance, the repayment of capital by InVert Graphite or any return on investment made pursuant to this Prospectus.

As detailed in Section 1.19, InVert Graphite will apply for the Shares offered by this Prospectus to be quoted on the ASX. InVert Graphite's share registry MUFG Corporate Markets (**Share Registry**) and the Lead Manager, disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before receiving their holding statements.

### **Foreign Investors**

This Prospectus does not constitute an offer or invitation to apply for Shares in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit an offering of the Shares, in any jurisdiction outside Australia. The distribution of this Prospectus (including in electronic form) outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The Shares are not being offered to any investor outside Australia, other than certain eligible investors in certain jurisdictions detailed in Section 1.21 (or as may otherwise be permitted by law and accepted by InVert Graphite).

In particular, this Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

Refer to Section 1.21 for more details on selling restrictions that apply to the Offer and the sale of Shares in jurisdictions outside Australia.

### **Financial Information**

The financial information included in this Prospectus has been prepared and presented in accordance with the recognition and measurement principles prescribed by Australian Accounting Standards (which are consistent with International Financial Reporting Standards) or International Financial Reporting Standards (in relation to the financial information of EGR Tanzania) except where otherwise stated.

The financial information is presented in abbreviated form. It does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports. The financial information in this Prospectus should be read in conjunction with, and is qualified by reference to, the information detailed in Section 6.

### **Past Performance**

This Prospectus includes information regarding past performance of InVert Graphite. Prospective investors should be aware that past performance should not be relied upon as being indicative of future performance.

## **Electronic Prospectus and Application Forms**

This Prospectus will be made available in electronic form only to persons in Australia by being posted on InVert Graphite's website at [www.invertgraphite.com.au](http://www.invertgraphite.com.au). Eligible persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the relevant Application Form (free of charge) from InVert Graphite's registered office during the Offer Period by contacting the Company Secretary on +61 2 8823 3179 (from 8:30am to 5:00pm (Sydney time) Monday to Friday (excluding public holidays)). Details of InVert Graphite's registered office are detailed in the Corporate Directory. The Offer constituted by this Prospectus in electronic form is only available to persons receiving an electronic version of this Prospectus and relevant Application Form within Australia (unless otherwise determined by the Board, subject to applicable laws).

The Corporations Act prohibits any person from passing on to another person the Application Form unless it is accompanied by or attached to a complete and unaltered copy of this Prospectus.

The electronic copy of this Prospectus available from InVert Graphite's website will not include an Application Form. InVert Graphite (or the Lead Manager) will provide this Prospectus together with the Application Form to persons selected to apply to participate in the Offer. Applicants must complete and return the Application Form with the requisite Application Monies by following the instructions detailed on the Application Form.

By returning an Application Form with the requisite Application Monies or making a payment of Application Monies you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offer as detailed in this Prospectus.

## **Cooling Off Rights**

Cooling off rights do not apply to an investment in Shares acquired under this Prospectus. This means that, in most circumstances, you cannot withdraw your application to acquire Shares under this Prospectus once it has been accepted.

## **No incorporation by reference**

No document or information (such as is included on InVert Graphite's website) is incorporated by reference into this Prospectus.

## **Speculative Investment**

The Shares offered pursuant to this Prospectus should be considered highly speculative. There is no guarantee that the Shares offered pursuant to this Prospectus will make a return on the capital invested, that dividends will be paid on the Shares or that there will be an increase in the value of the Shares in the future.

Prospective investors should carefully consider whether the Shares offered pursuant to this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Refer to Section 3 for details relating to the key risks applicable to an investment in the Shares.

## **Using this Prospectus**

Persons wishing to subscribe for Shares offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses, and prospects of InVert Graphite and the rights and liabilities attaching to the Shares offered pursuant to this Prospectus. If persons considering subscribing for Shares offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

## **Privacy Statement**

To apply for Shares you will be required to provide certain personal information to InVert Graphite and the Share Registry. InVert Graphite and the Share Registry will collect, hold, use, disclose and otherwise handle your personal information in order to assess your Application, service your needs as an investor, provide facilities and services that you request, and to carry out appropriate administration in relation to your Application and your needs as an investor. The Corporations Act and taxation law require some of

this personal information to be collected. If you do not provide the information requested, InVert Graphite may not be able to accept or process your Application.

By submitting an Application Form, each Applicant agrees that InVert Graphite may use the information provided by an Applicant on the Application Form for the purposes detailed in this Privacy Statement and may disclose it for those purposes to the Share Registry, InVert Graphite's related bodies corporate, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities and as otherwise permitted or required by law.

If an Applicant becomes a Shareholder, the Corporations Act requires InVert Graphite to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in InVert Graphite's public register must remain there even if that person ceases to be a Shareholder. Information contained in InVert Graphite's register is also used to facilitate distribution payments and corporate communications (including InVert Graphite's financial results, annual reports and other information that InVert Graphite may wish to communicate to its Shareholders) and compliance by InVert Graphite with its legal and regulatory requirements.

In some cases, your personal information may be disclosed by InVert Graphite to recipients located in the other countries such as storage of subscribers' data for the purpose of web mail broadcasts. Otherwise, your personal information is not generally disclosed to recipients located overseas except with your consent or where otherwise permitted or required by law.

The Company's Privacy Policy at <https://invertgraphite.com.au/wp-content/uploads/DLM-Privacy-Policy-v2.pdf> includes additional information about the way the Company handles personal information, including how to seek access or correct of your personal information, and how to complain if you believe we have breached our privacy obligations and how we will handle your complaint. For further information you may also contact our Privacy Officer by email at [info@invertgraphite.com.au](mailto:info@invertgraphite.com.au) or by mail to Privacy Officer, Level 5, 56 Pitt Street Sydney NSW 2000.

Your personal information will be provided to the Share Registry to assist in managing InVert Graphite's Share register. The Share Registry's Privacy Policy is available on the Share Registry's website, <https://www.mpms.mufg.com/docs/Privacy-Policy.pdf>. You can access, correct and update the personal information that the Company or its Registry holds about you. If you wish to do so, please contact the Share Registry at the relevant contact number set out in the Corporate Directory at the beginning of this Prospectus.

Questions about the Share Registry's Privacy Policy can also be emailed to [privacy.officer.au@mpms.mufg.com](mailto:privacy.officer.au@mpms.mufg.com).

### **Forward-Looking Statements and Information**

This Prospectus contains "forward-looking statements" and "forward-looking information", including statements and forecasts which include (without limitation) expectations regarding industry growth and other trend projections, forward-looking statements about the Project and the White Hill Licences, future strategies, results and outlook of InVert Graphite and the opportunities available to InVert Graphite. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "outlook", "scheduled", "target", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgments of InVert Graphite regarding future events and results. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, targets, performance or achievements of InVert Graphite to be materially different from any future results, targets, performance or achievements expressed or implied by the forward-looking information.

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 InVert Graphite, the Directors and management of InVert Graphite. Key risk factors associated with an investment in InVert Graphite are detailed in Section 3. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

Forward-looking information and statements are (further to the above) based on the reasonable assumptions, estimates, analysis and opinions of InVert Graphite made in light of its perception of trends,

current conditions and expected developments, as well as other factors that InVert Graphite believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Although InVert Graphite believes that the assumptions and expectations reflected in such forward-looking statements and information (including as described throughout this Prospectus) are reasonable, readers are cautioned that this is not exhaustive of all factors which may impact on the forward-looking information. InVert Graphite does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws, regardless of whether new information, future events or any other factors affect the information detailed in this Prospectus, except where required by law.

InVert Graphite cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking information or statements detailed in this Prospectus will actually occur and prospective investors are cautioned not to place undue reliance on these forward-looking information or statements.

### **Proximate Statements**

This Prospectus may contain references to other parties either nearby or proximate to the Morogoro Project or the White Hill Licences and includes references to topographical or geological similarities to that of the Morogoro Project or the White Hill Licences. It is important to note that such discoveries or geological similarities do not in any way guarantee that InVert Graphite will have any success or similar successes on the Morogoro Project or the White Hill Licences, if at all.

### **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 this Prospectus or its contents or that the assets shown in them are owned by InVert Graphite.

Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data detailed in charts, graphs and tables is based on information available at the date of this Prospectus.

### **Independent Expert's Report**

Prospective investors should carefully consider the Independent Expert's Report in Section 9 in which the Independent Expert comments on the fairness and reasonableness (to non-participating security holders) of the issue of various Securities to be issued around the time of completion of the Acquisition as follows:

- (a) the Independent Expert has determined that the proposed issue of Performance Shares to Hashimu Musedem Millanga<sup>2</sup> is FAIR AND REASONABLE to non-participating security holders (refer to Section 10.5 for the number of, and terms and conditions of, the Performance Shares);
- (b) the Independent Expert has determined that the proposed issue of Chairman Options to Dr David Brookes under the Employee Incentive Plan is FAIR AND REASONABLE to non-participating security holders (refer to Section 10.3 for the number of, and the terms and conditions of, the Chairman Options); and
- (c) the Independent Expert has determined that the proposed issue of the Director and Management Performance Options, including to the Directors (other than Dr Brookes), the Proposed Directors and to the Company's Company Secretary and Chief Financial Officer, is NOT FAIR, BUT REASONABLE to non-participating security holders (refer to Section 10.4 for the number and proposed allocation of, and the terms and conditions of, the Director and Management Performance Options).

### **Competent Person's Statements**

The information in this Prospectus which relates to the technical assessment of the Morogoro Project and the White Hill Licences is based on, and fairly reflects, information compiled, and conclusions derived by Dr (Gavin) Heung Ngai Chan. Dr Chan is a Fellow of the Australian Institute of Geoscientists and full time-

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<sup>2</sup> Mr Millanga is one of the vendors of EGR Tanzania and is to be employed as Principal Geologist by that company, as summarised in Section 10.9(d).

consultant employed by SRK. Dr Chan has sufficient experience that is relevant to the technical assessment of the mineral assets under consideration, the styles of mineralisation, the types of deposits under consideration and the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the VALMIN Code, and as a Competent Person as defined in the 2012 edition of the JORC Code. Dr Chan consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears. Dr Chan is not an employee of InVert Graphite, nor of a related party of InVert Graphite.

The information in this Prospectus which relates to exploration results for the Morogoro Project is based on, and fairly reflects, information and supporting documentation prepared by Hashimu Millanga, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Millanga is a director and shareholder of EGR Tanzania, is a party to the EGR Tanzania Term Sheet and is proposed to be employed as Principal Geologist by EGR Tanzania on completion of the Acquisition (as detailed in this Prospectus). Mr Millanga has sufficient experience that is relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Millanga consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

The information in this Prospectus which relates to exploration results for the White Hill Licences is based on, and fairly reflects, information and supporting documentation prepared by Mr Andrew Boyd, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Boyd is a Director and shareholder of Exceptional Graphite and a Director of Green Valley which companies are parties to the EGR Tanzania Term Sheet, is a party to the EGA Term Sheet and is proposed to be engaged as an Executive Director of InVert Graphite on completion of the Acquisition (as detailed in this Prospectus). Mr Boyd has sufficient experience that is relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Boyd consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

The Exploration Results in this Prospectus have been prepared and reported in accordance with the 2012 edition of the JORC Code.

### **Currency**

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. All references to "\$", "AUD" or "A\$" are references to Australian dollars.

All references in this Prospectus to "US\$" or "USD" are references to United States of America dollars.

### **Effect of rounding**

Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any discrepancies between totals and sums of components in tables in this Prospectus are due to rounding.

### **Time**

All references to time in this Prospectus are references to the time in Sydney, New South Wales, unless otherwise stated.

### **Glossary**

Defined terms and abbreviations used in this Prospectus are detailed in the glossary in Section 12.

## LETTER FROM THE CHAIRMAN

Dear Investor,

On behalf of the Board of Directors, it is my pleasure to invite you to become a shareholder in InVert Graphite Limited (**InVert Graphite** or the **Company**).

InVert Graphite has entered into the EGA Term Sheet to acquire Exceptional Graphite, an unlisted Australian company. The Company and Exceptional Graphite have also entered into the EGR Tanzania Term Sheet with other parties for Exceptional Graphite and its wholly-owned Australian subsidiary (Green Valley) to, subject to conditions precedent, acquire EGR Tanzania, which is a Tanzanian-incorporated company which holds a 100% interest in the Morogoro Project located in Tanzania and which is highly prospective for graphite.<sup>3</sup>

Graphite is listed as a strategic critical mineral by a number of countries, including the U.S., the E.U., Japan and Australia. Graphite's expanding role in battery anode production is projected to drive significant growth in demand as the uptake of electric vehicles and a shift to electrification accelerates the requirement for energy storage. With China currently dominating the natural graphite supply market, western governments are encouraging the development of new graphite projects to diversify the sources of supply.

The Morogoro Project has a number of favourable characteristics including:

- Exploration work to date has identified multiple occurrences of graphite mineralisation at, or in close proximity to, the surface.
- Initial metallurgy has identified the potential for a graphite concentrate with high recoveries through a simple, conventional processing flow sheet.
- Close proximity to major infrastructure, including 30 km from rail and 200 km via sealed road to the deep water port of Dar es Salaam.
- Comprehensive work programs have been planned, with drill ready targets identified and metallurgical and battery anode material test work programs prepared.

InVert Graphite and Exceptional Graphite have also entered into the White Hill Tenement Purchase Agreement with White Hill Resources Pty Limited, for Exceptional Graphite to, subject to conditions precedent, acquire the White Hill Licences in South Australia which are prospective for rare earth elements. Whilst the Morogoro Project is planned to be the primary focus of InVert Graphite's exploration activities in the short to medium term, the acquisition of the White Hill Licences will provide InVert Graphite with diversification across multiple projects and geographies.

By the time of Readmission, experienced resource company executives Simon Taylor and Andrew Boyd, with a track record of African exploration success will join the board as Directors and Andrew Lawson, who is a seasoned resource company executive with experience in early stage exploration projects, will take up the role of Chief Executive Officer of the Company. Mr Taylor is to be appointed as the Non-Executive Chairman of the Company within three months of completion of the Acquisition and the Board may also appoint Mr Lawson as the Managing Director of the Company after he has served as the Company's Chief Executive Officer for three months.

An investment in InVert Graphite is speculative given that the Morogoro Project and the White Hill Licences are in the exploration phase and have no declared Exploration Targets, Mineral Resources or Ore Reserves. Key risks associated with an investment in InVert Graphite encompass (among other things)

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<sup>3</sup> Refer to the Tanzanian Independent Solicitor's Report in Section 8.1 and the Independent Geologist's Report in Section 7 for further details of the ownership structure and the entitlement of the Government of Tanzania to a minimum 16 per cent non-dilutable free carried interest (**FCI**) in the capital of any company operating under a Mining Licence or Special Mining Licence. The Government of Tanzania does not currently own any FCI in EGR Tanzania. In addition to the FCI, the Government of Tanzania shall be entitled to acquire, in total, up to fifty percent of the ordinary shares of a mining company commensurate with the total tax expenditures incurred by the Government in favour of the mining company.

fluctuations in commodity prices and exchange rates, changes in the demand and supply dynamics of our potential products, exploration, development and operational risks, foreign exchange movements, regulatory approvals, funding requirements for any project development, the impact of changes in the Tanzanian legal and regulatory framework and other matters. Please refer to Section 3 for a more detailed description of the key risk factors.

The Offer is for 110,000,000 Shares at an Offer Price of A\$0.03 per Share to raise A\$3,300,000 (before associated costs) with the ability to accept oversubscriptions of up to an additional 6,666,667 Shares at A\$0.03 per Share to raise an additional A\$200,000 (before associated costs). The Offer proceeds are intended to be used to fund exploration programs at the Morogoro Project and the White Hill Licences, corporate costs, working capital and the costs of the offer and other expenses.

This Prospectus contains detailed information about the Offer and the relevant risk factors. The Prospectus has also been prepared for the purposes of satisfying certain ASX requirements for Readmission. I encourage you to read it carefully before making an investment decision.

I look forward to you continuing or joining as a Shareholder to participate in the exciting new direction being taken by InVert Graphite. The Board has been very appreciative of the support from Shareholders during the Company's suspension from trading on the ASX, while working towards the objective of seeking Readmission as soon as possible. On completion of that process, the new Board will be working to create Shareholder value and looks forward to regularly updating Shareholders on the progress of the Morogoro Project and the White Hill Licences.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Brookes', written in a cursive style.

David Brookes  
Non-Executive Chairman

## KEY OFFER INFORMATION

### Indicative Timetable<sup>1</sup>

|                                                                                                                                                                                        |                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| General Meeting held at which Shareholders approved resolutions on the Acquisition and other matters                                                                                   | 20 December 2024 |
| Lodgement of this Prospectus with ASIC                                                                                                                                                 | 13 March 2025    |
| Opening Date of the Offer                                                                                                                                                              | 13 March 2025    |
| Closing Date of the Offer                                                                                                                                                              | 10 April 2025    |
| Completion of the Acquisition <sup>2</sup> and the Offer, and issues of Shares pursuant to the Offer, Consideration Shares pursuant to the Acquisition, Performance Shares and Options | 23 April 2025    |
| Despatch of holding statements                                                                                                                                                         | 24 April 2025    |
| Indicative Readmission on the ASX (subject to the Company re-complying with Chapters 1 & 2 of the Listing Rules) <sup>3</sup>                                                          | 30 April 2025    |

#### Notes:

1. The above dates (and where applicable, the times) are indicative only and may change. InVert Graphite, in consultation with its advisers, reserves the right to amend any and all of the above dates without notice (including, without limitation, subject to the Listing Rules and the Corporations Act, to close the Offer or any part of it early, to extend the Closing Date, to accept late Applications (either generally or in particular cases) or to cancel the Offer before Shares are issued by InVert Graphite). The above stated date for completion of the Acquisition is an estimate by the Directors and may be altered. If the Offer is cancelled before the issue of Shares, then all Application Monies will be refunded in full (without interest) as soon as practicable in accordance with the requirements of the Corporations Act. Eligible Applicants are encouraged to submit their Applications as soon as possible after the Offer opens. Readmission to the Official List of ASX is subject to ASX's discretion and is not guaranteed. As detailed in Section 10.20, the Company has sought a waiver from ASX Listing Rule 14.7, to enable the Company to issue relevant Securities after the current granted waiver limit of 20 April 2025, without obtaining further Shareholder approval of those issues (which were approved at the General Meeting).
2. Completion of the Acquisition is subject to the satisfaction or waiver of certain conditions precedent (refer to Section 2.2).
3. Subject to receiving final approval from ASX.

### Indicative Capital Structure on Readmission<sup>1</sup>

|                                                                                                       | Minimum Subscription <sup>8</sup> | Maximum Subscription <sup>9</sup> |
|-------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Offer Price per Share under the Offer</b>                                                          | <b>A\$0.03</b>                    | <b>A\$0.03</b>                    |
| <b>Total Shares on issue upon Readmission</b>                                                         | <b>412,608,533</b>                | <b>419,275,200</b>                |
| Shares on issue as at the date of this Prospectus                                                     | 225,850,957                       | 225,850,957                       |
| Shares to be issued as consideration for the Acquisition ( <b>Consideration Shares</b> ) <sup>2</sup> | 76,757,576                        | 76,757,576                        |
| Shares offered under the Offer                                                                        | 110,000,000                       | 116,666,667                       |
| <b>Total Options on issue upon, or around the time of, Readmission<sup>10</sup></b>                   | <b>55,734,376</b>                 | <b>55,734,376</b>                 |
| Options on issue at the date of this Prospectus <sup>3</sup>                                          | 11,187,498                        | 11,187,498                        |

|                                                                                 | Minimum Subscription <sup>8</sup> | Maximum Subscription <sup>9</sup> |
|---------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Offer Price per Share under the Offer</b>                                    | <b>A\$0.03</b>                    | <b>A\$0.03</b>                    |
| <b>Total Shares on issue upon Readmission</b>                                   | <b>412,608,533</b>                | <b>419,275,200</b>                |
| Director and Management Performance Options <sup>4</sup>                        | 28,315,758                        | 28,315,758                        |
| Chairman Options <sup>5</sup>                                                   | 1,231,120                         | 1,231,120                         |
| Lead Manager Options <sup>6</sup>                                               | 15,000,000                        | 15,000,000                        |
| <b>Performance Shares<sup>10</sup></b>                                          | <b>3</b>                          | <b>3</b>                          |
| Performance Shares to be issued in connection with the Acquisition <sup>7</sup> | 3                                 | 3                                 |

**Notes:**

1. Refer to Section 1.9 for further details relating to the indicative capital structure of InVert Graphite on Readmission.
2. These are the Consideration Shares proposed to be issued pursuant to the Acquisition Agreements in consideration for the Acquisition. Refer to Section 10.9(b) for a summary of the material terms of the Acquisition Agreements.
3. The terms of the Options on issue at the date of this Prospectus (the **Existing Options**) are set out in Section 10.7.
4. On or around the time of completion of the Acquisition:
  - a. 16,817,098 Director and Management Performance Options are proposed to be issued to Directors and Proposed Directors of InVert Graphite (and/or their nominee(s)) (but not including Dr Brookes or Mr Lawson) as detailed in Section 4.4(a) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.4;
  - b. 3,274,779 Director and Management Performance Options are proposed to be issued to Ms Louisa Martino, who is the Company's Company Secretary and Chief Financial Officer, (and/or her nominee(s)) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.4; and
  - c. Mr Andrew Lawson is to be appointed as the Company's Chief Executive Officer. Upon the successful completion of his three month probationary period which commences upon that appointment, it is proposed that Mr Lawson be issued 8,223,881 Director and Management Performance Options pursuant to the Employee Incentive Plan and on the terms set out in Section 10.4. Those 8,223,881 Director and Management Performance Options have been included in the table above for completeness, notwithstanding they are not anticipated to be issued by the time of Readmission. Also, following the completion of the probation period, the Company may, at the sole discretion of the Board, at any time also appoint Mr Lawson to the role of Managing Director of the Company. Such appointment shall not alter Mr Lawson's remuneration.

All Director and Management Performance Options will have nil exercise price but each of them will be subject to certain vesting conditions. Refer to the Independent Expert's Report set out in Section 9 for further information with respect to the fairness and reasonableness to non-participating security holders of the proposed issue of those Director and Management Performance Options.
5. On or around the time of completion of the Acquisition, 1,231,120 Chairman Options are proposed to be issued to the Non-Executive Chairman of the Company (Dr David Brookes) (and/or his nominee) as detailed in Section 4.4(a) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.3. The Chairman Options will have nil exercise price but will be subject to certain vesting conditions. Refer to the Independent Expert's Report set out in Section 9 for further information with respect to the fairness and reasonableness to non-participating security holders of the proposed issue of those Chairman Options.
6. It is proposed to issue 15,000,000 Lead Manager Options to the Lead Manager pursuant to the Lead Manager Mandate as detailed in Section 1.12(a) and 10.9(a). Refer to Section 10.6 for the terms of the Lead Manager Options.
7. A condition of the Acquisition is that EGR Tanzania enters into an employment agreement with Hashimu Musedem Millanga<sup>4</sup> pursuant to which Mr Millanga is to be employed as a geologist by EGR Tanzania. That employment agreement has been signed on the terms summarised in Section 10.9(d). Under the terms of that employment agreement, it is proposed that Mr Millanga (and/or his nominee(s)) will be issued three Performance Shares. The maximum number of Shares which the Performance Shares will convert into is 45,000,000 assuming all vesting milestones are achieved. The Performance Shares will have nil exercise price but will be subject to vesting conditions. Refer to Section 10.5 for the terms and conditions of the Performance Shares. Refer to the Independent Expert's Report set out in Section 9 for further information with respect to the fairness and reasonableness to non-participating security holders of the proposed issue of those Performance Shares.
8. Assuming no other securities in the Company are issued prior to the completion of the Acquisition and the Offer. On a fully diluted basis, assuming all of the Options detailed above convert into Shares and assuming the Minimum Subscription is raised pursuant to the Offer, the maximum number of Shares are issued on conversion of the Performance Shares (being 45,000,000 Shares) and no further securities are issued, InVert Graphite's issued capital would equate to 513,342,909 Shares. No forecast is made of whether any Options or Performance Shares will be converted into Shares (nor whether any of the Options' or Performance Shares' vesting conditions will be satisfied). Other than the 8,223,881 Director and Management Performance Options that are proposed to be issued to Mr Lawson following the successful completion of his three month probationary period, this does not include any Options (or other securities in the Company), in addition to those listed above, that InVert Graphite may issue under the Employee Incentive Plan to certain Eligible Participants or their nominees following Readmission.

<sup>4</sup> Mr Millanga is one of the vendors of EGR Tanzania pursuant to the Acquisition.

9. Assuming no other securities in the Company are issued prior to the completion of the Acquisition and the Offer. On a fully diluted basis, assuming all of the Options detailed above convert into Shares and assuming the Maximum Subscription is raised pursuant to the Offer, the maximum number of Shares are issued on conversion of the Performance Shares (being 45,000,000 Shares) and no further securities are issued, InVert Graphite's issued capital would equate to 520,009,576 Shares. No forecast is made of whether any Options or Performance Shares will be converted into Shares (nor whether any of the Options' or Performance Shares' vesting conditions will be satisfied). Other than the 8,223,881 Director and Management Performance Options that are proposed to be issued to Mr Lawson following the successful completion of his three month probationary period, this does not include any Options (or other securities in the Company), in addition to those listed above, that InVert Graphite may issue under the Employee Incentive Plan to certain Eligible Participants or their nominees following Readmission.
10. The Performance Shares and Options will be unlisted securities.

No consolidation of the Company's share capital is proposed to occur as part of the Acquisition.

The Board reserves the right to alter the Company's capital structure from time to time.

### **Questions**

All enquiries in relation to this Prospectus should be directed to the Company Secretary on + 61 2 8823 3179 from 8:30am to 5:00pm (Sydney time), Monday to Friday.

If you are unclear in relation to any matter or are uncertain as to whether InVert Graphite is a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.

## INVESTMENT OVERVIEW

This Section is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Shares offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of Shares.

| Topic                                              | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | More Information      |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <b>A. Introduction</b>                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                       |
| <b>Who is issuing this Prospectus?</b>             | <p>InVert Graphite Limited (<b>InVert Graphite</b> or <b>Company</b>), an ASX-listed public company incorporated in Australia with Australian Company Number 101 955 088.</p> <p>InVert Graphite first listed on ASX in March 2004 as a clinical-stage life sciences company (formerly known as Dominion Minerals Limited, Tissue Therapies Limited and Factor Therapeutics Limited).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Section 2.1           |
| <b>What has been the Company's recent history?</b> | <p>The Company's Shares were voluntarily suspended from Official Quotation on the ASX under Listing Rule 17.2 on 17 July 2020 following cessation of its life sciences business activities.</p> <p>In September 2021, the Company acquired PowerLime Inc, being a U.S.-incorporated company which held an option to purchase over 360 acres of private surface and mineral rights in Blakely, Georgia, USA, prospective for high calcium limestone (<b>Georgia Lime Project</b>) and the Company changed its name Dominion Minerals Limited.</p> <p>In October 2021, the Company re-complied with Chapters 1 and 2 of the Listing Rules and its securities were reinstated to Official Quotation on ASX on 1 November 2021.</p> <p>The Company's Securities were again voluntarily suspended from Official Quotation on 31 August 2023 pending the Company making an announcement regarding the Georgia Lime Project and a corporate transaction.</p> <p>On 3 November 2023 the Company announced that it had determined not to exercise the option to acquire the Georgia Lime Project, and had resolved to let the option lapse unexercised. Consequently, the Company will not acquire the Georgia Lime Project.</p> <p>On 7 August 2024, the Company first announced the Acquisition, as further detailed in Section 2.2 and elsewhere in this Prospectus.</p> <p>On 20 December 2024, the General Meeting was held, at which all resolutions proposed were carried by Shareholder vote, including various resolutions relating to the Acquisition and the Offer. This satisfied one of the conditions precedent to the Acquisition (as detailed in Section 2.2(e)).</p> <p>On 3 January 2025 the Company changed its name from Dominion Minerals Limited to Invert Graphite Limited.</p> | Sections 2.1 and 2.2  |
| <b>What is the current status of the Company?</b>  | As at the date of this Prospectus, the Company's securities remain suspended from Official Quotation, pending the Company's proposed re-compliance with Chapters 1 and 2 of the Listing Rules via the Acquisition and the Offer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sections 2.1 and 2.2  |
| <b>What is the Offer?</b>                          | The Offer is an invitation for eligible investors to apply for up to a total of 116,666,667 Shares at an Offer Price of A\$0.03 per Share, in order for the Company to raise up to A\$3,500,000 (before associated costs). The Offer comprises the Minimum Subscription of 110,000,000 Shares at an Offer Price of A\$0.03 per Share to raise A\$3,300,000 (before associated costs) and the ability for the Company to (at the Board's discretion) accept                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Sections 1.1 and 10.1 |

| Topic                                                                       | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | More Information                  |
|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
|                                                                             | <p>Oversubscriptions of up to an additional 6,666,667 Shares at A\$0.03 per Share to raise an additional A\$200,000 (before associated costs). Together, the Minimum Subscription and the maximum Oversubscriptions are the <b>Maximum Subscription</b>.</p> <p>The Shares issued pursuant to the Offer will rank equally with existing Shares on issue.</p> <p>For details relating to the rights and liabilities of the Shares, refer to Section 10.1.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                   |
| <p><b>What are the purposes of the Offer?</b></p>                           | <p>The purposes of the Offer are to:</p> <ul style="list-style-type: none"> <li>raise up to A\$3.5 million pursuant to the Offer (before associated costs), which includes the Minimum Subscription of A\$3.3 million (before associated costs) and, at the Company's discretion, the maximum Oversubscriptions to raise an additional A\$200,000 (before associated costs);</li> <li>assist InVert Graphite to meet the requirements of ASX and satisfy the re-compliance requirements of Chapters 1 and 2 of the Listing Rules, as part of InVert Graphite's application for Readmission;</li> <li>provide funding for InVert Graphite to seek to achieve its near-term objectives detailed in Section 1.8 and Section 2.11 following completion of the Acquisition; and</li> <li>provide InVert Graphite with additional working capital for its business, following completion of the Acquisition.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <p>Sections 1.7, 1.8 and 2.11</p> |
| <p><b>Why does the Company need to re-comply with Chapters 1 and 2?</b></p> | <p>The change in the nature and scale of the Company's activities pursuant to the Acquisition requires the Company to (in accordance with Listing Rule 11.1.3) re-comply with the ASX admission requirements set out in Chapters 1 and 2 of the Listing Rules.</p> <p>At the General Meeting of the Company held on 20 December 2024, Shareholders approved, among other things, a change in the nature and scale of the Company's activities as a result of the Acquisition. To give effect to these changes, the Company needs to re-comply with Chapters 1 and 2 of the Listing Rules. This Prospectus is issued partly to assist the Company to re-comply with these requirements.</p> <p>There is a risk that the Company may not be able to meet the requirements of re-compliance with Chapters 1 and 2 of the Listing Rules (in which case it is anticipated that the Company would not receive ASX permission for Official Quotation of the Shares pursuant to the Offer). If ASX does not grant permission for Official Quotation (of the relevant number of Shares to be issued pursuant to the Offer) within 3 months after the date of this Prospectus (or within such longer period as may be permitted by law) the Offer will be withdrawn and all Application Monies received by InVert Graphite will be refunded to Applicants (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.</p> <p>In addition, in the event the conditions to the Offer detailed in Section 1.5 of this Prospectus are not satisfied, then (absent a waiver by the Board), InVert Graphite will not proceed with the issue of Shares pursuant to the Offer and will return to Applicants all the Application Monies (without interest) in accordance with the provisions of the Corporations Act.</p> | <p>Section 1.19</p>               |

| Topic                                                 | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | More Information         |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| <b>B. Acquisition</b>                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          |
| <b>What is the Acquisition?</b>                       | <p>The Company has executed the EGA Term Sheet to acquire 100% of the issued capital of Exceptional Graphite, an Australian-incorporated private company.</p> <p>The Company and Exceptional Graphite have also entered into the EGR Tanzania Term Sheet with other parties for Exceptional Graphite and its wholly-owned subsidiary (Green Valley) to acquire a 100% ownership interest in EGR Tanzania, a Tanzanian-incorporated company which in turn holds a 100% interest<sup>5</sup> in three granted prospecting licences in Tanzania covering approximately 225km<sup>2</sup> and five applications for prospecting licences in Tanzania covering an area of approximately 161 km<sup>2</sup> (<b>Morogoro Project or Project</b>).</p> <p>Separately, the Company and Exceptional Graphite have entered into the White Hill Tenement Purchase Agreement for Exceptional Graphite to acquire South Australian exploration licences EL6786 and EL6787 (being the White Hill Licences) from White Hill Resources Pty Limited.</p> <p>The acquisition of Exceptional Graphite by the Company, the acquisition of EGR Tanzania by Exceptional Graphite and Green Valley and the acquisition of the White Hill Licences by Exceptional Graphite are all collectively referred to as the "<b>Acquisition</b>" in this Prospectus.</p> | Section 2.2              |
| <b>What is the consideration for the Acquisition?</b> | <p>Subject to satisfaction or waiver of the conditions precedent to the Acquisition, under the terms of the Acquisition Agreements, the Company will issue a total of 76,757,576 fully paid ordinary shares in InVert Graphite (<b>Consideration Shares</b>) in consideration for the Acquisition. The allocation of the Consideration Shares is as follows (as further detailed in Section 2.2):</p> <ul style="list-style-type: none"> <li>• 71,297,968 Consideration Shares to be issued to the vendors of Exceptional Graphite (and/or their nominee(s)) as consideration for InVert Graphite's acquisition of 100% of the issued capital of Exceptional Graphite;</li> <li>• 4,459,608 Consideration Shares to be issued to the vendors of EGR Tanzania (and/or their nominee(s)), as consideration for Exceptional Graphite's and Green Valley's acquisition of 100% of the issued capital of EGR Tanzania; and</li> <li>• 1,000,000 Consideration Shares to be issued to White Hill Resources Pty Limited as the vendor of the White Hill Licences (and/or its nominee(s)), as consideration for Exceptional Graphite's acquisition of the White Hill Licences and related mining information.</li> </ul> <p>All Consideration Shares will be subject to ASX imposed escrow restrictions.</p>                                    | Section 2.2              |
| <b>What is the Royalty?</b>                           | <p>In connection with the Acquisition, a net sales return royalty of 0.25% on any future mineral production from the Morogoro Project will also be granted (in aggregate) to the vendors of EGR Tanzania by EGR Tanzania (<b>Royalty</b>) pursuant to a royalty agreement (<b>Royalty Agreement</b>). Refer to Section</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sections 2.2 and 10.9(c) |

<sup>5</sup> Refer to the Tanzanian Independent Solicitor's Report in Section 8.1 and the Independent Geologist's Report in Section 7 for further details of the ownership structure and the entitlement of the Government of Tanzania to a minimum 16 per cent non-dilutable free carried interest (FCI) in the capital of any company operating under a Mining Licence or Special Mining Licence. The Government of Tanzania does not currently own any FCI in EGR Tanzania. In addition to the FCI, the Government of Tanzania shall be entitled to acquire, in total, up to fifty percent of the ordinary shares of a mining company commensurate with the total tax expenditures incurred by the Government in favour of the mining company.

| Topic                                    | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | More Information                                                                                                               |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
|                                          | 10.9(c) for further information in relation to the Royalty Agreement pursuant to which the Royalty will be granted.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                |
| <b>What are the Performance Shares?</b>  | <p>A condition of the Acquisition is that EGR Tanzania enters into an employment agreement with Hashimu Musedem Millanga, being a vendor of EGR Tanzania, pursuant to which Mr Millanga is to be employed by EGR Tanzania as a geologist. That employment agreement has been signed on the terms summarised in Section 10.9(d). Under the terms of that employment agreement, it is proposed that Mr Millanga (and/or his nominee(s)) will be issued three performance shares (each comprising a separate class) in the capital of the Company (<b>Performance Shares</b>) which will be convertible into (in aggregate) up to 45,000,000 Shares subject to the satisfaction of vesting milestones. Refer to Section 10.5 for the terms and conditions of the Performance Shares. Refer to the Independent Expert's Report set out in Section 9 for further information with respect to the fairness and reasonableness to non-participating security holders of the proposed issue of those Performance Shares.</p> <p>The Performance Shares will be subject to ASX imposed escrow restrictions.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                             | Sections 2.2, 9 and 10.5                                                                                                       |
| <b>What is the Morogoro project?</b>     | <p>The Morogoro Project encompasses approximately 386 km<sup>2</sup> of granted and application stage exploration ground in Tanzania. The project is located 25 km south of the town of Morogoro and ~200km west of the Tanzanian commercial centre of Dar es Salaam, in close proximity to significant existing infrastructure including 30 km from both standard and narrow gauge railway and 30km from the Morogoro to Dar es Salaam sealed road, providing potential for short rail or trucking routes to the deep water port in Dar es Salaam. Additionally, the Morogoro Project is located ~25 km from access to the Tanzanian national power grid, and around 60 km from the new 2,100MW Julius Nyerere Hydropower Station, which started power generation in February 2024.</p> <p>Significant exploration work has been undertaken on the Morogoro Project to date, including the identification of widespread, graphite mineralisation at, or in close proximity to, the surface.</p> <p>Initial metallurgy for the Morogoro Project has identified the potential for a graphite concentrate with high recoveries through a simple, conventional processing flow sheet.</p> <p>Comprehensive work programs have been planned for the Morogoro Project, with drill ready targets identified and metallurgical and battery anode material test work programs prepared.</p> <p>No Exploration Target, Mineral Resource or Ore Reserve has been identified at the Project, and no forecast is made of whether that may occur in future.</p> | Section 2.9, the Tanzanian Independent Solicitor's Report in Section 8.1 and the Independent Geologist's Report in Section 7   |
| <b>What are the White Hill Licences?</b> | <p>South Australian exploration licences EL6786 and EL6787 (being the White Hill Licences) cover a total area of 1,362km<sup>2</sup>. The geology for the White Hill Licences is broadly similar to that hosting Australian Rare Earth's Koppamurra deposits and includes dunal and intertidal sediments overlying the Gambier Limestone.</p> <p>Data compilation has identified 94 holes that had been drilled within the White Hill Licences, with samples from 12 of these located at the Primary Industry and Regions SA (<b>PIRSA</b>) core facility. The initial sampling of historic holes utilising pXRF will be supplemented with submission of the higher grade samples to an analytical laboratory to confirm the initial pXRF results. Upon confirmation of results, a drill program is proposed to be implemented utilising existing tracks to duplicate the historic drill holes as well as infill between the historic drilling to confirm and refine the location of mineralisation.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Section 2.10, the Australian Independent Solicitor's Report in Section 8.2 and the Independent Geologist's Report in Section 7 |

| Topic                                                                | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | More Information |
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|                                                                      | No Exploration Target, Mineral Resource or Ore Reserve has been identified at the White Hill Licences, and no forecast is made of whether that may occur in future.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                  |
| <b>What matters did Shareholders approve at the General Meeting?</b> | <p>At the Company's General Meeting held on 20 December 2024, InVert Graphite sought, and obtained, Shareholder approval of the following in relation to the Acquisition and the Offer (and related matters):</p> <ul style="list-style-type: none"> <li>(a) <b>Change in nature and scale of activities:</b> the change in nature and scale of InVert Graphite's activities as a result of the Acquisition.</li> <li>(b) <b>Issue of Consideration Shares:</b> InVert Graphite issuing the Consideration Shares to the EGA Vendors, EGR Tanzania Vendors and White Hill Resources Pty Limited (and/or their respective nominee(s)) as consideration under the Acquisition as detailed in Section 2.2.</li> <li>(c) <b>Issue of Performance Shares:</b> InVert Graphite creating new classes of shares, being the Performance Shares, and issuing the Performance Shares to Hashimu Musedem Millanga (and/or his nominee(s)) pursuant to the proposed terms of employment for Mr Millanga, who is proposed to be employed as a geologist by EGR Tanzania.</li> <li>(d) <b>Issue of Shares under Offer:</b> InVert Graphite issuing Shares under the Offer up to the Maximum Subscription.</li> <li>(e) <b>Issue of Lead Manager Options:</b> InVert Graphite issuing the Lead Manager Options to the Lead Manager (and/or its nominee(s)).</li> <li>(f) <b>Change of name:</b> InVert Graphite changing its name from "Dominion Minerals Limited" to "InVert Graphite Limited", with effect from the date that ASIC alters the details of InVert Graphite's registration (this occurred on 3 January 2025).</li> <li>(g) <b>Issue of Chairman Options and Director and Management Performance Options to Directors and Proposed Directors:</b> InVert Graphite issuing the Chairman Options and 25,040,979 of the Director and Management Performance Options to the Directors and Proposed Directors (and/or their nominee(s)) as detailed in Section 4.4(a).</li> <li>(h) <b>Election of Proposed Directors:</b> the election of Mr Simon Taylor, Mr Andrew Boyd and Mr Andrew Lawson as Directors subject to the completion of the Acquisition and with effect on and from one or more dates to be determined by the Board.</li> <li>(i) <b>Adoption of a new Employee Incentive Scheme:</b> InVert Graphite adopting the new Employee Incentive Plan and approving the issue of securities (in the form of Options, Performance Rights and/or Shares) under the Employee Incentive Plan and for any resulting issues of underlying Shares.</li> <li>(j) <b>Directors and Proposed Directors participation in the Offer:</b> InVert Graphite issuing Shares to Directors and Proposed Directors (and/or their respective nominee(s)) pursuant to their proposed participation in the Offer as detailed in Section 4.4(b).</li> </ul> | Section 1.6      |

| Topic                                                         | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | More Information   |
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|                                                               | <p>(k) <b>Approval of termination benefits:</b> InVert Graphite giving certain termination benefits in connection with any person, who from time to time is or has been a member of the key management personnel or holds or has held a managerial or executive office in the Company or a related body corporate, ceasing to hold that managerial or executive office or ceasing to hold a subsequent office, or position of employment, in the Company or a related body corporate.</p> <p>(l) <b>Section 195 approval:</b> the approval of transactions and termination benefits contemplated by certain resolutions described above under section 195 of the Corporations Act (relating to the potential absence of a quorum at Directors' meetings necessary to carry out the terms of certain resolutions).</p> <p>All of the resolutions described above were passed by Shareholders.</p> <p>Prospective investors should carefully consider the Independent Expert's Report in Section 9 in which the Independent Expert comments on the fairness and reasonableness (to non-participating security holders) of the issue of various securities to be issued around the time of completion of the Acquisition.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |
| <b>What are the conditions precedent for the Acquisition?</b> | <p>Completion of the Acquisition is subject to the satisfaction or waiver of certain conditions precedent, which include (across the Acquisition Agreements) in summary:</p> <ul style="list-style-type: none"> <li>(a) completion of due diligence to the satisfaction of InVert Graphite;</li> <li>(b) Exceptional Graphite becoming the sole legal and beneficial owner of all shares in Green Valley (which has now occurred);</li> <li>(c) InVert Graphite lodging this Prospectus and receiving cleared funds for the Minimum Subscription under the Offer without having refunded that minimum subscription;</li> <li>(d) EGR Tanzania entering into an employment agreement with Hashimu Musedem Millanga pursuant to which Mr Millanga is to be employed as a geologist by EGR Tanzania (that employment agreement has been signed on the terms summarised in Section 10.9(d));</li> <li>(e) InVert Graphite obtaining shareholder approvals pursuant to the ASX Listing Rules, the Corporations Act and for all other purposes in relation to the Acquisition (which approvals were obtained at the General Meeting held on 20 December 2024);</li> <li>(f) the parties obtaining all necessary third-party consents and regulatory / governmental / ministerial approvals required to complete the Acquisition such as merger clearance from the Tanzania Fair Competition Commission, taxation clearance from the Tanzania Revenue Authority, all required approvals required under Tanzania's Foreign Exchange Regulations 2022 (as amended) (to the extent required) and applicable consents pursuant to section 127 of the Mining Act from the Tanzania Mining Commission and (in relation to the White Hill Licences) consent from the South Australian Minister for Mineral Resources and Energy to the transfer of the White Hill Licences;</li> <li>(g) ASX approving the reinstatement to trading on ASX of the Company's equity securities following completion of the Offer and the Acquisition,</li> </ul> | <p>Section 2.2</p> |

| Topic                                                                        | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | More Information       |
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|                                                                              | <p>subject only to any conditions which ASX may reasonably require that are acceptable to the Company;</p> <p>(h) Exceptional Graphite and Green Valley completing the acquisition of EGR Tanzania;</p> <p>(i) Exceptional Graphite completing the acquisition of the White Hill Licences; and</p> <p>(j) the shares in Exceptional Graphite having been acquired by InVert Graphite.</p> <p>Only the conditions precedent (b), (d) and (e) (above) have been satisfied as at the date of this Prospectus as well as the receipt of Tanzania Mining Commission approval in item (f).</p> <p>If any one or more of the conditions precedent to the Acquisition are not satisfied (and are not waived), the Acquisition may not be able to proceed and it is anticipated that the conditions of the Offer in Section 1.5 may not be satisfied. Refer to Section 1.5 for further information.</p> |                        |
| <b>C. Business model post-Offer and Acquisition</b>                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                        |
| <b>What does InVert Graphite propose to do?</b>                              | Following completion of the Acquisition, InVert Graphite will be a mineral exploration company focused on the discovery and development of critical mineral resources in Tanzania and South Australia.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Section 2.5            |
| <b>What are InVert Graphite's proposed strategy and objectives?</b>          | <p>InVert Graphite's core objective is to explore and potentially develop its critical mineral interests comprising the Morogoro Project and the White Hill Licences. The long term-aim is to create significant value for Shareholders by developing the Morogoro Project and / or the White Hill Licences.</p> <p>InVert Graphite's near term exploration strategy, as relevant to the two year period following Readmission, is to aim to identify and delineate mineralisation across the Morogoro Project and the White Hill Licences.</p>                                                                                                                                                                                                                                                                                                                                                | Section 2.5            |
| <b>How does InVert Graphite expect to fund its operations?</b>               | <p>InVert Graphite believes that its existing cash reserves and the funds proposed to be raised from the Offer (whether at Minimum Subscription, Maximum Subscription or an amount between them) will provide InVert Graphite with sufficient working capital to achieve its stated objectives during the two year period following Readmission, as detailed in Sections 1.8 and 2.11 of this Prospectus.</p> <p>However, additional capital raising will be needed to fund activities beyond those specific objectives to which funds are indicatively allocated in those Sections. Refer to the risk factors in Section 3, such as concerning additional requirements for capital in Section 3.2(b).</p>                                                                                                                                                                                     | Sections 1.8, and 2.11 |
| <b>How does InVert Graphite generate revenue and what are its key costs?</b> | <p>InVert Graphite is an early-stage exploration company, which has no present source of revenue. InVert Graphite does not derive any income from mineral exploration activities, nor does it anticipate any such income in the immediate future.</p> <p>The significant costs are anticipated to be exploration and evaluation expenditure, undertaking preliminary metallurgical test work programs, geophysical surveys, permitting and legal costs, the costs of the Offer, working capital and administrative and compliance costs. The above costs are indicative only and will be subject to modification on an on-going basis depending on the results obtained from InVert Graphite's activities and other factors relevant to the Board's discretion as to usage of funding.</p>                                                                                                     | Section 1.8 and 2.11   |

| Topic                                                                                   | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | More Information          |
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| <p><b>What are the key strengths and competitive advantages of InVert Graphite?</b></p> | <p>The Directors believe that InVert Graphite provides a compelling investment thesis, with the investment highlights including:</p> <p><b>Exposure to graphite</b></p> <ul style="list-style-type: none"> <li>The long term forecast for graphite appears to be favourable based on its critical nature to electric vehicle and renewable energy supply chains.</li> </ul> <p><b>The Morogoro Project has a number of favourable characteristics</b></p> <ul style="list-style-type: none"> <li>Exploration work to date has identified widespread, graphite mineralisation at, or in close proximity to, the surface.</li> <li>Initial metallurgy has identified the potential for a graphite concentrate with high recoveries through a simple, conventional processing flow sheet.</li> <li>Comprehensive work programs have been planned, with drill ready targets identified and metallurgical and battery anode material test work programs prepared.</li> <li>Close proximity to major infrastructure, including 30 km from rail and 200 km via sealed road to the deep water port of Dar es Salaam.</li> </ul> <p><b>The White Hill Licences provide for diversification</b></p> <ul style="list-style-type: none"> <li>The inclusion of the White Hill Licences in the Acquisition provides InVert Graphite with diversification across multiple projects and geographies.</li> </ul> <p><b>Board and management team with a demonstrated track record and extensive in country experience</b></p> <ul style="list-style-type: none"> <li>Experienced management team and board with extensive combined experience across exploration geology, resource estimation and evaluation, financing, acquisitions and project development.</li> <li>Diverse international backgrounds that include significant Tanzanian and African exploration and operating experience and a successful track record of building successful resource companies.</li> </ul> | <p>Section 2.3</p>        |
| <p><b>What are the key dependencies of InVert Graphite's business model</b></p>         | <p>The key factors that InVert Graphite will depend upon to meet its objectives include (without limitation):</p> <ul style="list-style-type: none"> <li>InVert Graphite's capacity to re-comply with Chapters 1 and 2 of the Listing Rules;</li> <li>completion of the Acquisition and the Offer;</li> <li>achieving grant of, and maintaining tenure and access to the Morogoro Project and the White Hill Licences to achieve InVert Graphite's business objectives;</li> <li>commodity price volatility (particularly graphite price volatility) and US\$:A\$ exchange rate risk. In the event that commodity prices or exchange rates to which InVert Graphite will have an exposure if the Morogoro Project or the White Hill Licences are developed fluctuate materially this may affect the commercial viability of InVert Graphite's projects;</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <p>Sections 2.6 and 3</p> |

| Topic                                                                                        | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | More Information                        |
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|                                                                                              | <ul style="list-style-type: none"> <li>ability to seek to identify and estimate Exploration Targets, Mineral Resources and Ore Reserves pursuant to the JORC Code. If, after further exploration on the Morogoro Project and the White Hill Licences the Company is unable to delineate a Mineral Resource or Ore Reserve of sufficient size and grade, the Company's projects may not be economically viable;</li> <li>InVert Graphite raising sufficient funds to satisfy expenditure requirements, exploration and (if applicable) evaluation, study, development and operating costs in respect of the Morogoro Project and White Hill Licences. The funds to be raised from the Offer will be insufficient to fund those matters. Failure to obtain sufficient financing for InVert Graphite's activities and projects may result in delay and indefinite postponement of exploration, development or production on InVert Graphite's properties or may result in loss of InVert Graphite's interest in the Morogoro Project and the White Hill Licences;</li> <li>minimising environmental impact and complying with health and safety requirements. The operations and proposed activities of InVert Graphite are subject to the relevant local laws and regulations concerning the environment and other matters. There is a risk that environmental, and other, laws and regulations become more onerous making InVert Graphite's operations more expensive; and</li> <li>dependencies arising from other risk factors (such as those detailed in Section 3).</li> </ul> <p>These are aspirations of the Company, as the Company does not yet have reasonable grounds to believe they can be achieved. No forecast is made of whether they may be achieved in future.</p> |                                         |
| <b>What are InVert Graphite's financial prospects and position?</b>                          | <p>The pro forma historical consolidated statement of financial position of InVert Graphite as at 30 June 2024 is set out in Section 6.</p> <p>Further relevant financial information in respect to InVert Graphite is detailed in Section 6. Refer also to Section 1.10, which confirms why InVert Graphite is not able to make financial forecasts in this Prospectus.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Sections 1.10 and 6                     |
| <b>How will InVert Graphite report to Shareholders on the performance of its activities?</b> | <p>InVert Graphite will send to Shareholders an annual report and will also release information to Shareholders in accordance with the continuous and periodic disclosure requirements of the Listing Rules.</p> <p>Further information regarding InVert Graphite will be available on the ASX announcements platform at <a href="http://www.asx.com.au">www.asx.com.au</a> and will also be available on InVert Graphite's website at <a href="http://www.invertgraphite.com.au">www.invertgraphite.com.au</a>.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Important Information and Section 10.17 |
| <b>Will InVert Graphite pay dividends?</b>                                                   | <p>As a critical mineral exploration company, InVert Graphite has no source of revenue or profits and makes no forecast of whether it will generate revenue or profits in future. Accordingly, at the date of this Prospectus, InVert Graphite does not intend, or expect, to declare or pay any dividends in the foreseeable future.</p> <p>Any future determination as to the payment of dividends by InVert Graphite will be at the sole discretion of the Directors and will depend on the availability of distributable earnings and the operating results and financial condition of InVert Graphite, future capital requirements and general business and other factors considered relevant by the Directors. No</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Section 2.13                            |

| Topic                                                          | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | More Information |
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|                                                                | <p>assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by InVert Graphite.</p> <p>InVert Graphite does not have a dividend reinvestment plan in place.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                  |
| <b>D. Key risks</b>                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                  |
| <b>What are the key risks of investing in InVert Graphite?</b> | <p>Selected key risks of investing in InVert Graphite are detailed below. The list of risks is not exhaustive and further details of these risks and other risks associated with an investment in InVert Graphite are detailed in Section 3.</p> <ul style="list-style-type: none"> <li> <p><b>No profit to date and limited operating history:</b> InVert Graphite, Exceptional Graphite, Green Valley and EGR Tanzania have incurred operating losses since their inception and do not have a significant history of business operations (or, in the case of InVert Graphite, its history of business operations is different to its proposed future business following the Acquisition). It is therefore not possible to evaluate their prospects based on past performance. No assurance can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Morogoro Project or the White Hill Licences, or any tenements which are subsequently applied for or acquired by the Company (or any of its subsidiaries). Unless and until the Company is able to realise value from its project interests, it is likely to incur ongoing operating losses.</p> <p>There can be no certainty that (and no forecast is made of whether) the Company will achieve or sustain profitability, achieve or sustain positive cash flow from its operating activities or identify a mineral deposit which is capable of being exploited economically or which is capable of supporting production activities.</p> </li> <li> <p><b>Additional requirements for capital:</b> The funds to be raised under the Offer are considered sufficient to meet the immediate objectives of the Company. However, additional funding is anticipated to be required in future. For example, should the Company consider that its exploration results justify further exploration and / or commencement of development activities on any of its projects, additional funding will be required to implement the Company's exploration and development plans, the quantum of which remain unknown at the date of this Prospectus.</p> <p>InVert Graphite has no operating revenue and is unlikely to generate any operating revenue unless and until a minerals project is successfully developed and production commences (and no forecast is made of whether that may occur). The future capital requirements of InVert Graphite will depend on many factors including its business development activities. Given the early stage of the Morogoro Project and the White Hill Licences, no forecast is made of whether either of them may be developed or may become feasible, however one of the requirements to successfully develop a minerals project and for production to commence, would involve InVert Graphite securing financing in addition to the amounts to be raised pursuant to the Offer. There can be no assurance that additional finance will be available when needed (or at all) or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Shareholders. Financing may be undertaken at prices lower than the then market price of Shares (or lower than the Offer Price under the Offer of \$0.03 per Share) or may involve restrictive covenants which limit the Company's operations and</p> </li> </ul> | Section 3        |

| Topic | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | More Information |
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|       | <p>business strategy. Debt financing, if available may involve security over the Company's assets and restrictions on financing and operating activities.</p> <ul style="list-style-type: none"> <li> <b>Nature of mineral exploration and mining:</b> The business of mineral exploration, development and production is subject to a high level of risk. Mineral exploration and development requires large amounts of expenditure over extended periods of time with no guarantee of revenue, and exploration and development activities may be impeded by circumstances and factors beyond InVert Graphite's control. The Morogoro Project and the White Hill Licences are at an early stage of exploration, given that no Exploration Target or Mineral Resource have been estimated, no scoping or feasibility study has been conducted and no Ore Reserve has been defined at the Morogoro Project or the White Hill Licences. There can be no assurance that exploration and development at the Morogoro Project or the White Hill Licences, or any other projects that may be acquired by InVert Graphite in the future, will result in the discovery of mineral deposits which are capable of being exploited economically. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited. </li> <li> <b>Operational matters:</b> The operations of InVert Graphite may be affected by various factors that are beyond the control of InVert Graphite, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages, delays in procuring, or increases in the costs of consumables, commodities, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of InVert Graphite. These risks and hazards could also result in damage to, or destruction of, facilities and equipment, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. These factors are substantially beyond the control of InVert Graphite and, if they eventuate, may have an adverse effect on the financial performance of InVert Graphite and the value of its assets. </li> <li> <b>Tenure and renewal:</b> The Company's and its subsidiaries' exploration and development activities (including at the Morogoro Project and the White Hill Licences) are dependent upon the grant, the maintenance and renewal of appropriate licences, concessions, leases, permits and regulatory consents which may be refused, withdrawn or made subject to limitations (or otherwise adversely impacted). The maintenance, renewal and granting of these mineral tenement rights depend on the Group being successful in obtaining required regulatory and third party approvals and complying with regulatory processes. A failure to obtain these approvals or comply with these processes may adversely affect the Group's title to the mineral tenements, may prevent or impede the grant, acquisition or advancement of, or the conduct of activities within, mineral tenements and may have a material adverse effect on the business, results of operations, financial condition and prospects of the Group. Further, there is no guarantee or assurance that the licences, concessions, leases, permits or consents will be renewed or </li> </ul> |                  |

| Topic | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | More Information |
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|       | <p>extended as and when required or that new conditions will not be imposed in connection with the mineral tenements comprising the Morogoro Project and the White Hill Licences (or any other tenements in which the Company or its subsidiaries may acquire an interest in future). The renewal or grant of the terms of each tenement is usually at the discretion of the relevant government authority. To the extent such approvals, consents or renewals are not obtained, the Company and its subsidiaries may be curtailed or prohibited from continuing with exploration and development activities or proceeding with any future development, which may have a material adverse effect on the business, results of operations, financial condition and prospects of the Company. Refer to the Independent Solicitors' Reports in Section 8 for further information.</p> <ul style="list-style-type: none"> <li> <p><b>Mineral Resource estimation risk:</b> Mineral Resource estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Determining Mineral Resource estimates is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate. No Exploration Target, Mineral Resource or Ore Reserve has been estimated for the Morogoro Project or the White Hill Licences and there is no assurance that InVert Graphite's exploration activities will result in the estimation of an Exploration Target, Mineral Resource or Mineral Reserve for the Morogoro Project or the White Hill Licences.</p> </li> <li> <p><b>Commodity price volatility:</b> Fluctuations in commodity prices relevant to the Company may influence the exploration and development activity of the Company. If the Company achieves exploration success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks.</p> <p>Commodity prices fluctuate and are affected by many factors beyond the control of the Company including but not limited to, world demand for commodities, the level of production costs in major commodity producing regions, China's decisions with respect to managing the domestic Chinese critical minerals industry and the development of new technologies that create new demands or eliminate the demand for particular critical minerals. Fluctuating commodity prices may impact the Company's project development, plans and activities, including its ability to fund those activities. The Company cannot provide any assurance as to the prices it will achieve for any mineral commodities it may produce (if any). Any substantial decline in the price of those commodities or increases in transport or distribution costs may have a material adverse effect on the Company and the value of the Shares.</p> </li> <li> <p><b>Supply chain and logistics risks:</b> Supply chain disruptions and the general level of economic uncertainty experienced during events such as the COVID-19 pandemic and other global events such as the conflict in the Ukraine and the Middle East, continue to impact the cost and availability of commodities, freight, materials, equipment and other services required for the Company's ongoing operations. While the direct impact of the COVID-19 pandemic on InVert Graphite and its operations has subsided, uncertainty remains</p> </li> </ul> |                  |

| Topic | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | More Information |
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|       | <p>regarding the potential for further disruptions and interruptions from similar such events, which may have an adverse impact on InVert Graphite and its plans. Also, regional issues such as piracy on the east coast of Africa and military threats to shipping in the Gulf of Aden and the Red Sea also present risks to the Company.</p> <ul style="list-style-type: none"> <li> <b>Sovereign risk:</b> The Morogoro Project is located in Tanzania. Tanzania is a unitary presidential democratic republic. The political conditions in Tanzania are generally stable, however, changes may occur in the political, fiscal and legal systems which may affect the ownership or operations of InVert Graphite or its subsidiaries such as changes in exchange rates or exchange controls, control or fiscal regulations, regulatory regimes, political insurrection or labour unrest, inflation or economic recession. InVert Graphite has made investment and strategic decisions based on information currently available to the Board. Should there be any material change in the political, economic, legal and social environments in Tanzania, or Africa generally, the Company may reassess investment decisions and commitments to assets in Tanzania and the region. </li> </ul> <p>There are numerous risk factors associated with operating in foreign jurisdictions, such as Tanzania, including economic, social or political instability or change, inflation, currency non-convertibility or instability and changes of (or changes of interpretations of) law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, licensing, export duties, repatriation of income or return of capital, environmental protection, industrial relations laws, expropriation and nationalisation, renegotiation or nullification of existing concessions, licences, permits and contracts, illegal mining, changing political norms, government control over natural resources, government regulations that require the Company to favour or award contracts in employment of local citizens or require other benefits to be provided to local residents or which require the purchase of goods or supplies from particular jurisdictions which may be less developed than alternatives located in other jurisdictions. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality. Refer to Section 3.2(x), the Tanzanian Independent Solicitor's Report in Section 8.1 (for example, that report details certain regulatory approval requirements in Tanzania in relation to transfers of, or transfers of ownership of companies with direct or indirect interests in, Tanzanian tenements such as the Morogoro Project) and the Independent Geologist's Report in Section 7 for further information. For example, section 4.20.5 of the Tanzanian Independent Solicitor's Report refers to seeking the Tanzania Mining Commission's consent to any change of control of the Company after completion of the Acquisition. However, normal trading of Shares on the ASX does not require such consent unless it leads to a change of control of the Company, in which case the Tanzania Mining Commission's approval will be mandatory to ensure regulatory compliance and avoid potential legal challenges.</p> <ul style="list-style-type: none"> <li> <b>Environmental risk:</b> The minerals and mining industry has become subject to increasing environmental regulations and liability. The operations and proposed activities of InVert Graphite and its subsidiaries are subject to State and Federal laws, regulations and permits concerning the environment. If such laws are breached or modified, InVert Graphite and its subsidiaries could be required to cease operations and/or incur significant liabilities including </li> </ul> |                  |

| Topic | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | More Information |
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|       | <p>penalties, due to past or future activities. As with most exploration operations, the Company's and its subsidiaries' activities are expected to have an impact on the environment. There are certain risks inherent in the Company's and its subsidiaries' activities which could subject them to extensive liability. The cost and complexity in complying with the applicable environmental laws and regulations may affect the viability of potential developments of the Company's and its subsidiaries' projects, and consequently the value of those projects, and the value of the Company's assets. It may be required for the Company to conduct baseline environmental studies prior to certain exploration or mining activities, so that environmental impact can be monitored and minimised wherever possible. No baseline studies have been done to date, and a discovery of endangered flora or fauna could, for example, prevent exploration and mining activity in certain areas.</p> <ul style="list-style-type: none"> <li> <p><b>Due diligence risk:</b> The Company conducted due diligence investigations in respect of the Acquisition. As with any due diligence investigation, if any information provided and relied upon by the Company in its due diligence proves to be incorrect, incomplete or misleading, or if the Company was not provided with all relevant information or there were other failings in the due diligence performed by the Company (including in the Company's analysis of information provided and relied on by it and/or its analysis of the findings of such due diligence investigations), there is a risk that there could be historical or other issues in relation to the Acquisition that could affect the success of the Acquisition or otherwise impact on the Company's financial position and performance.</p> <p>Investors should note that there is no assurance that the due diligence conducted was conclusive, nor that all material issues and risks in respect of the Acquisition have been, or will be, identified (including issues that are material to the decision to undertake the Acquisition) and avoided or managed appropriately. A material adverse issue that is not identified prior to undertaking the Acquisition could have an adverse impact on the financial performance, financial position or operations of the Company.</p> <p>Further, the information reviewed by the Company in conducting its due diligence investigations includes forward looking information, which is inherently unreliable and based on assumptions that may change in the future. Therefore, there is a risk that unforeseen issues and risks may arise which may also have a material impact on the Company.</p> </li> <li> <p><b>General risks:</b> InVert Graphite is subject to various general risks, including, but not limited to, the following:</p> <ul style="list-style-type: none"> <li>Economic risk;</li> <li>Equity market conditions risk;</li> <li>Commodity price risk;</li> <li>Climate change risk;</li> <li>Cyber security risk; and</li> <li>Macro-economic risks.</li> </ul> </li> </ul> |                  |

| Topic                                                                                                   | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | More Information             |        |         |                                                  |           |         |                                                     |         |           |                                                  |           |           |             |
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| <b>E. Directors and related party interests and arrangements and other significant interests</b>        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                              |        |         |                                                  |           |         |                                                     |         |           |                                                  |           |           |             |
| <b>Who are the Directors of InVert Graphite?</b>                                                        | <p>At the date of this Prospectus the Board comprises:</p> <ul style="list-style-type: none"> <li>• Dr David Brookes – Non-Executive Chairman;</li> <li>• Mr Dominic Allen – Executive Director; and</li> <li>• Mr Anastasios Arima – Non-Executive Director.</li> </ul> <p>On completion of the Acquisition changes will be made to the Board. By the time of Readmission, it is intended that the Board will comprise:</p> <ul style="list-style-type: none"> <li>• Dr David Brookes – Non-Executive Chairman;</li> <li>• Mr Simon Taylor – Non-Executive Director;</li> <li>• Mr Andrew Boyd – Executive Director;</li> <li>• Mr Dominic Allen – Non-Executive Director; and</li> <li>• Mr Anastasios Arima – Non-Executive Director.</li> </ul> <p>Within three months of completion of the Acquisition it is intended that Mr Taylor will assume the role of Non-Executive Chairman and Dr Brookes will transition to a Non-Executive Director role. Dr Brookes' role as Non-Executive Director will be reviewed by the Board thereafter, taking into account the governance requirements of the Company.</p> <p>The Board may in its sole discretion appoint Mr Andrew Lawson (who is to be appointed as the Company's Chief Executive Officer effective on (or around) the time of completion of the Acquisition) as the Managing Director of the Company after he has served as the Company's Chief Executive Officer for three months.</p> | Sections 4.1 and 4.2         |        |         |                                                  |           |         |                                                     |         |           |                                                  |           |           |             |
| <b>Who is the management team of InVert Graphite?</b>                                                   | <p>At the date of this Prospectus the senior management team comprises:</p> <ul style="list-style-type: none"> <li>• Mr Dominic Allen – Executive Director; and</li> <li>• Ms Louisa Martino – Company Secretary and Chief Financial Officer.</li> </ul> <p>On completion of the Acquisition changes will be made to the management of InVert Graphite. By the time of Readmission, it is intended that Mr Dominic Allen will cease to be an Executive Director and will transition to a Non-Executive Director role and the senior management team will comprise:</p> <ul style="list-style-type: none"> <li>• Mr Andrew Boyd – Executive Director;</li> <li>• Mr Andrew Lawson – Chief Executive Officer; and</li> <li>• Ms Louisa Martino – Company Secretary and Chief Financial Officer.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Section 4.3                  |        |         |                                                  |           |         |                                                     |         |           |                                                  |           |           |             |
| <b>What interests in InVert Graphite are held by Directors and are they participating in the Offer?</b> | <p>Securities held by each of the Directors and Proposed Directors as at the date of this Prospectus are as follows:</p> <table> <tr> <th>Director / Proposed Director</th><th>Shares</th><th>Options</th></tr> <tr> <td>Dr David Brookes and his associates<sup>1</sup></td><td>4,901,250</td><td>500,000</td></tr> <tr> <td>Mr Anastasios Arima and his associates<sup>2</sup></td><td>910,624</td><td>1,303,541</td></tr> <tr> <td>Mr Dominic Allen and his associates<sup>3</sup></td><td>2,410,624</td><td>1,303,541</td></tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Director / Proposed Director | Shares | Options | Dr David Brookes and his associates <sup>1</sup> | 4,901,250 | 500,000 | Mr Anastasios Arima and his associates <sup>2</sup> | 910,624 | 1,303,541 | Mr Dominic Allen and his associates <sup>3</sup> | 2,410,624 | 1,303,541 | Section 4.4 |
| Director / Proposed Director                                                                            | Shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Options                      |        |         |                                                  |           |         |                                                     |         |           |                                                  |           |           |             |
| Dr David Brookes and his associates <sup>1</sup>                                                        | 4,901,250                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 500,000                      |        |         |                                                  |           |         |                                                     |         |           |                                                  |           |           |             |
| Mr Anastasios Arima and his associates <sup>2</sup>                                                     | 910,624                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 1,303,541                    |        |         |                                                  |           |         |                                                     |         |           |                                                  |           |           |             |
| Mr Dominic Allen and his associates <sup>3</sup>                                                        | 2,410,624                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1,303,541                    |        |         |                                                  |           |         |                                                     |         |           |                                                  |           |           |             |

| Topic                                               | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | More Information             |                      |               |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
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|                                                     | <div><div>Mr Simon Taylor and his associates<sup>4</sup>4,400,000-</div><div>Mr Andrew Boyd and his associates--</div><div>Mr Andrew Lawson and his associates--</div></div> <div>Notes:<div><div>1. Shares comprise 3,530,000 Shares held in the name of Tarandi 1996 Pty Ltd and 1,371,250 Shares held by David Brookes in his personal capacity. Options comprise 500,000 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025.</div><div>2. All 910,624 Shares are held by Anastasios Arima in his personal capacity. Options comprise 1,303,541 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025.</div><div>3. Shares comprise 1,500,000 Shares held in the name of Shadow Mountain Holdings Pty Ltd and 910,624 Shares held by Dominic Allen in his personal capacity. Options comprise 1,303,541 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025.</div><div>4. All 4,400,000 Shares are held in the name of Jimzbal Pty Ltd.</div></div><div>By the time of Readmission, based on the intentions of the Directors and Proposed Directors as at the date of this Prospectus, the direct and indirect interest of the Directors and Proposed Directors in Securities is anticipated to be as follows (but also including the 8,223,881 Director and Management Performance Options that are proposed to be issued to Mr Lawson following the successful completion of his three month probationary period detailed in Section 4.5(b)):</div><div>Assuming only the Minimum Subscription is raised pursuant to the Offer:</div><table><tr><th rowspan="2">Director / Proposed Director</th><th rowspan="2">Maximum Shares</th><th rowspan="2">Options</th><th colspan="2">Maximum Voting Power</th></tr><tr><th>Undiluted</th><th>Fully diluted</th></tr><tr><td>Dr David Brookes and his associates<sup>1</sup></td><td>7,401,250</td><td>1,731,120</td><td>1.79%</td><td>1.78%</td></tr><tr><td>Mr Anastasios Arima and his associates<sup>2</sup></td><td>1,910,624</td><td>3,765,781</td><td>0.46%</td><td>1.11%</td></tr><tr><td>Mr Dominic Allen and his associates<sup>3</sup></td><td>3,410,624</td><td>3,765,781</td><td>0.83%</td><td>1.40%</td></tr><tr><td>Mr Simon Taylor and his associates<sup>4</sup></td><td>22,280,000</td><td>4,924,480</td><td>5.40%</td><td>5.30%</td></tr><tr><td>Mr Andrew Boyd and his associates<sup>5</sup></td><td>37,945,316</td><td>6,968,138</td><td>9.20%</td><td>8.75%</td></tr><tr><td>Mr Andrew Lawson and his associates<sup>6</sup></td><td>1,666,667</td><td>8,223,881</td><td>0.40%</td><td>1.93%</td></tr></table><div>Assuming the Maximum Subscription is raised pursuant to the Offer:</div><table><tr><th rowspan="2">Director / Proposed Director</th><th rowspan="2">Maximum Shares</th><th rowspan="2">Options</th><th colspan="2">Maximum Voting Power</th></tr><tr><th>Undiluted</th><th>Fully diluted</th></tr><tr><td>Dr David Brookes and his associates<sup>1</sup></td><td>7,401,250</td><td>1,731,120</td><td>1.77%</td><td>1.76%</td></tr><tr><td>Mr Anastasios Arima and his associates<sup>2</sup></td><td>1,910,624</td><td>3,765,781</td><td>0.46%</td><td>1.09%</td></tr><tr><td>Mr Dominic Allen and his associates<sup>3</sup></td><td>3,410,624</td><td>3,765,781</td><td>0.81%</td><td>1.38%</td></tr></table></div> | Director / Proposed Director | Maximum Shares       | Options       | Maximum Voting Power |                      | Undiluted | Fully diluted | Dr David Brookes and his associates <sup>1</sup> | 7,401,250 | 1,731,120 | 1.79% | 1.78% | Mr Anastasios Arima and his associates <sup>2</sup> | 1,910,624 | 3,765,781 | 0.46% | 1.11% | Mr Dominic Allen and his associates <sup>3</sup> | 3,410,624 | 3,765,781 | 0.83% | 1.40% | Mr Simon Taylor and his associates <sup>4</sup> | 22,280,000 | 4,924,480 | 5.40% | 5.30% | Mr Andrew Boyd and his associates <sup>5</sup> | 37,945,316 | 6,968,138 | 9.20% | 8.75% | Mr Andrew Lawson and his associates <sup>6</sup> | 1,666,667 | 8,223,881 | 0.40% | 1.93% | Director / Proposed Director | Maximum Shares | Options | Maximum Voting Power |  | Undiluted | Fully diluted | Dr David Brookes and his associates <sup>1</sup> | 7,401,250 | 1,731,120 | 1.77% | 1.76% | Mr Anastasios Arima and his associates <sup>2</sup> | 1,910,624 | 3,765,781 | 0.46% | 1.09% | Mr Dominic Allen and his associates <sup>3</sup> | 3,410,624 | 3,765,781 | 0.81% | 1.38% |  |
| Director / Proposed Director                        | Maximum Shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                              |                      |               | Options              | Maximum Voting Power |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
|                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Undiluted                    | Fully diluted        |               |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
| Dr David Brookes and his associates <sup>1</sup>    | 7,401,250                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1,731,120                    | 1.79%                | 1.78%         |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
| Mr Anastasios Arima and his associates <sup>2</sup> | 1,910,624                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 3,765,781                    | 0.46%                | 1.11%         |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
| Mr Dominic Allen and his associates <sup>3</sup>    | 3,410,624                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 3,765,781                    | 0.83%                | 1.40%         |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
| Mr Simon Taylor and his associates <sup>4</sup>     | 22,280,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 4,924,480                    | 5.40%                | 5.30%         |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
| Mr Andrew Boyd and his associates <sup>5</sup>      | 37,945,316                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 6,968,138                    | 9.20%                | 8.75%         |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
| Mr Andrew Lawson and his associates <sup>6</sup>    | 1,666,667                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 8,223,881                    | 0.40%                | 1.93%         |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
| Director / Proposed Director                        | Maximum Shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Options                      | Maximum Voting Power |               |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
|                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                              | Undiluted            | Fully diluted |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
| Dr David Brookes and his associates <sup>1</sup>    | 7,401,250                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1,731,120                    | 1.77%                | 1.76%         |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
| Mr Anastasios Arima and his associates <sup>2</sup> | 1,910,624                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 3,765,781                    | 0.46%                | 1.09%         |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |
| Mr Dominic Allen and his associates <sup>3</sup>    | 3,410,624                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 3,765,781                    | 0.81%                | 1.38%         |                      |                      |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |                                                 |            |           |       |       |                                                |            |           |       |       |                                                  |           |           |       |       |                              |                |         |                      |  |           |               |                                                  |           |           |       |       |                                                     |           |           |       |       |                                                  |           |           |       |       |  |

| Topic                                                                                                                      | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | More Information                                |                                        |                                |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |
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|                                                                                                                            | <table><tr><td>Mr Simon Taylor and his associates<sup>4</sup></td><td>22,280,000</td><td>4,924,480</td><td>5.31%</td><td>5.23%</td></tr><tr><td>Mr Andrew Boyd and his associates<sup>5</sup></td><td>37,945,316</td><td>6,968,138</td><td>9.05%</td><td>8.64%</td></tr><tr><td>Mr Andrew Lawson and his associates<sup>6</sup></td><td>1,666,667</td><td>8,223,881</td><td>0.40%</td><td>1.90%</td></tr></table> <p><b>Notes to the above tables:</b></p> <ol style="list-style-type: none"><li>Shares comprise 3,530,000 Shares held in the name of Tarandi 1996 Pty Ltd and 1,371,250 Shares held by David Brookes and 2,500,000 Shares proposed to be subscribed for by David Brookes (and/or his nominee(s)) under the Offer. Options comprise 500,000 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025, and 1,231,120 Chairman Options to be issued, the terms of which are detailed in Section 10.3.</li><li>Shares comprise 910,624 Shares held by Anastasios Arima and 1,000,000 Shares proposed to be subscribed for by Anastasios Arima (and/or his nominee(s)) under the Offer. Options comprise 1,303,541 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025 and 2,462,240 Director and Management Performance Options to be issued, the terms of which are detailed in Section 10.4.</li><li>Shares comprise 1,500,000 Shares held in the name of Shadow Mountain Holdings Pty Ltd, 910,624 Shares held by Dominic Allen and 1,000,000 Shares proposed to be subscribed for by Dominic Allen (and/or his nominee(s)) under the Offer. Options comprise 1,303,541 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025 and 2,462,240 Director and Management Performance Options to be issued, the terms of which are detailed in Section 10.4.</li><li>Shares comprise 4,400,000 Shares held by Jimzbal Pty Ltd, 15,880,000 Consideration Shares to be issued to Jimzbal Pty Ltd (and/or its nominee(s)) and 2,000,000 Shares proposed to be subscribed for by Simon Taylor (and/or his nominee(s)) under the Offer. Options comprise 4,924,480 Director and Management Performance Options to be issued, the terms of which are detailed in Section 10.4.</li><li>Shares comprise 36,945,316 Consideration Shares that are to be issued to Andrew Boyd and Susan Boyd ATF The Cairn Trust (and/or their nominee(s)) and 1,000,000 Shares proposed to be subscribed for by Andrew Boyd (and/or his nominee(s)) under the Offer. Options comprise 6,968,138 Director and Management Performance Options to be issued, the terms of which are detailed in Section 10.4.</li><li>Shares comprise 1,666,667 Shares proposed to be subscribed for by Andrew Lawson (and/or his nominee(s)) under the Offer. Options comprise 8,223,881 Director and Management Performance Options to be issued, the terms of which are detailed in Section 10.4. Those 8,223,881 Director and Management Performance Options have been included in the table above for completeness, notwithstanding they are not anticipated to be issued by the time of Readmission.</li></ol> <p>The proposed issues of the Shares proposed to be subscribed for by the Directors and the Proposed Directors (and/or their nominees) under the Offer, the Chairman Options and the Director and Management Performance Options were approved by Shareholders at the General Meeting.</p> | Mr Simon Taylor and his associates <sup>4</sup> | 22,280,000                             | 4,924,480                      | 5.31%                          | 5.23% | Mr Andrew Boyd and his associates <sup>5</sup> | 37,945,316                    | 6,968,138 | 9.05%     | 8.64%                            | Mr Andrew Lawson and his associates <sup>6</sup> | 1,666,667 | 8,223,881                     | 0.40%    | 1.90%     |                              |          |           |                            |  |  |                             |           |           |                           |
| Mr Simon Taylor and his associates <sup>4</sup>                                                                            | 22,280,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 4,924,480                                       | 5.31%                                  | 5.23%                          |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |
| Mr Andrew Boyd and his associates <sup>5</sup>                                                                             | 37,945,316                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 6,968,138                                       | 9.05%                                  | 8.64%                          |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |
| Mr Andrew Lawson and his associates <sup>6</sup>                                                                           | 1,666,667                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 8,223,881                                       | 0.40%                                  | 1.90%                          |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |
| <b>What benefits and interests are payable to Directors and other persons connected with InVert Graphite or the Offer?</b> | <p>At the time of Readmission, the remuneration of the Directors and Proposed Directors will be as follows:</p> <table><tr><th>Director / Proposed Director</th><th>Annual remuneration (A\$)<sup>1</sup></th><th>Number of Options<sup>8</sup></th></tr><tr><td colspan="3"><i>Non-executive Directors</i></td></tr><tr><td>Dr David Brookes<sup>2</sup></td><td>\$92,115</td><td>1,231,120</td></tr><tr><td>Mr Anastasios Arima<sup>3</sup></td><td>\$65,748</td><td>2,462,240</td></tr><tr><td>Mr Dominic Allen<sup>4</sup></td><td>\$65,748</td><td>2,462,240</td></tr><tr><td>Mr Simon Taylor<sup>5</sup></td><td>\$83,625</td><td>4,924,480</td></tr><tr><td colspan="3"><i>Executive Directors</i></td></tr><tr><td>Mr Andrew Boyd<sup>6</sup></td><td>\$150,000</td><td>6,968,138</td></tr></table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Director / Proposed Director                    | Annual remuneration (A\$) <sup>1</sup> | Number of Options <sup>8</sup> | <i>Non-executive Directors</i> |       |                                                | Dr David Brookes <sup>2</sup> | \$92,115  | 1,231,120 | Mr Anastasios Arima <sup>3</sup> | \$65,748                                         | 2,462,240 | Mr Dominic Allen <sup>4</sup> | \$65,748 | 2,462,240 | Mr Simon Taylor <sup>5</sup> | \$83,625 | 4,924,480 | <i>Executive Directors</i> |  |  | Mr Andrew Boyd <sup>6</sup> | \$150,000 | 6,968,138 | Sections 4.4, 9 and 10.13 |
| Director / Proposed Director                                                                                               | Annual remuneration (A\$) <sup>1</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Number of Options <sup>8</sup>                  |                                        |                                |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |
| <i>Non-executive Directors</i>                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |                                        |                                |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |
| Dr David Brookes <sup>2</sup>                                                                                              | \$92,115                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 1,231,120                                       |                                        |                                |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |
| Mr Anastasios Arima <sup>3</sup>                                                                                           | \$65,748                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 2,462,240                                       |                                        |                                |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |
| Mr Dominic Allen <sup>4</sup>                                                                                              | \$65,748                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 2,462,240                                       |                                        |                                |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |
| Mr Simon Taylor <sup>5</sup>                                                                                               | \$83,625                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 4,924,480                                       |                                        |                                |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |
| <i>Executive Directors</i>                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |                                        |                                |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |
| Mr Andrew Boyd <sup>6</sup>                                                                                                | \$150,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 6,968,138                                       |                                        |                                |                                |       |                                                |                               |           |           |                                  |                                                  |           |                               |          |           |                              |          |           |                            |  |  |                             |           |           |                           |

| Topic | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | More Information |
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|       | <p>Mr Andrew Lawson<sup>7</sup>                      \$300,000                      8,223,881</p> <p><b>Notes:</b></p> <ol style="list-style-type: none"> <li>1. Inclusive of superannuation. Annual remuneration payable assuming the Director or Proposed Director is employed / appointed for the whole of the financial year. If a Director or Proposed Director is employed or appointed for only a part of the financial year, the actual remuneration paid to that Director or Proposed Director will be a pro rata amount of the annual remuneration based on the period of time during the year that the Director was employed / appointed.</li> <li>2. Fees currently paid to Dr Brookes as Non-Executive Chairman. It is intended that Dr Brookes will transition to a Non-Executive Director role within three months of the completion of the Acquisition at which time his annual fees will reduce to A\$65,748 inclusive of superannuation. Dr Brookes' role as Non-Executive Director will be reviewed by the Board thereafter, taking into account the governance requirements of the Company.</li> <li>3. Fees currently paid to Mr Arima as a Non-Executive Director. It is intended that Mr Arima will continue to serve as a Non-Executive Director following completion of the Acquisition.</li> <li>4. It is intended that Mr Allen will transition to a Non-Executive Director role on completion of the Acquisition at which time his annual fees will reduce to A\$65,748 inclusive of superannuation. Mr Allen currently receives annual fees of A\$120,000 inclusive of superannuation for providing Executive Director services to the Company.</li> <li>5. Mr Taylor is a Proposed Director. It is proposed Mr Taylor will be appointed as a Non-Executive Director following completion of the Acquisition and will transition to Non-Executive Chairman within three months of the completion of the Acquisition. The stated fees in the table above are the fees that will be payable to Mr Taylor upon him being appointed as a Non-Executive Director and upon him assuming the role of Non-Executive Chairman.</li> <li>6. Mr Boyd is a Proposed Director. It is proposed Mr Boyd will be appointed as an Executive Director following completion of the Acquisition. In addition to the base annual remuneration presented in the above table, Mr Boyd is proposed to be entitled to: <ol style="list-style-type: none"> <li>(i) subject to the Board's absolute discretion, annual short term incentive and long term incentive bonuses totalling (in aggregate) up to 100% of annual base remuneration (inclusive of any statutory superannuation/pension benefits but reduced by the amount of applicable taxation) subject to satisfaction of key performance indicators or vesting conditions set by the Board at its absolute discretion;</li> <li>(ii) various types of leave – including annual leave, personal/carer's leave (including sick leave), compassionate leave, long service leave, community service leave and parental leave – in accordance with applicable legislation; and</li> <li>(iii) payment or reimbursement for all authorised and reasonable work-related expenses incurred in the course of Mr Boyd's employment, such as any out of pocket travel expenses and miscellaneous Company expenses.</li> </ol> </li> <li>7. Mr Lawson is a Proposed Director. It is proposed Mr Lawson will be appointed as Chief Executive Officer effective on or around the time of completion of the Acquisition and then, at the sole discretion of the Board, he may be appointed as Managing Director after he has served as the Company's Chief Executive Officer for three months. In addition to the base annual remuneration presented in the above table, Mr Lawson will be entitled to: <ol style="list-style-type: none"> <li>(i) subject to the Board's absolute discretion, annual short term incentive and long term incentive bonuses totalling (in aggregate) up to 100% of annual base remuneration (inclusive of any statutory superannuation/pension benefits but reduced by the amount of applicable taxation) subject to satisfaction of key performance indicators or vesting conditions set by the Board at its absolute discretion;</li> <li>(ii) various types of leave – including annual leave, personal/carer's leave (including sick leave), compassionate leave, long service leave, community service leave and parental leave – in accordance with applicable legislation; and</li> <li>(iii) payment or reimbursement for all authorised and reasonable work-related expenses incurred in the course of Mr Lawson's employment, such as any out of pocket travel expenses and miscellaneous Company expenses.</li> </ol> <p>Mr Lawson's remuneration is not proposed to be altered merely if the Board appoints him as Managing Director (in addition to his role as Chief Executive Officer) of the Company.</p> </li> </ol> |                  |

| Topic                                                                                                         | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | More Information                        |                      |                                         |                      |  |             |                  |                                         |                  |                                         |                                                                 |            |       |            |       |                                                                             |            |       |            |       |              |                   |               |                   |               |               |
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|                                                                                                               | <p>8. On or around the completion of the Acquisition:</p> <p>(i) 1,231,120 Chairman Options are proposed to be issued to Dr Brookes (and/or his nominee) as detailed in Section 4.4(a) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.3; and</p> <p>(ii) 25,040,979 Director and Management Performance Options are proposed to be issued to Directors and Proposed Directors of InVert Graphite (and/or their nominee(s)) (but not including Dr Brookes) as detailed in Section 4.4(a) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.4. 8,223,881 of those Director and Management Performance Options are not anticipated to be issued by the time of Readmission (as they are proposed to be issued to Mr Lawson upon the successful completion of his three month probationary period), but they have been included in the table above for completeness.</p> <p>All Chairman Options and Director and Management Performance Options will have nil exercise price but each of them will be subject to certain vesting conditions. The proposed issues of the Chairman Options and the Director and Management Performance Options were approved by Shareholders at the General Meeting.</p> <p>Refer to Section 4.4(a) for further information.</p> <p>Other senior executives' remuneration at the time of Readmission is detailed in Section 4.4(c).</p> <p>Advisers and other service providers are entitled to fees for services and other interests, such as detailed in Section 10.13.</p>                                                                                                                                                                                                                                                                                                                                                                                                                      |                                         |                      |                                         |                      |  |             |                  |                                         |                  |                                         |                                                                 |            |       |            |       |                                                                             |            |       |            |       |              |                   |               |                   |               |               |
| Who are the significant existing Shareholders and what will their interests be after completion of the Offer? | <p>As at the date of this Prospectus, based on InVert Graphite's register of Shareholders, there are no persons who have an interest in 5% or more of the Shares on issue.</p> <p>The persons who may hold an interest in 5% or more of the Shares upon Readmission of InVert Graphite to the Official List are currently unknown. However, based on the information known as at the date of this Prospectus, upon Readmission the following Shareholders are expected to have an interest in 5% or more of the Shares on issue (assuming the Directors and Proposed Directors each participate in the Offer to the maximum extent proposed in Section 4.4, and noting that substantial shareholdings may be impacted by allocations of Shares under the Offer and other matters):</p> <table><tr><th></th><th colspan="2">Minimum Subscription</th><th colspan="2">Maximum Subscription</th></tr><tr><th>Shareholder</th><th>Number of Shares</th><th>% of Shares on Readmission<sup>1</sup></th><th>Number of Shares</th><th>% of Shares on Readmission<sup>2</sup></th></tr><tr><td>Andrew Boyd and Susan Boyd and/or their associates<sup>3</sup></td><td>37,945,316</td><td>9.20%</td><td>37,945,316</td><td>9.05%</td></tr><tr><td>Simon Taylor and/or his associates (including Jimzbal Pty Ltd)<sup>3</sup></td><td>22,280,000</td><td>5.40%</td><td>22,280,000</td><td>5.31%</td></tr><tr><td><b>Total</b></td><td><b>60,225,316</b></td><td><b>14.60%</b></td><td><b>60,225,316</b></td><td><b>14.36%</b></td></tr></table> <p><b>Notes:</b></p> <p>1. Assuming 76,757,576 Shares are issued pursuant to the Acquisition and assuming 110,000,000 Shares are issued under the Offer and that no further Shares are issued or cancelled prior to Readmission.</p> <p>2. Assuming 76,757,576 Shares are issued pursuant to the Acquisition and assuming 116,666,667 Shares are issued under the Offer and that no further Shares are issued or cancelled prior to Readmission.</p> |                                         | Minimum Subscription |                                         | Maximum Subscription |  | Shareholder | Number of Shares | % of Shares on Readmission <sup>1</sup> | Number of Shares | % of Shares on Readmission <sup>2</sup> | Andrew Boyd and Susan Boyd and/or their associates <sup>3</sup> | 37,945,316 | 9.20% | 37,945,316 | 9.05% | Simon Taylor and/or his associates (including Jimzbal Pty Ltd) <sup>3</sup> | 22,280,000 | 5.40% | 22,280,000 | 5.31% | <b>Total</b> | <b>60,225,316</b> | <b>14.60%</b> | <b>60,225,316</b> | <b>14.36%</b> | Section 10.11 |
|                                                                                                               | Minimum Subscription                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                         | Maximum Subscription |                                         |                      |  |             |                  |                                         |                  |                                         |                                                                 |            |       |            |       |                                                                             |            |       |            |       |              |                   |               |                   |               |               |
| Shareholder                                                                                                   | Number of Shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | % of Shares on Readmission <sup>1</sup> | Number of Shares     | % of Shares on Readmission <sup>2</sup> |                      |  |             |                  |                                         |                  |                                         |                                                                 |            |       |            |       |                                                                             |            |       |            |       |              |                   |               |                   |               |               |
| Andrew Boyd and Susan Boyd and/or their associates <sup>3</sup>                                               | 37,945,316                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 9.20%                                   | 37,945,316           | 9.05%                                   |                      |  |             |                  |                                         |                  |                                         |                                                                 |            |       |            |       |                                                                             |            |       |            |       |              |                   |               |                   |               |               |
| Simon Taylor and/or his associates (including Jimzbal Pty Ltd) <sup>3</sup>                                   | 22,280,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 5.40%                                   | 22,280,000           | 5.31%                                   |                      |  |             |                  |                                         |                  |                                         |                                                                 |            |       |            |       |                                                                             |            |       |            |       |              |                   |               |                   |               |               |
| <b>Total</b>                                                                                                  | <b>60,225,316</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>14.60%</b>                           | <b>60,225,316</b>    | <b>14.36%</b>                           |                      |  |             |                  |                                         |                  |                                         |                                                                 |            |       |            |       |                                                                             |            |       |            |       |              |                   |               |                   |               |               |

| Topic                                                                              | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | More Information                |
|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
|                                                                                    | 3. Assuming that Mr Taylor and/or his associates subscribe for an aggregate of 2,000,000 Shares in the Offer and that Mr Boyd and/or his associates subscribe for an aggregate of 1,000,000 Shares in the Offer as described in Section 4.4(d). The proposed issues of the Shares in the Offer proposed to be subscribed for by Mr Taylor and Mr Boyd (and/or their nominee(s)) were approved by Shareholders at the General Meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                 |
| <b>Who is the Lead Manager?</b>                                                    | Taylor Collison Limited ACN 008 172 450 has been appointed as the lead manager for the entirety of the Offer in accordance with the Lead Manager Mandate summarised in Section 10.9(a).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Sections 1.12, 1.15 and 10.9(a) |
| <b>Will the Offer be underwritten?</b>                                             | The Offer is not being underwritten.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Section 1.2                     |
| <b>What fees are payable to the Lead Manager?</b>                                  | <p>InVert Graphite has agreed to pay the Lead Manager the following fees in respect of its appointment as the Lead Manager to the Offer:</p> <ul style="list-style-type: none"> <li>(a) a management fee of 3.0% (plus GST) of the total amount of the Offer Price raised and paid to the Company under the Offer in respect of the Shares that are issued under the Offer;</li> <li>(b) a capital raising fee of 3.0% (plus GST) of the total amount of the Offer Price raised and paid to the Company under the Offer in respect of the Shares that are issued under the Offer; and</li> <li>(c) 15,000,000 unlisted Lead Manager Options - comprising 7,500,000 Lead Manager Options with an expiry date of 2 years from the date of issue and an exercise price of A\$0.06 each and 7,500,000 Lead Manager Options with an expiry date of 2 years from the date of issue and an exercise price of A\$0.09 each. The proposed issue of the Lead Manager Options was approved by Shareholders at the General Meeting.</li> </ul> <p>The Lead Manager is also entitled to be reimbursed by InVert Graphite for reasonable out of pocket expenses incurred in connection with the Lead Manager Mandate and the Offer.</p> <p>Refer to Section 10.9(a) for further information regarding the Lead Manager Mandate and Section 10.6 for the terms and conditions of the Lead Manager Options.</p> | Sections 1.12, 10.6 and 10.9(a) |
| <b>What are the Lead Manager's interests in the securities of InVert Graphite?</b> | <p>As at the date of this Prospectus, the Lead Manager does not hold any securities of InVert Graphite. Under the terms of its engagement, the Lead Manager is not entitled to subscribe for Shares under the Offer as payment for its services (although the Lead Manager may bid and subscribe for Shares under the Offer). However, certain employees of the Lead Manager and their close relatives own 24,238,110 Shares, as at the date of this Prospectus. Directors and employees of the Lead Manager and their close relatives also own slightly more than 90% of White Hill Resources Pty Limited which will (and/or whose nominee(s) will) receive 1,000,000 Consideration Shares in the Company (pursuant to the White Hill Tenement Purchase Agreement) if the Acquisition is completed. The two directors of White Hill Resources Pty Limited are employees of the Lead Manager and there is one common director of White Hill Resources Pty Limited and the Lead Manager. White Hill Resources Pty Limited is taken to be an associate of the Lead Manager and vice versa.</p> <p>Refer to Section 1.12 for further information. Refer also to Section 10.9(a) for further information regarding the Lead Manager's rights and benefits pursuant to its Lead Manager Mandate.</p>                                                                                                 | Sections 1.12 and 10.9(a)       |

| Topic                                                                               | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | More Information      |
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| <b>F. Summary of the Offer and Application information</b>                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                       |
| <b>How is the Offer structured?</b>                                                 | <p>The Offer comprises:</p> <ul style="list-style-type: none"> <li>the Broker Firm Offer, which is open to eligible Australian retail clients and other eligible clients (subject to compliance with applicable laws) of Brokers; and</li> <li>the Priority Offer, which is open to investors who have received an invitation to participate in the Offer from the Company and who have a registered address in Australia, or are otherwise Institutional Investors in other Permitted Jurisdictions or are Approved US Shareholders (or as may otherwise be permitted by the law and accepted by the Company).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Section 1.1           |
| <b>Who is eligible to participate in the Offer?</b>                                 | Investors who are eligible to participate in the Offer will be determined by the Lead Manager and the Company (and subject to the Board's approval) subject to compliance with applicable laws.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Sections 1.1 and 1.21 |
| <b>What is the effect of the Offer on the capital structure of InVert Graphite?</b> | <p>The Shares issued under the Minimum Subscription for the Offer would be approximately 26.66% of the enlarged issued Share capital of InVert Graphite immediately following completion of the Acquisition and the Offer for the Minimum Subscription (assuming no convertible Securities are converted into Shares by then).</p> <p>The Shares issued under the Maximum Subscription for the Offer would be approximately 27.83% of the enlarged issued Share capital of InVert Graphite immediately following completion of the Acquisition and the Offer for the Maximum Subscription (assuming no convertible Securities are converted into Shares by then).</p> <p>InVert Graphite also proposes to issue at or about the time of Readmission:</p> <ul style="list-style-type: none"> <li>(a) 1,231,120 Chairman Options to the Non-Executive Chairman of the Company (Dr David Brookes) (and/or his nominee(s)) for nil cash consideration (refer to Section 10.3 for the terms and conditions of the Chairman Options);</li> <li>(b) 28,315,758 Director and Management Performance Options to Proposed Directors, Directors and the Company Secretary / Chief Financial Officer (and/or their nominee(s)) for nil cash consideration (refer to Section 10.4 for the allocations of and the terms and conditions of the Director and Management Performance Options);</li> <li>(c) 15,000,000 Lead Manager Options to the Lead Manager (and/or its nominee(s)) as partial consideration for services provided under the Lead Manager Mandate (refer to Section 10.6 for the terms and conditions of the Lead Manager Options); and</li> <li>(d) 3 Performance Shares to Hashimu Musedem Millanga (an EGR Tanzania Vendor), and/or his nominee(s), pursuant to Mr Millanga's employment as Principal Geologist with EGR Tanzania. The Performance Shares may be converted into up to 45,000,000 Shares subject to the satisfaction of vesting milestones (refer to Section 10.5 for the terms and conditions of the Performance Shares).</li> </ul> | Section 1.9           |
| <b>What are the minimum and</b>                                                     | The Offer is subject to a Minimum Subscription of 110,000,000 Shares at the Offer Price of A\$0.03 to raise A\$3,300,000 (before associated costs).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Sections 1.1 and 1.3  |

| Topic                                                                                               | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | More Information        |                    |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
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| maximum subscriptions to the Offer?                                                                 | The Maximum Subscription under the Offer is 116,666,667 Shares at the Offer Price of A\$0.03 to raise A\$3,500,000 (before associated costs) (being the aggregate of the Minimum Subscription and the maximum Oversubscriptions).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                         |                    |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
| Will InVert Graphite accept over subscriptions?                                                     | Oversubscriptions of up to 6,666,667 Shares (at the Offer Price of A\$0.03 per Share) may be accepted by the Company.<br><br>If the Company receives and accepts the maximum number of Oversubscriptions then the number of Shares issued under this Prospectus will be 116,666,667 Shares and the amount that will be raised under this Prospectus will be A\$3.5 million (before associated costs) (being the Maximum Subscription).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Section 1.4             |                    |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
| Is the Offer underwritten?                                                                          | The Offer is not being underwritten.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Section 1.2             |                    |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
| What is InVert Graphite's proposed use of funds raised under the Prospectus?                        | InVert Graphite proposes to use the funds raised under the Offer as set out in Section 1.8.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Section 1.8             |                    |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
| What will be the capital structure of InVert Graphite on Readmission?                               | <div>InVert Graphite's indicative capital structure at the time of Readmission (but also including the 8,223,881 Director and Management Performance Options that are proposed to be issued to Mr Lawson following the successful completion of his three month probationary period detailed in Section 4.5(b)) is outlined below:</div> <table><thead><tr><th>Description</th><th>Shares</th><th>Options</th><th>Performance Shares</th></tr></thead><tbody><tr><td>Securities on issue as at the date of this Prospectus</td><td>225,850,957</td><td>11,187,498<sup>8</sup></td><td>-</td></tr><tr><td>Number of Securities to be issued in connection with the Acquisition</td><td>76,757,576<sup>1</sup></td><td>-</td><td>3<sup>2</sup></td></tr><tr><td>Minimum number of Shares to be issued under the Offer (Minimum Subscription)</td><td>110,000,000</td><td>-</td><td>-</td></tr><tr><td>Issue of Lead Manager Options</td><td>-</td><td>15,000,000<sup>3</sup></td><td>-</td></tr><tr><td>Options to be issued under the Employee Incentive Plan on, or around the time of, Readmission</td><td>-</td><td>29,546,878<sup>4</sup></td><td>-</td></tr><tr><td><b>Total on, or around the time of, Readmission (assuming the Minimum Subscription)<sup>5</sup></b></td><td><b>412,608,533</b></td><td><b>55,734,376</b></td><td><b>3</b></td></tr><tr><td>Additional Shares that may be issued under the Offer (to reach the Maximum Subscription)</td><td>6,666,667</td><td>-</td><td>-</td></tr></tbody></table> <div></div> | Description             | Shares             | Options | Performance Shares | Securities on issue as at the date of this Prospectus | 225,850,957 | 11,187,498 <sup>8</sup> | - | Number of Securities to be issued in connection with the Acquisition | 76,757,576 <sup>1</sup> | - | 3 <sup>2</sup> | Minimum number of Shares to be issued under the Offer (Minimum Subscription) | 110,000,000 | - | - | Issue of Lead Manager Options | - | 15,000,000 <sup>3</sup> | - | Options to be issued under the Employee Incentive Plan on, or around the time of, Readmission | - | 29,546,878 <sup>4</sup> | - | <b>Total on, or around the time of, Readmission (assuming the Minimum Subscription)<sup>5</sup></b> | <b>412,608,533</b> | <b>55,734,376</b> | <b>3</b> | Additional Shares that may be issued under the Offer (to reach the Maximum Subscription) | 6,666,667 | - | - | Section 1.9 |
| Description                                                                                         | Shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Options                 | Performance Shares |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
| Securities on issue as at the date of this Prospectus                                               | 225,850,957                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 11,187,498 <sup>8</sup> | -                  |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
| Number of Securities to be issued in connection with the Acquisition                                | 76,757,576 <sup>1</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | -                       | 3 <sup>2</sup>     |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
| Minimum number of Shares to be issued under the Offer (Minimum Subscription)                        | 110,000,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | -                       | -                  |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
| Issue of Lead Manager Options                                                                       | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 15,000,000 <sup>3</sup> | -                  |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
| Options to be issued under the Employee Incentive Plan on, or around the time of, Readmission       | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 29,546,878 <sup>4</sup> | -                  |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
| <b>Total on, or around the time of, Readmission (assuming the Minimum Subscription)<sup>5</sup></b> | <b>412,608,533</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>55,734,376</b>       | <b>3</b>           |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |
| Additional Shares that may be issued under the Offer (to reach the Maximum Subscription)            | 6,666,667                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | -                       | -                  |         |                    |                                                       |             |                         |   |                                                                      |                         |   |                |                                                                              |             |   |   |                               |   |                         |   |                                                                                               |   |                         |   |                                                                                                     |                    |                   |          |                                                                                          |           |   |   |             |

| Topic | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | More Information |
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-----------------------------------------------|------------------|
|       | <p><b>Total on, or around the time of, Readmission (assuming the Maximum Subscription)<sup>6</sup></b>      <b>419,275,200</b>      <b>55,734,376<sup>7</sup></b>      <b>3<sup>7</sup></b></p> <p><b>Notes:</b></p> <ol style="list-style-type: none"> <li>These are the Consideration Shares proposed to be issued pursuant to the Acquisition Agreements in consideration for the Acquisition. Refer to Section 2.2 for further details in respect of the Acquisition and Section 10.9(b) for a summary of the material terms of the Acquisition Agreements.</li> <li>These are the three proposed Performance Shares in the Company. The maximum number of Shares which the Performance Shares will convert into is 45,000,000 (in aggregate) assuming all vesting milestones are achieved. The Performance Shares will have nil exercise price but will be subject to certain vesting conditions. The terms of the Performance Shares are set out in Section 10.5. Refer to the Independent Expert's Report set out in Section 9 for further information with respect to the fairness and reasonableness to non-participating security holders of the proposed issue of those Performance Shares.</li> <li>It is proposed to issue 15,000,000 Lead Manager Options to the Lead Manager pursuant to the Lead Manager Mandate on the terms set out in Sections 10.6 and 10.9(a). Lead Manager Options have an exercise price of \$0.06 or \$0.09 and are not subject to vesting conditions.</li> <li>On or around the time of completion of the Acquisition: <ol style="list-style-type: none"> <li>1,231,120 Chairman Options are proposed to be issued to Dr David Brookes (and/or his nominee(s)) as detailed in Section 4.4(a) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.3;</li> <li>16,817,098 Director and Management Performance Options are proposed to be issued to Directors and Proposed Directors of InVert Graphite (and/or their nominee(s)) (but not including Dr Brookes or Mr Lawson) as detailed in Section 4.4(a) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.4;</li> <li>3,274,779 Director and Management Performance Options are proposed to be issued to the Company's Company Secretary and Chief Financial Officer (and/or her nominee(s)) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.4; and</li> <li>Mr Andrew Lawson is to be appointed as the Company's Chief Executive Officer. Upon the successful completion of his three month probationary period which commences upon that appointment, it is proposed that Mr Lawson be issued 8,223,881 Director and Management Performance Options pursuant to the Employee Incentive Plan and on the terms set out in Section 10.4. Those 8,223,881 Director and Management Performance Options have been included in the table above for completeness, notwithstanding they are not anticipated to be issued by the time of Readmission. Also, following the completion of the probation period, the Company may, at the sole discretion of the Board, at any time also appoint Mr Lawson to the role of Managing Director of the Company. Such appointment shall not alter Mr Lawson's remuneration.</li> </ol> <p>All Chairman Options and Director and Management Performance Options will have nil exercise price but each of them will be subject to certain vesting conditions. Refer to the Independent Expert's Report set out in Section 9 for further information with respect to the fairness and reasonableness to non-participating security holders of the proposed issue of those Chairman Options and Director and Management Performance Options.</p> </li> <li>Assuming no other securities in the Company are issued prior to the completion of the Acquisition and the Offer. On a fully diluted basis, assuming all of the Options detailed above convert into Shares and assuming the Minimum Subscription is raised pursuant to the Offer, the maximum number of Shares are issued on conversion of the Performance Shares (being 45,000,000 Shares) and no further securities are issued, InVert Graphite's issued capital would equate to 513,342,909 Shares. No forecast is made of whether any Options or Performance Shares will be converted into Shares (nor whether any of the Options' or Performance Shares' vesting conditions will be satisfied). Other than the 8,223,881 Director and Management Performance Options that are proposed to be issued to Mr Lawson following the successful completion of his three month probationary period, this does not include any Options (or other securities) that InVert Graphite may issue under the Employee Incentive Plan to certain Eligible Participants or their nominees following Readmission.</li> <li>Assuming no other securities in the Company are issued prior to the completion of the Acquisition and the Offer. On a fully diluted basis, assuming all of the Options detailed above convert into Shares and assuming the Maximum Subscription is raised pursuant to the Offer, the maximum number of Shares are issued on conversion of the</li> </ol> |                  |

| Topic                                                                            | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | More Information                   |
|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
|                                                                                  | <p>Performance Shares (being 45,000,000 Shares) and no further securities are issued, InVert Graphite's issued capital would equate to 520,009,576 Shares. No forecast is made of whether any Options or Performance Shares will be converted into Shares (nor whether any of the Options' or Performance Shares' vesting conditions will be satisfied). Other than the 8,223,881 Director and Management Performance Options that are proposed to be issued to Mr Lawson following the successful completion of his three month probationary period, this does not include any Options (or other securities) that InVert Graphite may issue under the Employee Incentive Plan to certain Eligible Participants or their nominees following Readmission.</p> <p>7. The Performance Shares and Options will be unlisted Securities.</p> <p>8. The terms of the Options on issue at the date of this Prospectus (being the Existing Options) are set out in Section 10.7.</p> <p>Following completion of the Offer, InVert Graphite's free float (as defined in the Listing Rules) will not be less than 20%. The Directors reserve the right to vary InVert Graphite's capital structure, subject to applicable laws.</p> |                                    |
| <b>What is the allocation policy for the Offer?</b>                              | The allocation of Shares under the Offer will be determined by the Lead Manager and the Company (and subject to the Board's approval). The Directors reserve the right to issue Shares in full for any Application or any lesser number or to decline any Application. Refer also to the allocation policies outlined in Sections 1.13(d) and 1.14(d).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Sections 1.13(d), 1.14(d) and 1.15 |
| <b>What rights and liabilities attach to the Shares being offered?</b>           | All new Shares issued under the Offer will rank equally in all respects with existing Shares on issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Section 10.1                       |
| <b>When will I receive confirmation that my Application has been successful?</b> | It is expected that holding statements will be dispatched on or around 24 April 2025 (but that timing is subject to change).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Indicative Timetable               |
| <b>What is the minimum Application size?</b>                                     | Applications for Shares under the Offer must be for a minimum of 66,667 Shares (for Application Monies of A\$2,000) and thereafter in multiples of 16,667 Shares (for Application Monies of A\$500) and payment for the Shares must be made in full at the Offer Price of A\$0.03 per Share (although InVert Graphite reserves the right to accept Applications for different numbers of Shares).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Section 1.15                       |
| <b>What are the Offer terms and conditions?</b>                                  | <p>The terms and conditions of the Offer are set out in this Prospectus, primarily in Section 1 and in the relevant Application Form for the Offer.</p> <p>The Offer is subject to the following conditions (in addition to the other terms and conditions detailed in this Prospectus):</p> <p>(a) the Minimum Subscription being raised pursuant to the Offer; and</p> <p>(b) InVert Graphite receiving approval from ASX for reinstatement to trading on ASX of the Shares, subject only to any conditions which ASX may reasonably require that are acceptable to the Company (as determined by the Board).</p> <p>If the above conditions are not satisfied (absent a waiver by the Board), InVert Graphite will not proceed with the issue of Shares pursuant to the Offer and will return to Applicants all the Application Monies (without interest) in accordance with the provisions of the Corporations Act.</p>                                                                                                                                                                                                                                                                                              | Sections 1 and 1.15                |

| Topic                                                                              | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | More Information       |
|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| <b>When can I sell my Shares on the ASX?</b>                                       | <p>Trading in Shares on ASX has been suspended since 31 August 2023 and will not be reinstated until the Company re-complies with the requirements of Chapters 1 and 2 of the Listing Rules.</p> <p>Subject to InVert Graphite satisfying ASX's requirements for InVert Graphite's Readmission, it is anticipated that trading in InVert Graphite's Shares may commence on or around 30 April 2025, but that timing is subject to ASX's discretion and cannot be guaranteed by InVert Graphite.</p> <p>It is the responsibility of each Applicant to confirm their holding before trading their Shares. Applicants who sell Shares before they receive a holding statement do so at their own risk.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Indicative Timetable   |
| <b>What is the cost of the Offer?</b>                                              | <p>The expenses of the Offer (including ASX listing fees) are estimated to be approximately A\$734,034 under the Minimum Subscription and approximately A\$746,297 under the Maximum Subscription.</p> <p>Refer to Section 10.16 for the estimated total expenses of the Offer.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Section 10.16          |
| <b>What material contracts are InVert Graphite or its subsidiaries a party to?</b> | <p>The material contracts of InVert Graphite and of its subsidiaries are detailed in Sections 4 and 10.9 of this Prospectus. These material contracts include (among others disclosed in this Prospectus):</p> <ul style="list-style-type: none"> <li>(a) Lead Manager Mandate;</li> <li>(b) EGA Term Sheet;</li> <li>(c) EGR Tanzania Term Sheet;</li> <li>(d) White Hill Tenement Purchase Agreement;</li> <li>(e) the Royalty Agreement;</li> <li>(f) Deeds of Access, Insurance and Indemnity between InVert Graphite and each of its Directors and Company Secretary / Chief Financial Officer and certain former Directors and executives (and proposed to be entered into between InVert Graphite and the Proposed Directors);</li> <li>(g) Executive Agreements with Mr Andrew Lawson and Mr Andrew Boyd;</li> <li>(h) Non-Executive Director Appointment Letters with Dr David Brookes, Mr Dominic Allen, Mr Anastasios Arima and Mr Simon Taylor;</li> <li>(i) the agreement for employment of Hashimu Musedem Millanga as Principal Geologist by EGR Tanzania;</li> <li>(j) the consulting agreement for Louisa Martino to act as chief financial officer and company secretary of the Company; and</li> <li>(k) other related party transactions detailed in Section 4.4(d).</li> </ul> <p>Refer also to the Independent Solicitors' Reports in Section 8 for further information in relation to certain of those material contracts of InVert Graphite and its subsidiaries.</p> | Sections 4, 8 and 10.9 |
| <b>Will any securities be</b>                                                      | <p>None of the Shares to be issued pursuant to the Offer will be subject to any ASX imposed escrow restrictions.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Section 1.22           |

| Topic                                                                          | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | More Information    |
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| <b>subject to escrow?</b>                                                      | <p>However, subject to the Company re-complying with Chapters 1 and 2 of the Listing Rules, certain Securities to be issued in the Company are anticipated to be classified by ASX (in its absolute discretion) as restricted securities and will be required to be held in escrow for up to 24 months from the time of Readmission.</p> <p>The following Securities are (subject to ASX's discretion) expected to be subject to ASX escrow for a period of 24 months from the time of Readmission, or potentially in the case of some of the Consideration Shares for a period of 12 months from their date of issue, (the figures are approximate):</p> <ul style="list-style-type: none"> <li>(a) the 76,757,576 Consideration Shares to be issued pursuant to the Acquisition;</li> <li>(b) 3 Performance Shares;</li> <li>(c) 25,040,979 Director and Management Performance Options;</li> <li>(d) 1,231,120 Chairman Options; and</li> <li>(e) 15,000,000 Lead Manager Options.</li> </ul> |                     |
| <b>Is there any brokerage, commission or stamp duty payable by Applicants?</b> | No brokerage, commission or stamp duty is payable by Applicants on subscription or issue of Shares pursuant to the Offer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Section 1.15        |
| <b>What are the tax implications of making an investment?</b>                  | The tax consequences of any investment in Shares will depend on your personal circumstances. You should obtain your own tax advice before deciding to invest.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Section 1.23        |
| <b>Can the Offer be withdrawn?</b>                                             | <p>InVert Graphite may at any time (in the Board's discretion) decide to withdraw this Prospectus and/or the Offer in which case InVert Graphite will return all Application Monies (without interest) in accordance with the requirements of the Corporations Act.</p> <p><b>No interest will be repaid on any Application Monies refunded as a result of the withdrawal of the Offer.</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Section 1.17        |
| <b>G. Further information</b>                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                     |
| <b>How can I obtain further information?</b>                                   | <p>All enquiries in relation to this Prospectus should be directed to the Company Secretary on + 61 2 8823 3179 from 8:30am to 5:00pm (Sydney time) Monday to Friday (excluding public holidays).</p> <p>If you are unclear in relation to any matter or are uncertain as to whether InVert Graphite is a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant, or other independent and qualified professional adviser before deciding whether to invest.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Corporate Directory |

## 1. DETAILS OF OFFER

### 1.1 Offer

The Offer under this Prospectus invites eligible investors to apply for up to 116,666,667 Shares at an Offer Price of A\$0.03 per Share, in order for the Company to raise up to A\$3,500,000 (before associated costs).

The Offer comprises the Minimum Subscription of 110,000,000 Shares at an Offer Price of A\$0.03 per Share to raise A\$3,300,000 (before associated costs) and the ability for the Company to (at the Board's discretion) accept Oversubscriptions of up to an additional 6,666,667 Shares at A\$0.03 per Share to raise an additional A\$200,000 (before associated costs). Together, the Minimum Subscription and the maximum Oversubscriptions are the Maximum Subscription.

The Offer comprises of:

- (a) the Broker Firm Offer detailed in Section 1.13; and
- (b) the Priority Offer detailed in Section 1.14.

Applications under the Offer must be made using the Application Form accompanying this Prospectus as provided by InVert Graphite or the Lead Manager to prospective investors wishing to subscribe for Shares under the Offer.

The Shares to be issued pursuant to the Offer are of the same class and will rank equally with the existing Shares on issue. Refer to Section 10.1 for a summary of the rights attaching to Shares.

Persons wishing to apply for Shares under the Offer should (without limitation) refer to Sections 1.13 to 1.15 for further details and instructions.

### 1.2 Underwriting

The Offer will not be underwritten.

### 1.3 Minimum Subscription

The Offer is subject to a minimum subscription under the Offer of 110,000,000 Shares to raise A\$3,300,000 (before associated costs) (**Minimum Subscription**).

None of the Shares offered under this Prospectus will be issued if valid applications for Shares are not received for the Minimum Subscription.

Should valid applications for the Minimum Subscription not be received within four months from the date of this Prospectus (or within such longer period as may be permitted by law), InVert Graphite will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

### 1.4 Oversubscriptions

Oversubscriptions of up to 6,666,667 Shares (at the Offer Price of A\$0.03 per Share) may be accepted by the Company pursuant to the Offer.

If the Company receives and accepts the maximum number of Oversubscriptions then the number of Shares issued under this Prospectus will be 116,666,667 Shares and the amount that will be raised under this Prospectus will be A\$3.5 million (before associated costs).

Alternatively, the Company may (at the Board's discretion) accept less than that maximum number of Oversubscriptions, or not accept any Oversubscriptions.

## 1.5 Conditions to the Offer

The Offer is subject to the following conditions (in addition to the other terms and conditions referred to in this Prospectus):

- (a) the Minimum Subscription being raised pursuant to the Offer; and
- (b) InVert Graphite receiving approval from ASX for reinstatement to trading on ASX of the Shares, subject only to any conditions which ASX may reasonably require that are acceptable to the Company (as determined by the Board).

If the above conditions are not satisfied (absent a waiver by the Board), InVert Graphite will not proceed with the issue of Shares pursuant to the Offer and will return to Applicants all the Application Monies (without interest) in accordance with the provisions of the Corporations Act.

Refer also to other parts of this Section 1 for further conditions of the Offer.

## 1.6 General Meeting

At the General Meeting of the Company held on 20 December 2024, InVert Graphite sought and obtained Shareholder approval of the following in relation to the Acquisition and the Offer (and related matters):

- (a) **Change in nature and scale of activities:** the change in nature and scale of the Company's activities as a result of the Acquisition.
- (b) **Issue of Consideration Shares:** InVert Graphite issuing the Consideration Shares to the EGA Vendors, EGR Tanzania Vendors and White Hill Resources Pty Limited (and/or their respective nominee(s)) as consideration under the Acquisition as detailed in Section 2.2.
- (c) **Issue of Performance Shares:** InVert Graphite creating new classes of shares, being the Performance Shares, and issuing the Performance Shares to Hashimu Musedem Millanga (and/or his nominee(s)) pursuant to the proposed terms of employment for Mr Millanga, who is to be employed as Principal Geologist by EGR Tanzania (as summarised in Section 10.9(d)).
- (d) **Issue of Shares under Offer:** InVert Graphite issuing Shares under the Offer up to the Maximum Subscription.
- (e) **Issue of Lead Manager Options:** InVert Graphite issuing the Lead Manager Options to the Lead Manager (and/or its nominee(s)).
- (f) **Change of name:** The Company changing its name from "Dominion Minerals Limited" to "InVert Graphite Limited", with effect from the date that ASIC alters the details of Dominion Minerals Limited's registration (this occurred on 3 January 2025).
- (g) **Issue of Chairman Options and Director and Management Performance Options to Directors and Proposed Directors:** InVert Graphite issuing the Chairman Options and 25,040,979 of the Director and Management Performance Options to the Directors and Proposed Directors (and/or their nominee(s)) as detailed in Section 4.4(a).
- (h) **Election of Proposed Directors:** the election of Mr Simon Taylor, Mr Andrew Boyd and Mr Andrew Lawson as Directors subject to the completion of the Acquisition and with effect on and from one or more dates to be determined by the Board.
- (i) **Adoption of a new Employee Incentive Scheme:** InVert Graphite adopting the new Employee Incentive Plan and approving the issue of securities (in the form of Options, Performance Rights and/or Shares) under the Employee Incentive Plan and for any resulting issues of underlying Shares.

- (j) **Directors and Proposed Directors participation in the Offer:** InVert Graphite issuing Shares to Directors and Proposed Directors (and/or their respective nominee(s)) pursuant to their proposed participation in the Offer as detailed in Section 4.4(b).
- (k) **Approval of termination benefits:** InVert Graphite giving certain termination benefits in connection with any person, who from time to time is or has been a member of the key management personnel or holds or has held a managerial or executive office in the Company or a related body corporate, ceasing to hold that managerial or executive office or ceasing to hold a subsequent office, or position of employment, in the Company or a related body corporate.
- (l) **Section 195 approval:** the approval of transactions and termination benefits contemplated by certain resolutions described above under section 195 of the Corporations Act (relating to the potential absence of a quorum at Directors' meetings necessary to carry out the terms of certain resolutions).

All resolutions put to shareholders were passed at the General Meeting held on 20 December 2024.

## 1.7 Purposes of the Offer

The purposes of the Offer are to:

- (a) raise up to A\$3.5 million pursuant to the Offer (before associated costs), which includes the Minimum Subscription of A\$3.3 million (before associated costs) and, at the Company's discretion, the maximum Oversubscriptions to raise an additional A\$200,000 (before associated costs);
- (b) assist InVert Graphite to meet the requirements of ASX and satisfy the re-compliance requirements of Chapters 1 and 2 of the Listing Rules, as part of InVert Graphite's application for Readmission;
- (c) provide funding for InVert Graphite to seek to achieve its near term objectives as detailed in Section 1.8 and Section 2.11, including exploration at the Morogoro Project and the White Hill Licences (each of which will be 100% owned<sup>6</sup> by InVert Graphite or its wholly owned subsidiaries on completion of the Acquisition); and
- (d) provide InVert Graphite with additional working capital for its business, following completion of the Acquisition.

## 1.8 Proposed use of funds

As at the date of this Prospectus InVert Graphite has cash reserves of approximately A\$1.83 million. The Offer will have an effect on InVert Graphite's financial position, being receipt of funds of A\$3,300,000 (before associated costs) under the Minimum Subscription or up to A\$3,500,000 (before associated costs) if the Company receives and accepts Oversubscriptions under the Offer.

The Board believes that its current cash reserves and the funds raised from the Offer will provide InVert Graphite with sufficient working capital to achieve its stated objectives during the two year period following Readmission, as detailed in this Prospectus (refer to the remainder of this Section and to Section 2.11).

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<sup>6</sup> In respect of the Morogoro Project, refer to the Tanzanian Independent Solicitor's Report in Section 8.1 and the Independent Geologist's Report in Section 7 for further details of the ownership structure and the entitlement of the Government of Tanzania to a minimum 16 per cent non-dilutable free carried interest (FCI) in the capital of any company operating under a Mining Licence or Special Mining Licence. The Government of Tanzania does not currently own any FCI in EGR Tanzania. In addition to the FCI, the Government of Tanzania shall be entitled to acquire, in total, up to fifty percent of the ordinary shares of a mining company commensurate with the total tax expenditures incurred by the Government in favour of the mining company.

## Funds Available

*Table 1: Source of funds*

| Item                         | Indicative available funds assuming Minimum Subscription (A\$) | Indicative available funds assuming Maximum Subscription (A\$) |
|------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|
| Current cash reserves        | 1,830,000                                                      | 1,830,000                                                      |
| Gross proceeds from Offer    | 3,300,000                                                      | 3,500,000                                                      |
| <b>Total available funds</b> | <b>5,130,000</b>                                               | <b>5,330,000</b>                                               |

InVert Graphite's expected use of funds in the two-year period following Readmission is as follows.

### Indicative allocation of funds under the Minimum Subscription

*Table 2: Indicative allocation of funds – Minimum Subscription*

| Indicative allocation of funds                                                                                            | Year 1 (A\$)     | Year 2 (A\$)     | Total (A\$)      | %           |
|---------------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|-------------|
| Exploration expenditure – Morogoro Project <sup>1,2</sup>                                                                 | 1,044,811        | 1,104,811        | 2,149,622        | 42%         |
| Exploration expenditure – White Hill Licences <sup>2</sup>                                                                | 179,875          | 197,750          | 377,625          | 7%          |
| Working capital and administrative costs <sup>3</sup>                                                                     | 996,843          | 800,000          | 1,796,843        | 35%         |
| Repayment of Loan <sup>4</sup>                                                                                            | 85,000           | -                | 85,000           | 2%          |
| Acquisition costs                                                                                                         | 164,966          | -                | 164,966          | 3%          |
| Costs of the Offer, Costs of Chapters 1 and 2 Listing Rules re-compliance and Readmission and other expenses <sup>5</sup> | 555,944          | -                | 555,944          | 11%         |
| <b>TOTAL</b>                                                                                                              | <b>3,027,439</b> | <b>2,102,561</b> | <b>5,130,000</b> | <b>100%</b> |

### Indicative allocation of funds under the Maximum Subscription

*Table 3: Indicative allocation of funds – Maximum Subscription*

| Indicative allocation of funds                             | Year 1 (A\$) | Year 2 (A\$) | Total (A\$) | %   |
|------------------------------------------------------------|--------------|--------------|-------------|-----|
| Exploration expenditure – Morogoro Project <sup>1,2</sup>  | 1,044,499    | 1,292,860    | 2,337,359   | 44% |
| Exploration expenditure – White Hill Licences <sup>2</sup> | 179,875      | 197,750      | 377,625     | 7%  |

| Indicative allocation of funds                                                                                            | Year 1<br>(A\$)  | Year 2<br>(A\$)  | Total<br>(A\$)   | %           |
|---------------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|-------------|
| Working capital and administrative costs <sup>3</sup>                                                                     | 996,843          | 800,000          | 1,796,843        | 34%         |
| Repayment of Loan <sup>4</sup>                                                                                            | 85,000           | -                | 85,000           | 2%          |
| Acquisition costs                                                                                                         | 164,966          | -                | 164,966          | 3%          |
| Costs of the Offer, Costs of Chapters 1 and 2 Listing Rules re-compliance and Readmission and other expenses <sup>5</sup> | 568,207          | -                | 568,207          | 11%         |
| <b>TOTAL</b>                                                                                                              | <b>3,039,390</b> | <b>2,290,610</b> | <b>5,330,000</b> | <b>100%</b> |

**Notes for each of the two tables above:**

1. These amounts will vary with the rate of currency exchange between Australian dollars and Tanzanian shillings. This is because the majority of this expenditure will be incurred in Tanzanian shillings.
2. If the Company is unable to spend funds on a particular tenement or group of tenements in the Morogoro Project or comprising the White Hill Licences, for example due to that tenement lapsing or the Company not acquiring that tenement pursuant to the Acquisition, then, the Company would look to reallocate those funds to the other granted tenements in those projects or as otherwise determined by the Board.
3. Working capital and administrative costs include the general costs associated with the management and operation of the business including but not limited to administration expenses, audit and accounting fees, legal fees, travel costs, business development costs, listing and share registry fees, remuneration of directors, management and other personnel, insurance, investor relations expenses, rent and other associated costs. Decisions as to its allocation will be made according to the Board's discretion, taking into account matters such as the success of various projects, overhead overruns and potential project identification and acquisition.
4. Repayment of Loan payable by EGR Tanzania to Mr Andrew Boyd (which is detailed in Section 4.4(d)(v) totalling USD52,600 at an estimated exchange rate of 0.6225 (Reserve Bank of Australia foreign exchange rate, 30 January 2025).
5. Re-compliance costs include (without limitation) Lead Manager fees, legal fees, ASX fees, advisor fees, Investigating Accountant fees, independent geological advisory fees, Independent Expert fees, share registry fees and lead manager fees.

The above estimated expenditures are indicative only and will be subject to modification on an on-going basis depending on the results obtained from InVert Graphite's activities and other factors relevant to the Board's discretion as to usage of funding. Due to market conditions and the development of new opportunities or any number of other factors (including the risk factors detailed in the Investment Overview and Section 3), actual expenditure levels may differ significantly to the above estimates.

In the event that the amount actually raised pursuant to the Offer falls between the Minimum Subscription and Maximum Subscription amounts, the Company presently proposes to adjust the indicative allocation of funds, to increase exploration expenditure proportionately compared with the Minimum Subscription table above (but subject to the Board's discretion to alter the way funds are applied - although part of the funds would be paid as increased Lead Manager fees as described in Section 10.9(a)).

InVert Graphite may also pursue further business opportunities, such as those (without limitation) which may complement the Morogoro Project or the White Hill Licences and there may be a need to direct funds for this purpose or to raise additional equity capital or debt capital. The consideration of new opportunities may result in InVert Graphite expending funds on due diligence or other acquisition costs which may not be recouped through the ultimate acquisition and/or development of the project or business under consideration. These new business opportunities may include (without limitation) project acquisitions, joint ventures, acquisition of tenements/permits, direct equity participation and/or other transaction structures.

It should be noted that the Company is not anticipated to be self-funding through its own operational cash flow at the end of this period. Accordingly, to continue activities on the Morogoro Project and/or the White Hill Licences beyond the work programs detailed above (and as specified in more detail in Section 2.11) or to capitalise on future opportunities (and depending on the

success of its activities), InVert Graphite is expected to require additional capital from time to time, which will likely require the use of future debt, equity or hybrid funding.

Future capital needs will also depend on the success or failure of the Company's exploration and development programs on the Morogoro Project and the White Hill Licences. For example, the Board will consider the use of future debt, equity or hybrid funding where it is appropriate to aim to accelerate growth, fund additional exploration on the Morogoro Project and the White Hill Licences or to capitalise on acquisition or investment opportunities in the resources sector (without limitation).

The Board has not yet determined the potential usage of any funds which may be received by the Company pursuant to the exercise of any Securities with an exercise price, such as the Existing Options or Lead Manager Options. No forecast is made of whether any such exercise may occur.

## 1.9 Capital Structure

InVert Graphite's indicative capital structure at the time of Readmission is outlined below (along with the 8,223,881 Director and Management Performance Options that are proposed to be issued to Mr Lawson following the successful completion of his three month probationary period detailed in Section 4.5(b)):

**Table 4: Indicative capital structure**

| Description                                                                                  | Shares                  | Options                       | Performance Shares   |
|----------------------------------------------------------------------------------------------|-------------------------|-------------------------------|----------------------|
| Securities on issue as at the date of this Prospectus                                        | 225,850,957             | 11,187,498 <sup>6</sup>       | -                    |
| Number of Securities to be issued in connection with the Acquisition                         | 76,757,576 <sup>1</sup> | -                             | 3 <sup>2</sup>       |
| Minimum number of Shares to be issued under the Offer (Minimum Subscription)                 | 110,000,000             | -                             | -                    |
| Issue of Lead Manager Options                                                                | -                       | 15,000,000 <sup>3</sup>       | -                    |
| Options to be issued under the Employee Incentive Plan by the time of Readmission            | -                       | 21,322,997 <sup>4</sup>       | -                    |
| <b>Total at the time of Readmission (assuming the Minimum Subscription)</b>                  | <b>412,608,533</b>      | <b>47,510,495<sup>5</sup></b> | <b>3<sup>5</sup></b> |
| Additional Shares that may be issued under the Offer (to reach the Maximum Subscription)     | 6,666,667               | -                             | -                    |
| <b>Total at the time of Readmission (assuming the Maximum Subscription)</b>                  | <b>419,275,200</b>      | <b>47,510,495<sup>5</sup></b> | <b>3<sup>5</sup></b> |
| Options to be issued under the Employee Incentive Plan shortly after the time of Readmission | -                       | 8,223,881 <sup>5, 7</sup>     | -                    |

**Notes:**

- These are the Consideration Shares proposed to be issued pursuant to the Acquisition Agreements in consideration for the Acquisition. Refer to Section 2.2 for further details in respect of the Acquisition and Section 10.9(b) for a summary of the material terms of the Acquisition Agreements.
- These are the three proposed Performance Shares in the Company. The maximum number of Shares which the Performance Shares will convert into is 45,000,000 (in aggregate) assuming all vesting milestones are achieved. The Performance Shares will have nil exercise price but will be subject to certain vesting conditions. The terms of the Performance Shares are set out in Section 10.5. Refer to the Independent Expert's Report set out in Section 9 for further information with respect to the fairness and reasonableness to non-participating security holders of the proposed issue of those Performance Shares.
- It is proposed to issue 15,000,000 Lead Manager Options to the Lead Manager pursuant to the Lead Manager Mandate on the terms set out in Sections 10.6 and 10.9(a). Lead Manager Options have an exercise price of \$0.06 or \$0.09 and are not subject to vesting conditions.
- On or around the time of completion of the Acquisition:

- a. 1,231,120 Chairman Options are proposed to be issued to Dr David Brookes (and/or his nominee(s)) as detailed in Section 4.4(a) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.3;
- b. 16,817,098 Director and Management Performance Options are proposed to be issued to Directors and Proposed Directors of InVert Graphite (and/or their nominee(s)) (but not including Dr Brookes or Mr Lawson) as detailed in Section 4.4(a) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.4; and
- c. 3,274,779 Director and Management Performance Options are proposed to be issued to the Company's Company Secretary and Chief Financial Officer (and/or her nominee(s)) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.4.

All Chairman Options and Director and Management Performance Options will have nil exercise price but each of them will be subject to certain vesting conditions. Refer to the Independent Expert's Report set out in Section 9 for further information with respect to the fairness and reasonableness to non-participating security holders of the proposed issue of those Chairman Options and Director and Management Performance Options.

5. The Performance Shares and Options will be unlisted Securities.
6. The terms of the Options on issue at the date of this Prospectus (being the Existing Options) are set out in Section 10.7.
7. On or around the time of completion of the Acquisition Mr Andrew Lawson is to be appointed as the Company's Chief Executive Officer. Upon the successful completion of his three month probationary period which commences upon that appointment, it is proposed (as detailed in Section 4.5(b)) that Mr Lawson be issued 8,223,881 Director and Management Performance Options pursuant to the Employee Incentive Plan and on the terms set out in Section 10.4. Also, following the completion of the probation period, the Company may, at the sole discretion of the Board, at any time also appoint Mr Lawson to the role of Managing Director of the Company. Such appointment shall not alter Mr Lawson's remuneration. The Director and Management Performance Options will have nil exercise price but each of them will be subject to certain vesting conditions. Refer to the Independent Expert's Report set out in Section 9 for further information with respect to the fairness and reasonableness to non-participating security holders of the proposed issue of those Director and Management Performance Options. The Director and Management Performance Options will be unlisted Securities.
8. Assuming no other securities in the Company are issued prior to the completion of the Acquisition and the Offer. On a fully diluted basis, assuming all of the Options detailed above convert into Shares and assuming the Minimum Subscription is raised pursuant to the Offer, the maximum number of Shares are issued on conversion of the Performance Shares (being 45,000,000 Shares) and no further securities are issued, InVert Graphite's issued capital would equate to 513,342,909 Shares. No forecast is made of whether any Options or Performance Shares will be converted into Shares (nor whether any of the Options' or Performance Shares' vesting conditions will be satisfied). Other than the 8,223,881 Director and Management Performance Options that are proposed to be issued to Mr Lawson following the successful completion of his three month probationary period, this does not include any Options (or other securities) that InVert Graphite may issue under the Employee Incentive Plan to certain Eligible Participants or their nominees following Readmission.
9. Assuming no other securities in the Company are issued prior to the completion of the Acquisition and the Offer. On a fully diluted basis, assuming all of the Options detailed above convert into Shares and assuming the Maximum Subscription is raised pursuant to the Offer, the maximum number of Shares are issued on conversion of the Performance Shares (being 45,000,000 Shares) and no further securities are issued, InVert Graphite's issued capital would equate to 520,009,576 Shares. No forecast is made of whether any Options or Performance Shares will be converted into Shares (nor whether any of the Options' or Performance Shares' vesting conditions will be satisfied). Other than the 8,223,881 Director and Management Performance Options that are proposed to be issued to Mr Lawson following the successful completion of his three month probationary period, this does not include any Options (or other securities) that InVert Graphite may issue under the Employee Incentive Plan to certain Eligible Participants or their nominees following Readmission.

Information on the effect of the Offer on control and substantial Shareholders is detailed in Section 10.11.

InVert Graphite sought and obtained Shareholder approval at the General Meeting held on 20 December 2024 for (and for the Company to adopt) the Employee Incentive Plan and the issue of Securities (in the form of Options, Performance Rights and/or Shares) under the Employee Incentive Plan and for any resulting issues of underlying Shares. Shareholder approval was received in respect of that resolution and consequently any Securities issued under the Employee Incentive Plan to Eligible Participants over a period of three years from the date of the General Meeting (up to 11,292,548 Securities plus the Chairman Options and the 25,040,979 Director and Management Performance Options to be issued to the Directors and Proposed Directors and additionally any Shares which may be issued upon the exercise or conversion of such Securities) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

That maximum number is not intended to be a prediction of the actual number of equity securities to be issued under the Employee Incentive Plan but is specified for the purposes of setting a ceiling on the number of equity securities approved to be issued for the purposes of Listing Rule 7.2 Exception 13 during that three-year period. Once that maximum number is reached, any additional issues of equity securities under the Employee Incentive Plan will not have the benefit of Exception 13 without a fresh Shareholder approval and will only be able to be made without Shareholder approval under Listing Rule 7.1 if the Company has sufficient 15% placement capacity available at the time under ASX Listing Rule 7.1 (or if another exception to Listing Rule 7.1 applies).

InVert Graphite reserves the right to issue further securities from time to time, such as (without limitation) to raise further capital or pursuant to its Employee Incentive Plan summarised in Section 10.2.

InVert Graphite additionally reserves the right to also utilise its 15% annual placement capacity under Listing Rule 7.1, and to seek Shareholders' approval to issue further securities from time to time.

The Shares have an issue price of \$0.03 under the Offer, which is lower than the \$0.20 minimum price specified by Listing Rule 2.1 Condition 2. In addition, the Chairman Options, Director and Management Performance Options and the Performance Shares are to have a zero exercise price and the Lead Manager Options are to have an exercise price of \$0.06 or \$0.09 as detailed in Section 10.6, which are lower than the \$0.20 minimum exercise price specified by Listing Rule 1.1 condition 12. Section 10.20 discloses that the Company has sought and received from the ASX waivers of those Listing Rules (among other things) to permit the Company to issue those Securities on those terms.

## **1.10 Forecasts**

Due to the nature of InVert Graphite's business activities and the mineral exploration industry in which it operates, there are significant uncertainties associated with forecasting future events. InVert Graphite is an early-stage exploration company, which has no present source of revenue. InVert Graphite does not derive any income from mineral exploration activities, nor does it anticipate any such income in the immediate future.

The Directors have considered the matters detailed in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that InVert Graphite is an early-stage exploration company with no source of revenue and the future operations of InVert Graphite are inherently uncertain. InVert Graphite accordingly makes no forecast of whether it will generate revenue or profits in future.

The Directors consequently believe that, given the inherent uncertainties, it is not possible to include reliable forecasts in this Prospectus.

Refer to Section 2 for further information in respect to InVert Graphite's existing and proposed activities.

## **1.11 Additional projects**

If future opportunities that the Board considers appropriate arise, InVert Graphite may apply for or acquire additional projects or businesses. No such additional projects or businesses have been identified by the Board as at the date of this Prospectus.

## **1.12 Interest of the Lead Manager (and its associates) in the Offer and InVert Graphite**

Taylor Collison Limited (being the Lead Manager) has been appointed as the lead manager for the Offer. The Lead Manager and InVert Graphite are parties to the Lead Manager Mandate that is summarised in Section 10.9(a).

### **(a) Fees payable to the Lead Manager in connection with the Offer**

InVert Graphite has agreed to pay the Lead Manager the following fees pursuant to the Lead Manager Mandate in respect of its appointment as the lead manager for the Offer:

- (i) a management fee of 3.0% (plus GST) of the total amount of the Offer Price raised and paid to the Company under the Offer in respect of the Shares that are issued under the Offer;
- (ii) a capital raising fee of 3.0% (plus GST) of the total amount of the Offer Price raised and paid to the Company under the Offer in respect of the Shares that are issued under the Offer; and

- (iii) up to 15,000,000 unlisted Lead Manager Options, comprising 7,500,000 unlisted Lead Manager Options with an expiry date of 2 years from the date of issue and an exercise price of A\$0.06 each and 7,500,000 unlisted Lead Manager Options with an expiry date of 2 years from the date of issue and an exercise price of A\$0.09 each. The issue of the Lead Manager Options was approved by Shareholders at the General Meeting.

The Lead Manager is also entitled to be reimbursed by InVert Graphite for reasonable out of pocket expenses incurred in connection with the Lead Manager Mandate and the Offer.

**(b) Lead Manager's interest in Securities**

As at the date of this Prospectus, the Lead Manager or its associates do not have a Relevant Interest in the Company's Securities.

Based on the information available to InVert Graphite, as at the date of this Prospectus, regarding the intentions of the Lead Manager and its associates in relation to the Offer and assuming neither the Lead Manager or its associates subscribe for Shares under the Offer, the Lead Manager and its associates will have a Relevant Interest or Voting Power in the following Securities on Readmission:

**Table 5: Relevant Interest or Voting Power of Lead Manager and its associates in Securities at the date of Readmission**

| Shares <sup>1</sup> | Options <sup>2</sup> | % of Issued Shares |
|---------------------|----------------------|--------------------|
| 1,000,000           | 15,000,000           | Nil                |

<sup>1</sup> These are the 1,000,000 Consideration Shares to be issued (upon completion of the Acquisition) to White Hill Resources Pty Limited (and/or its nominee(s)) pursuant to the White Hill Tenement Purchase Agreement. They are included in the above table on the basis that White Hill Resources Pty Limited is taken to be an associate of the Lead Manager and vice versa, as detailed below. This table assumes no further Securities (other than as contemplated in this Prospectus) are issued before Readmission.

<sup>2</sup> Comprising the Lead Manager Options to be issued to the Lead Manager under the Lead Manager Mandate.

Under the terms of its engagement, the Lead Manager is not entitled to subscribe for Shares under the Offer as payment for its services (although the Lead Manager may bid and subscribe for Shares under the Offer). However, certain employees of the Lead Manager and their close relatives own 24,238,110 Shares, as at the date of this Prospectus.

Directors and employees of the Lead Manager and their close relatives also own slightly more than 90% of White Hill Resources Pty Limited which will (and/or whose nominee(s) will) receive 1,000,000 Consideration Shares in the Company (pursuant to the White Hill Tenement Purchase Agreement) if the Acquisition is completed (per the table immediately above). The two directors of White Hill Resources Pty Limited are employees of the Lead Manager and there is one common director of White Hill Resources Pty Limited and the Lead Manager. White Hill Resources Pty Limited is taken to be an associate of the Lead Manager and vice versa.

The Lead Manager has also previously acted as lead manager for the Company prior to the Offer (refer to Section 2.8).

## **1.13 Broker Firm Offer**

**(a) Who can apply**

The Broker Firm Offer, which is open to eligible Australian retail clients of Brokers and (subject to compliance with applicable laws) other eligible clients of Brokers, in each case if such clients have received an invitation from their Broker to apply for Shares and are not in the United States and are not acting for the account or benefit of any person in the United States. Eligible broker clients can contact their Broker to determine whether they can apply for an allocation of Shares from them under the Broker Firm Offer.

**(b) How to apply**

If you have received an invitation to apply for Shares from your Broker and wish to apply for those Shares under the Broker Firm Offer, you should contact your Broker for information about how to submit your Broker Firm Offer Application Form and for payment instructions. Applicants under the Broker Firm Offer must not send their Application Forms or payment to the Share Registry.

By making an Application, you declare that you were given access to this Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

Broker clients should complete and lodge their Broker Firm Offer Application Form with the Broker from whom they received their invitation to apply to participate in the Broker Firm Offer. Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the Broker Firm Offer Application Form.

The Broker Firm Offer opens on the Opening Date and Applications must be received by no later than 5:00pm (Sydney time) on the Closing Date and it is your responsibility to ensure that this occurs.

**(c) How to pay**

Applicants under the Broker Firm Offer must pay their Application Monies to their Broker in accordance with instructions provided by that Broker.

**(d) Broker Firm Offer allocation policy**

The allocation of Shares to Brokers will be determined by the Directors in consultation with the Lead Manager. Shares that are allocated to Brokers will be issued to Applicants nominated by the Brokers (subject to the right of the Lead Manager and the Company to reject, aggregate or scale back Applications).

The allocation policy is influenced but not constrained by the following factors:

- (i) the number of Shares applied for by particular Applicants;
- (ii) desire for an informed and active trading market following Readmission;
- (iii) the Company's desire to establish a wide spread of Shareholders;
- (iv) overall level of demand under the Offer; and
- (v) other factors that the Lead Manager considers appropriate (in consultation with the Company).

**(e) Acceptance of Applications**

An Application in the Broker Firm Offer is a binding and irrevocable offer by the Applicant to apply for the amount of Shares in the dollar amount specified in the Application Form (or any lesser amount determined by the Company) at the Offer Price on the terms and conditions set out in this Prospectus (including any supplementary or replacement prospectus) and the Application Form. At the time of making an Application, an Applicant will not know the precise number of Shares they will be allocated (if any).

The Company has the discretion, in consultation with the Lead Manager, to refuse any Application or to allocate a lesser number of Shares than applied for by an Applicant. Consequently, an Application may be accepted by the Company in respect of the full amount, or any amount lower than that specified in the Application Form, without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract on allocation of Shares to successful Applicants.

The Lead Manager and the Company reserve the right to reject any Application for any reason, such as if it is not correctly completed or if it is submitted by a person who they believe is ineligible to participate in the Broker Firm Offer, or to waive or correct any errors made by an Applicant in completing their Application. The Company also reserves the right to reject any Applications in the Board's discretion.

Successful Applicants in the Broker Firm Offer will, subject to the terms and conditions of the Offer, receive the number of Shares equal to the value of their Application accepted and allocated by the Company divided by the Offer Price (rounded down to the nearest whole Share), provided that sufficient Application Monies have been paid by the Applicant as consideration for those Shares. Where the Offer Price does not divide evenly into the relevant Application Monies, the number of Shares to be allocated will be rounded down. No refunds pursuant solely to rounding will be provided.

## **1.14 Priority Offer**

### **(a) Who can apply**

The Priority Offer is open to investors who have received an invitation to participate in the Offer from the Company and who have a registered address in Australia, or are otherwise Institutional Investors in other Permitted Jurisdictions or are Approved US Shareholders (or as may otherwise be permitted by the law and accepted by the Company). If you have been invited by the Company to participate in the Priority Offer, you will be treated as an Applicant under the Priority Offer in respect of those Shares allocated to you.

### **(b) How to apply**

If you have received an invitation to apply for Shares under the Priority Offer and wish to apply for those Shares, you should follow the instructions on your personalised invitation to complete and lodge your Application.

By making an Application, you declare that you were given access to this Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

The Priority Offer opens on the Opening Date and Applications must be received by no later than 5:00pm (Sydney time) on the Closing Date and it is your responsibility to ensure that this occurs.

### **(c) How to pay**

Applicants under the Priority Offer must pay their Application Monies by following the instructions on the invitation or on the Priority Offer Application Form.

If applicable, when completing your Electronic Funds Transfer (EFT) payment, please make sure to use the specific unique Customer Reference Number (CRN) provided to you after you submit your Priority Offer Application Form.

It is the Applicant's responsibility to ensure payments are received by the end of the Offer Period. If you make an EFT payment, your bank, credit union or building society may impose a limit on the amount that you can transact by EFT and policies with respect to timing for processing EFT transactions may vary between bank, credit union or building society. The Company takes no responsibility for any failure to receive Application Monies by EFT before the end of the Offer Period arising as a result of, among other things, delays in processing of payments by financial institutions.

If the amount of your EFT payment for Application Monies (or the amount for which your EFT payment clears in time for allocation) is insufficient to pay for the number of Shares you have applied for in the Priority Offer Application Form, you may be taken to have applied for such lower number of Shares as your cleared Application Monies will pay for

(and to also have specified that amount in your Priority Offer Application Form), or your Application may be rejected.

**(d) Priority Offer allocation policy**

Allocations under the Priority Offer will be at the absolute discretion of the Company.

The Company has the discretion to determine the number of Shares to be issued pursuant to the Priority Offer (and will consult with the Lead Manager for that purpose).

The allocation policy is influenced but not constrained by the factors in Section 1.13(d)(i) to 1.13(d)(v) (inclusive).

**(e) Acceptance of Applications**

An Application in the Priority Offer is a binding and irrevocable offer by the Applicant to apply for the amount of Shares in the dollar amount specified in the Priority Offer Application Form (or any lesser amount determined by the Company) at the Offer Price on the terms and conditions set out in this Prospectus (including any supplementary or replacement prospectus) and the Priority Offer Application Form. At the time of making an Application, an Applicant will not know the precise number of Shares they will be allocated (if any).

The Company has the discretion to refuse any Application or to allocate a lesser number of Shares than applied for by an Applicant. Consequently, an Application may be accepted by the Company in respect of the full amount, or any amount lower than that specified in the Application Form, without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract on allocation of Shares to successful Applicants.

The Company reserves the right to reject any Application for any reason, such as if it is not correctly completed or if it is submitted by a person who it believes is ineligible to participate in the Priority Offer, or to waive or correct any errors made by an Applicant in completing their Application. The Company also reserves the right to reject any Applications in the Board's discretion.

Successful Applicants in the Priority Offer will, subject to the terms and conditions of the Offer, receive the number of Shares equal to the value of their Application accepted and allocated by the Company divided by the Offer Price (rounded down to the nearest whole Share), provided that sufficient Application Monies have been paid by the Applicant as consideration for those Shares. Where the Offer Price does not divide evenly into the relevant Application Monies, the number of Shares to be allocated will be rounded down. No refunds pursuant solely to rounding will be provided.

## **1.15 Additional Terms and Conditions of the Offer**

*Table 6: Additional terms and conditions of the Offer*

| <b>Topic</b>                                                                       | <b>Summary</b>                                                                                                                                                                                  |
|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>What is the type of security being offered?</b>                                 | Fully paid ordinary shares in the capital of InVert Graphite.                                                                                                                                   |
| <b>What are the rights and liabilities attached to the security being offered?</b> | All new Shares issued under the Offer will rank equally in all respects with existing Shares on issue. For details relating to the rights and liabilities of the Shares, refer to Section 10.1. |
| <b>What is the consideration payable for each security being offered?</b>          | The Offer Price is A\$0.03 per Share.                                                                                                                                                           |
| <b>What is the Offer Period?</b>                                                   | Refer to the Indicative Timetable for the Offer which is on page 10 of this Prospectus.                                                                                                         |

| Topic                                                                            | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>What are the cash proceeds to be raised?</b>                                  | Up to A\$3,500,000 (before associated costs) under the Maximum Subscription, or less than that amount (at the Board's discretion) provided that at least the Minimum Subscription of A\$3,300,000 (before associated costs) is raised.                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Is the Offer underwritten?</b>                                                | The Offer is not underwritten.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Who is the Lead Manager?</b>                                                  | Taylor Collison Limited ACN 008 172 450.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>What is an Applicant applying for?</b>                                        | An Application is an offer by the Applicant to InVert Graphite to apply for all or any of the amount of Shares specified in the Application Form on the terms detailed in this Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>What is the minimum and maximum Application size under the Offer?</b>         | Applications for Shares under the Offer must be for a minimum of 66,667 Shares (for Application Monies of approximately A\$2,000) and thereafter in multiples of 16,667 Shares (for Application Monies of approximately A\$500) and payment for the Shares must be made in full at the issue price of A\$0.03 per Share (although InVert Graphite reserves the right to accept Applications for different numbers of Shares).                                                                                                                                                                                                              |
| <b>What is the allocation policy?</b>                                            | <p>The allocation of Shares between the Broker Firm Offer, and the Priority Offer will be determined by the Company in consultation with the Lead Manager, subject to the allocation policies outlined in Section 1.13(d) and 1.14(d) above.</p> <p>The Lead Manager and InVert Graphite have absolute discretion regarding the allocation of Shares to Applicants under the Offer and may reject an Application or allocate a lesser number of Shares than applied for. The Lead Manager and InVert Graphite also reserve the right to aggregate any Applications that they believe may be multiple Applications for the same person.</p> |
| <b>When will I receive confirmation that my Application has been successful?</b> | <p>It is expected that holding statements and allotment confirmation notices will be dispatched by standard post on or about 24 April 2025 (but that timing is subject to change).</p> <p>Refunds (without interest) to Applicants whose Applications are not accepted, or who are allocated a lesser number of Shares than the amount applied for, will be made as soon as practicable after completion of the Offer.</p> <p>No refunds pursuant solely to rounding will be provided.</p>                                                                                                                                                 |
| <b>Will the Shares issued under this Prospectus be quoted?</b>                   | <p>InVert Graphite will apply to ASX no later than seven days from the date of this Prospectus for Official Quotation of the Shares offered pursuant to this Prospectus.</p> <p>If ASX does not grant permission for Official Quotation (of the relevant number of Shares to be issued pursuant to the Offer) within 3 months after the date of this Prospectus (or within such longer period as may be permitted by law) the Offer will be withdrawn and all Application Monies received by InVert Graphite will be</p>                                                                                                                   |

| Topic                                                                           | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                 | <p>refunded to Applicants (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.</p> <p>InVert Graphite is required to comply with the ASX Listing Rules, subject to any waivers obtained by InVert Graphite from time to time.</p> <p>ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may grant Readmission and may grant Official Quotation of the Shares being offered under this Prospectus is not to be taken as an indication of the merits of InVert Graphite or the Shares offered pursuant to this Prospectus.</p>                              |
| <p><b>When are the Shares expected to commence trading?</b></p>                 | <p>It is anticipated that trading of Shares on the ASX may commence on or about 30 April 2025, but that timing is subject to ASX's discretion and cannot be guaranteed by InVert Graphite.</p> <p>It is the responsibility of each Applicant to confirm their holding before trading their Shares. Applicants who sell Shares before they receive a holding statement do so at their own risk.</p>                                                                                                                                                                                                                                                                |
| <p><b>Are there any escrow arrangements?</b></p>                                | <p>Yes. Details are provided in Section 1.22 below.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p><b>Are there any taxation considerations?</b></p>                            | <p>The acquisition, holding and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor and applicable laws. All potential investors in InVert Graphite are urged to obtain independent financial advice about the consequences of acquiring Shares pursuant to the Offer, from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, InVert Graphite, its officers and its advisors accept no liability or responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p> <p>Refer also to Section 1.23.</p> |
| <p><b>Are there any brokerage, commission or stamp duty considerations?</b></p> | <p>No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Shares under the Offer.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b>Acknowledgement</b></p>                                                   | <p>Each Applicant under the Offer will be taken to have represented, warranted, agreed and acknowledged as follows:</p> <ul style="list-style-type: none"> <li>(a) it is resident or domiciled in Australia or, if outside Australia, is an Institutional Investor or an Approved US Shareholder;</li> <li>(b) it is not acting for the account or benefit of a person in the United States, other than an Approved US Shareholder;</li> <li>(c) it has not sent and will not send this Prospectus or any other material relating to the Offer to any person in the United States or elsewhere outside Australia;</li> </ul>                                      |

| Topic | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       | <p>(d) it understands that Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and the Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws;</p> <p>(e) if it is in Hong Kong, it is a “professional investor” (as defined in the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong);</p> <p>(f) if it is in New Zealand, it:</p> <p>(i) is a person who (I) is an investment business within the meaning of clause 37 of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand) (the <b>FMC Act</b>), (II) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act, (III) is large within the meaning of clause 39 of Schedule 1 of the FMC Act, (IV) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act or (V) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act (and, if an eligible investor, have provided the necessary certification);</p> <p>(ii) acknowledges that: (I) Part 3 of the FMC Act shall not apply in respect of the offer of Shares to you, (II) no product disclosure statement or other disclosure document under the FMC Act may be prepared in respect of the offer of Shares and (III) any information provided to you in respect of the Offer is not required to, and may not, contain all of the information that a product disclosure statement or other disclosure document under New Zealand law is required to contain;</p> <p>(iii) warrants that if in the future you elect to directly or indirectly offer or sell any of the Shares allotted to you under the Offer, you undertake not to do so in a manner that could result in (I) such offer or sale being viewed as requiring a product disclosure statement or other similar disclosure document or any registration or filing in New Zealand, (II) any contravention of the FMC Act or (III) the Company or its directors incurring any liability; and</p> |

| Topic                                         | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                               | (iv) warrants that (I) any person for whom you are acquiring Shares meets one or more of the criteria specified in subclause (i) above and (II) you have received, where required, a safe harbour certificate in accordance with clause 44 of Schedule 1 of the FMC Act.                                                                                                                                                                                                                      |
| <b>What should you do with any enquiries?</b> | <p>All enquiries in relation to this Prospectus should be directed to the Company Secretary on + 61 2 8823 3179 from 8:30am to 5:00pm (Sydney time), Monday to Friday.</p> <p>If you are unclear in relation to any matter or are uncertain as to whether InVert Graphite is a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.</p> |

## 1.16 Application Monies

Application Monies received under the Offer will be held in a special purpose account until Shares are issued to successful Applicants.

Applicants under the Offer whose Applications are not accepted, or who are allocated a lesser dollar amount of Shares than the amount applied for, will be mailed (or otherwise in InVert Graphite's discretion provided with) a refund (without interest) of all or part of their Application Monies, as applicable.

No refunds pursuant solely to rounding will be provided. Interest will not be paid on any monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by InVert Graphite.

It is your responsibility to ensure that your payment is received by no later than 5:00pm (Sydney time) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

## 1.17 Discretion regarding the Offer

InVert Graphite may at any time (in the Board's discretion) decide to withdraw this Prospectus and/or the Offer in which case InVert Graphite will return all Application Monies (without interest) in accordance with the requirements of the Corporations Act.

InVert Graphite also reserves the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late Applications either generally or in particular cases, reject any Application (in whole or in part), or allocate to any Applicant fewer Shares than applied for.

## 1.18 CHESS and Issuer Sponsorship

InVert Graphite participates in the Clearing House Electronic Subregister System (**CHESS**). All trading on the ASX in existing Shares is, and in new Shares will be, settled through CHESS. CHESS allows for and requires the settlement of transactions in securities quoted on ASX to be effected electronically. ASX Settlement Pty Ltd, a wholly-owned subsidiary of the ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry operates an electronic issuer sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of Shares.

Under CHESS, the Company will not issue certificates to Shareholders. Instead, Shareholders will receive a statement of their holdings in the Company. If an investor is broker sponsored, ASX will send a CHESS statement.

The CHESS statement will set out the number of Securities issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Securities.

If you are registered on the issuer sponsored subregister, your statement will be dispatched by the Company's Share Registry and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

Following distribution of these initial holding statements, an updated holding statement will only be provided at the end of any month during which changes occur to the number of Shares held by Shareholders. Shareholders may also request statements at any other time (although the Company may charge an administration fee).

### **1.19 Re-Compliance with Chapters 1 and 2 of the Listing Rules and ASX Quotation**

To give effect to the change in the nature and scale of the Company's activities pursuant to the Acquisition, the Company will need to (in accordance with Listing Rule 11.1.3) re-comply with Chapters 1 and 2 of the Listing Rules. The Company has insufficient assets and business undertaking to re-comply with ASX's admission tests, absent the Acquisition and the Offer. This Prospectus is issued (in part) to assist the Company to re-comply with these requirements.

Trading in Shares on ASX has been suspended since 31 August 2023 and will not be reinstated until the Company re-complies with the requirements of Chapters 1 and 2 of the Listing Rules.

There is a risk that the Company may not be able to meet the requirements of ASX for re-compliance with Chapters 1 and 2 of the Listing Rules (in which case it is anticipated that the Company would not receive ASX permission for Official Quotation of the Shares pursuant to the Offer). If ASX does not grant permission for Official Quotation (of the relevant number of Shares to be issued pursuant to the Offer) within 3 months after the date of this Prospectus (or within such longer period as may be permitted by law) the Offer will be withdrawn and all Application Monies received by InVert Graphite will be refunded to Applicants (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.

In addition, in the event the conditions to the Offer detailed in Section 1.5 of this Prospectus are not satisfied, then (absent a waiver by the Board), InVert Graphite will not proceed with the issue of Shares pursuant to the Offer and will return to Applicants all the Application Monies (without interest) in accordance with the provisions of the Corporations Act.

Within seven (7) days after the date of this Prospectus, InVert Graphite will apply to ASX for Official Quotation of the Shares the subject of the Offer.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation of Shares the subject of the Offer is not to be taken in any way as an indication of the merits of InVert Graphite or the Shares offered pursuant to this Prospectus.

Subject to certain conditions (including any waivers obtained by InVert Graphite from time to time), InVert Graphite is required to comply with the ASX Listing Rules.

### **1.20 Risks**

Prospective investors should be aware that an investment in InVert Graphite should be considered highly speculative and involves a number of risks inherent in the business activities of InVert Graphite. Section 3 details (non-exhaustively) key risk factors which prospective investors should be aware of. It is recommended that prospective investors consider these risks carefully before deciding whether to invest in InVert Graphite.

This Prospectus should be read in its entirety as it provides information for prospective investors to decide whether to invest in InVert Graphite. If you have any questions about the desirability of,

or procedure for, investing in InVert Graphite please contact your stockbroker, accountant or other independent adviser.

## 1.21 International Offer Restrictions

No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit an offering of the Shares, in any jurisdiction outside Australia.

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 such restrictions, including those discussed below. Any failure to comply with such restrictions may constitute a violation of those laws.

This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

### Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). Accordingly, this document may not be distributed, and the Shares may not be offered or sold, in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

### New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand) (the **FMC Act**).

The Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

### United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

This Prospectus may be distributed, and the Shares may be offered and sold, in the United States solely by the Company to Approved US Shareholders.

## **1.22 Restricted Securities and Escrow Arrangements**

Chapter 9 of the Listing Rules prohibits holders of securities in InVert Graphite which ASX classifies as 'restricted securities' from disposing or agreeing to dispose of those securities or an interest in those securities for the relevant restriction periods (being escrow restrictions).

Subject to the Company re-complying with Chapters 1 and 2 of the Listing Rules, certain Securities to be issued by the Company 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 Readmission. 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 their Shares in a timely manner. InVert Graphite will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Shares recommencing trading on ASX.

The following Securities are (subject to ASX's discretion) expected to be subject to ASX escrow for a period of 24 months from the time of Readmission, or potentially in the case of some of the Consideration Shares for a period of 12 months from their date of issue, (the figures are approximate):

- the 76,757,576 Consideration Shares to be issued pursuant to the Acquisition;
- 25,040,979 Director and Management Performance Options;
- 1,231,120 Chairman Options;
- 15,000,000 Lead Manager Options; and
- 3 Performance Shares.

None of the Shares to be issued pursuant to the Offer will be subject to any ASX imposed escrow restrictions.

## **1.23 Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in InVert Graphite are urged to obtain independent financial advice about the consequences of acquiring Shares, pursuant to the Offer, from a taxation viewpoint and generally.

To the maximum extent permitted by law, InVert Graphite, its officers and each of their respective advisers accept no liability or responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

## **1.24 Withdrawal**

The Directors may (in the Board's discretion) at any time decide to withdraw this Prospectus and/or the Offer in which case InVert Graphite will return all Application Monies (without interest) as required by the Corporations Act.

## **1.25 Paper Copies of Prospectus**

InVert Graphite will provide paper copies of this Prospectus (including any supplementary or replacement prospectus or documents) and the applicable Application Form to eligible investors

upon request and free of charge. Requests for a paper copy should be directed to the Company Secretary on +61 2 8823 3179 from 8:30am to 5:00pm (Sydney time) Monday to Friday (excluding public holidays).

## **1.26 Powers of InVert Graphite in relation to Applications**

There is no assurance that any Applicant will be allocated any Shares, or the number of Shares for which the Applicant has applied. Without limitation, the Board may in its absolute discretion, without notice to any Applicant and without giving any reason:

- (a) withdraw the Offer at **any** time before the issue of Shares to successful Applicants;
- (b) decline an Application;
- (c) accept an Application for its full amount or any lower amount;
- (d) determine a person to be eligible or ineligible to participate in the Offer;
- (e) waive or correct any errors made by an Applicant in completing their Application Form;
- (f) amend or waive the Offer application procedures or requirements in compliance with applicable laws; or
- (g) aggregate any Applications that they believe may be multiple Applications from the same person.

## **1.27 Enquiries**

This Prospectus provides information for potential investors in InVert Graphite and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in InVert Graphite, please contact your stockbroker, accountant or independent financial adviser.

For any questions relating to the Offer and the completion of an Application Form, please call the Company Secretary on + 61 2 8823 3179 from 8:30am to 5:00pm (Sydney time) Monday to Friday (excluding public holidays).

## 2 COMPANY OVERVIEW

### 2.1 Company history

InVert Graphite is an Australian public company, which was incorporated on 6 September 2002 and first listed on ASX in March 2004 as a clinical-stage life sciences company (formerly known as Tissue Therapies Limited and Factor Therapeutics Limited). The Company's Shares were voluntarily suspended from quotation under Listing Rule 17.2 on 17 July 2020 following cessation of its life sciences business activities.

In September 2021, the Company acquired PowerLime Inc which held an option to purchase over 360 acres of private surface and mineral rights in Blakely, Georgia, USA, prospective for high calcium limestone (**Georgia Lime Project**) and changed its name to Dominion Minerals Limited. In October 2021, the Company re-complied with Chapters 1 and 2 of the Listing Rules and its securities were reinstated to official quotation on ASX on 1 November 2021.

The Company's securities were again voluntarily suspended from Official Quotation on 31 August 2023 pending the Company making an announcement regarding the Georgia Lime Project and a corporate transaction.

On 3 November 2023 the Company announced that it had determined not to exercise the option to acquire the Georgia Lime Project, and had resolved to let the option lapse unexercised.

On 7 August 2024, the Company announced that it has entered into the transactions described in Section 2.2 whereby it has conditionally agreed to acquire a 100% ownership interest in Exceptional Graphite (Aust) Pty Ltd ACN 667 051 372 (**Exceptional Graphite**), an Australian private company focused on exploring for minerals, through its agreements to acquire a 100% ownership interest in each of Exceptional Graphite Resources Limited (Company Registration Number: 155732989) (**EGR Tanzania**)<sup>7</sup> and the South Australian exploration licences EL6786 and EL6787 (**White Hill Licences**).

Listing Rules 11.1.2 and 11.1.3 apply to the Acquisition (as defined in Section 2.2), and consequently the Company is required under the latter rule to re-comply with all of the requirements of Chapters 1 and 2 of the Listing Rules in relation to the Acquisition.

On 3 January 2025 the Company changed its name from Dominion Minerals Limited to InVert Graphite Limited.

As at the date of this Prospectus, InVert Graphite's securities are suspended from Official Quotation and will remain suspended until InVert Graphite has re-complied with all of the requirements of Chapters 1 and 2 of the Listing Rules and completed the Acquisition and the Offer.

### 2.2 Acquisition

InVert Graphite has executed a binding term sheet (being the EGA Term Sheet) to acquire 100% of the issued capital of Exceptional Graphite, an Australian-incorporated private company.

InVert Graphite and Exceptional Graphite have also entered into a binding term sheet (being the EGR Tanzania Term Sheet) with other parties for Exceptional Graphite and its wholly-owned Australian subsidiary (Green Valley Resources Pty Ltd ACN 664 301 679 (**Green Valley**)) to acquire a 100% ownership interest in EGR Tanzania, which is a Tanzanian-incorporated company which in turn holds a 100% interest<sup>8</sup> in three granted prospecting licences in Tanzania covering

<sup>7</sup> Noting that Exceptional Graphite and its wholly owned subsidiary Green Valley would be the shareholders of EGR Tanzania following completion of that acquisition as detailed in Section 2.7 (with Exceptional Graphite proposed to acquire 90% of the EGR Tanzania shares and Green Valley proposed to acquire the remaining 10%, as part of the Acquisition).

<sup>8</sup> Refer to the Tanzanian Independent Solicitor's Report in Section 8.1 and the Independent Geologist's Report in Section 7 for further details of the ownership structure and the entitlement of the Government of Tanzania to a minimum 16 per cent non-dilutable free carried interest (FCI) in the capital of any company operating under a Mining Licence or Special Mining Licence. The Government of Tanzania does not currently own any FCI in EGR Tanzania. In addition to the FCI, the Government of Tanzania shall be entitled to acquire, in total, up to fifty percent of the ordinary shares of a mining company commensurate with the total tax expenditures incurred by the Government in favour of the mining company.

approximately 225 km<sup>2</sup> and five applications for prospecting licences in Tanzania covering an area of approximately 161 km<sup>2</sup> (**Morogoro Project** or **Project**), details of which are set out in Section 2.9, the Tanzanian Independent Solicitor's Report in Section 8.1 and the Independent Geologist's Report in Section 7. The Morogoro Project is located approximately 200 km west of the Tanzanian commercial centre of Dar es Salaam and is highly prospective for graphite mineralisation.

Separately, InVert Graphite and Exceptional Graphite have entered into an agreement (being the White Hill Tenement Purchase Agreement) for Exceptional Graphite to acquire the White Hill Licences (details of which are set out in Section 2.10, the Australian Independent Solicitor's Report in Section 8.2 and the Independent Geologist's Report in Section 7) from White Hill Resources Pty Limited (collectively, the EGA Term Sheet, EGR Tanzania Term Sheet and the White Hill Tenement Purchase Agreement are referred to as the **Acquisition Agreements** in this Prospectus).

The acquisition of Exceptional Graphite by the Company, the acquisition of EGR Tanzania by Exceptional Graphite and Green Valley and the acquisition of the White Hill Licences by Exceptional Graphite (all collectively, the **Acquisition**) are subject to the satisfaction or waiver of certain conditions precedent, which include (across the Acquisition Agreements) in summary:

- (a) completion of due diligence to the satisfaction of InVert Graphite;
- (b) Exceptional Graphite becoming the sole legal and beneficial owner of all shares in Green Valley (which has now occurred);
- (c) InVert Graphite lodging this Prospectus and receiving cleared funds for the Minimum Subscription under the Offer without having refunded that Minimum Subscription;
- (d) EGR Tanzania entering into an employment agreement with Hashimu Musedem Millanga pursuant to which Mr Millanga is to be employed as a geologist by EGR Tanzania (that employment agreement has been signed on the terms summarised in Section 10.9(d));
- (e) InVert Graphite obtaining shareholder approvals pursuant to the ASX Listing Rules, the Corporations Act and for all other purposes in relation to the Acquisition (which approvals were obtained at the General Meeting held on 20 December 2024);
- (f) the parties obtaining all necessary third-party consents and regulatory / governmental / ministerial approvals required to complete the Acquisition such as merger clearance from the Tanzania Fair Competition Commission, taxation clearance from the Tanzania Revenue Authority, all required approvals required under Tanzania's Foreign Exchange Regulations 2022 (as amended) (to the extent required) and applicable consents pursuant to section 127 of the Mining Act from the Tanzania Mining Commission and (in relation to the White Hill Licences) consent from the South Australian Minister for Mineral Resources and Energy to the transfer of the White Hill Licences;
- (g) ASX approving the reinstatement to trading on ASX of the Company's equity securities following completion of the Offer and the Acquisition, subject only to any conditions which ASX may reasonably require that are acceptable to the Company;
- (h) Exceptional Graphite and Green Valley completing the acquisition of EGR Tanzania;
- (i) Exceptional Graphite completing the acquisition of the White Hill Licences; and
- (j) the shares in Exceptional Graphite having been acquired by InVert Graphite.

Only the conditions precedent (b), (d) and (e) (above) have been satisfied as at the date of this Prospectus as well as the receipt of Tanzania Mining Commission approval in item (f).

The Acquisition Agreements also include pre-completion obligations on certain parties to them and standard representations and warranties.

A summary of the Acquisition Agreements and certain related information is set out in Section 10.9(b), and further information in respect of the Acquisition is set out below.

Subject to satisfaction or waiver of the conditions precedent detailed below, under the terms of the Acquisition Agreements, the Company will issue a total of 76,757,576 Shares in consideration for the Acquisition (**Consideration Shares**). The allocation of the Consideration Shares is as follows:

- (a) 71,297,968 Consideration Shares will be issued to the vendors of Exceptional Graphite (the **EGA Vendors**) (and/or their nominee(s)) as consideration for InVert Graphite's acquisition of 100% of the issued capital of Exceptional Graphite as follows:

**Table 7: Allocation of Consideration Shares to EGA Vendors**

| Name of EGA Vendor                                          | Consideration Shares |
|-------------------------------------------------------------|----------------------|
| Andrew Boyd and Susan Boyd ATF The Cairn Trust <sup>1</sup> | 36,945,316           |
| Jimzbal Pty Ltd <sup>2</sup>                                | 15,880,000           |
| Robert Behets and Kristina Behets                           | 15,880,000           |
| Stephen Kelly <sup>3</sup>                                  | 1,296,326            |
| Anthony Devlin                                              | 1,296,326            |

<sup>1</sup> Andrew Boyd is a proposed Director of the Company.

<sup>2</sup> Simon Taylor, a proposed Director of the Company, is a director and shareholder of Jimzbal Pty Ltd (and controls that company with his spouse (who is the only other shareholder and the only other director of Jimzbal Pty Ltd)).

<sup>3</sup> Stephen Kelly was the Company's chief financial officer and company secretary until his resignation from those positions effective 12 September 2024.

- (b) 4,459,608 Consideration Shares to be issued to the vendors of EGR Tanzania (being the **EGR Tanzania Vendors**) (and/or their nominee(s))<sup>9</sup>, as consideration for Exceptional Graphite's and Green Valley's acquisition of 100% of the issued capital of EGR Tanzania as follows:

**Table 8: Allocation of Consideration Shares to EGR Tanzania Vendors**

| Name of EGR Tanzania Vendor | Consideration Shares |
|-----------------------------|----------------------|
| Prisin Priver Moshi         | 2,185,207            |
| Hashimu Musedem Millanga    | 1,828,439            |
| Happiness Steven Ibasa      | 445,962              |

- (c) 1,000,000 Consideration Shares to be issued to the vendor of the White Hill Licences, White Hill Resources Pty Limited (and/or its nominee(s)), as consideration for Exceptional Graphite's acquisition of the White Hill Licences and related mining information. Refer to Sections 1.12 and 4.4(d) for information about certain shareholders of White Hill Resources Pty Limited, being directors and employees of the Lead Manager and their close relatives and being one of the Proposed Directors (Mr Simon Taylor) and his spouse.

All Consideration Shares will be subject to ASX imposed escrow restrictions (refer to Section 1.22).

In connection with the Acquisition, a net sales return royalty of 0.25% on any future mineral production from the Morogoro Project will also be granted (in aggregate) to the EGR Tanzania Vendors by EGR Tanzania (being the Royalty) pursuant to the Royalty Agreement. The Royalty will be divided among the EGR Tanzania Vendors in accordance with their relative proportions of allocations of Consideration Shares (which allocations reflect their respective ownership interests in EGR Tanzania prior to the Acquisition) pursuant to the EGR Tanzania Term Sheet (such that Mr Moshi would be entitled to 49% of the Royalty, Mr Millanga would be entitled to 41% of the Royalty and Mr Ibasa would be entitled to the remaining 10% of the Royalty). The terms of the Royalty Agreement are summarised in Section 10.9(c).

<sup>9</sup> The Company anticipates that the EGR Tanzania Vendors may incorporate one or more special purpose companies to receive their respective Consideration Shares. Refer to section 4.21 of the Tanzanian Independent Solicitor's Report for information regarding the usage of such special purpose companies as relevant to Tanzanian legal matters.

A condition of the Acquisition is that EGR Tanzania enters into an employment agreement with Hashimu Musedem Millanga, being an EGR Tanzania Vendor, pursuant to which Mr Millanga is to be employed as a geologist by EGR Tanzania. That employment agreement has been signed on the terms summarised in Section 10.9(d). Under the terms of that employment agreement, it is proposed that Mr Millanga (and/or his nominee(s)) will be issued three Performance Shares (each comprising a separate class) in the capital of the Company, the terms of which are detailed in Section 10.5. The Performance Shares will be convertible into (in aggregate) up to forty-five million Shares on standard terms and conditions subject to the satisfaction of the vesting milestones. The Performance Shares will be subject to ASX imposed escrow restrictions (refer to Section 1.22). The employment agreement also provides for (without limitation) EGR Tanzania to pay to Mr Millanga a gross salary (subject to any tax or other deductions as may be required by law) of US\$1,000 (one thousand United States dollars) per month pursuant to his employment. Refer to the summary of that employment agreement in Section 10.9(d) for further information. Refer also to the Independent Expert's Report in Section 9 in which the Independent Expert has determined that the proposed issue of Performance Shares to Hashimu Musedem Millanga is FAIR AND REASONABLE to non-participating security holders.

## 2.3 Investment Highlights

The Directors believe that InVert Graphite provides a compelling investment thesis, with the investment highlights including:

### ***Exposure to graphite***

- The long term forecast for graphite appears to be favourable based on its critical nature to electric vehicle and renewable energy supply chains.

### ***The Morogoro Project has a number of favourable characteristics***

- Exploration work to date has identified widespread, graphite mineralisation at, or in close proximity to, the surface.
- Initial metallurgy has identified the potential for a graphite concentrate with high recoveries through a simple, conventional processing flow sheet.
- Comprehensive work programs have been planned, with drill ready targets identified and metallurgical and battery anode material test work programs prepared.
- Close proximity to major infrastructure, including 30 km from rail and 200 km via sealed road to the deep water port of Dar es Salaam.

### ***The White Hill Licences provide for diversification***

- The inclusion of the White Hill Licences in the Acquisition provides InVert Graphite with diversification across multiple projects and geographies.

### ***Board and management team with a demonstrated track record and extensive in country experience***

- Experienced management team and board with extensive combined experience across exploration geology, resource estimation and evaluation, financing, acquisitions and project development.
- Diverse international backgrounds that include significant Tanzanian and African exploration and operating experience and a successful track record of African exploration success and building successful resource companies.
- Experienced U.S. focused Directors, who will evaluate whether there may be potential to seek U.S. Federal Government, public and/or private support for InVert Graphite's projects including assessment of value-add processing opportunities.

## **2.4 Risks**

Prospective investors should be aware that an investment in InVert Graphite should be considered highly speculative and involves a number of risks inherent in the business activities of InVert Graphite. For example, the business, assets and operations of InVert Graphite are subject to certain risk factors that have the potential to influence the operating and financial performance of InVert Graphite in the future. These risks can impact the value of an investment in the securities of InVert Graphite. Section 3 details (non-exhaustively) key risk factors which prospective investors should be aware of. It is recommended that prospective investors consider these risks carefully before deciding whether to invest in InVert Graphite.

## **2.5 Business Model**

Following completion of the Acquisition and the Offer, the Company's proposed business model will be to further explore (and seek further funding as necessary to do so) the Morogoro Project and the White Hill Licences to aim to determine the potential size and grade of any potential mineral deposit, assess the commerciality of any identified deposits via the appropriate technical scoping and feasibility studies and ultimately, the successful development of the Morogoro Project and the White Hill Licences. These are aspirations of the Company, as the Company does not yet have reasonable grounds to believe they can be achieved. No forecast is made of whether they may be achieved in future.

InVert Graphite's near term exploration strategy, as relevant to the two year period following Readmission, is to aim to identify and delineate mineralisation across the Morogoro Project and the White Hill Licences.

At the Morogoro Project a comprehensive work program has been developed to rapidly progress exploration activities at the project, including field mapping, trenching, drilling, aero and ground geophysical surveys (electromagnetic, induced polarisation and magnetic) as well as metallurgical characterisation of mineralised zones and an environmental baseline survey.

InVert Graphite intends to accelerate exploration at the Morogoro Project following completion of the Acquisition, with major drill ready targets identified and drill programs to commence immediately upon completion of the Acquisition, having the intent of rapidly assessing whether a maiden Mineral Resource Estimate (reported in accordance with The JORC Code, 2012 or subsequent editions) can be delivered for the Project.

Metallurgical test work will be centred upon identifying the geological zones with the optimal mineralisation to potentially produce a high quality product and assess whether it can support the development of a simple, low-cost flow sheet. Additionally, EGR Tanzania has retained samples from its existing metallurgical work that are able to be processed for downstream test work to determine battery anode material suitability with the potential for this work to commence shortly after completion of the Acquisition.

At the White Hill Licences the initial sampling of historic holes utilising pXRF will be supplemented with submission of the higher grade samples to an analytical laboratory to confirm the initial pXRF results. Upon confirmation of results, a drill program is proposed to be implemented utilising existing tracks to duplicate the historic drill holes as well as infill between the historic drilling to confirm and refine the location of mineralisation.

Upon completion of drilling and receipt of subsequent assay orientation metallurgical in mineralogical analysis will be undertaken to confirm the nature and deportment of the rare earth elements within the clays.

In addition, InVert Graphite intends to continue to selectively evaluate growth opportunities for critical mineral projects. These growth opportunities will only be pursued where InVert Graphite is confident that the prospective project, and acquisition terms, will enhance long term shareholder value.

## **2.6 Key Dependencies of the Business Model**

The key factors that InVert Graphite will depend upon to meet its objectives include (without limitation):

- (a) the Company's capacity to re-comply with Chapters 1 and 2 of the Listing Rules;
- (b) completion of the Acquisition and the Offer;
- (c) achieving grant of, and maintaining tenure and access to the Morogoro Project and the White Hill Licences to achieve the Company's business objectives;
- (d) commodity price volatility (particularly graphite price volatility) and US\$:A\$ exchange rate risk. In the event that commodity prices or exchange rates to which the Company will have an exposure if the Morogoro Project or the White Hill Licences are developed fluctuate materially this may affect the commercial viability of the Company's projects;
- (e) ability to seek to identify and estimate Exploration Targets, Mineral Resources and Ore Reserves pursuant to the JORC Code. If, after further exploration on the Morogoro Project and the White Hill Licences the Company is unable to delineate a Mineral Resource or Ore Reserve of sufficient size and grade, the Company's projects may not be economically viable;
- (f) the Company raising sufficient funds to satisfy expenditure requirements, exploration and (if applicable) evaluation, study, development and operating costs in respect of the Morogoro Project and White Hill Licences. The funds to be raised from the Offer will be insufficient to fund those matters. Failure to obtain sufficient financing for InVert Graphite's activities and projects may result in delay and indefinite postponement of exploration, development or production on InVert Graphite's properties or may result in loss of InVert Graphite's interest in the Morogoro Project and the White Hill Licences;
- (g) minimising environmental impact and complying with health and safety requirements. The operations and proposed activities of the Company are subject to the relevant local laws and regulations concerning the environment and other matters. There is a risk that environmental, and other, laws and regulations become more onerous making the Company's operations more expensive; and
- (h) dependencies arising from other risk factors (such as those detailed in Section 3).

These are aspirations of the Company, as the Company does not yet have reasonable grounds to believe they can be achieved. No forecast is made of whether they may be achieved in future.

## 2.7 Corporate Structure

Set out below is the corporate group structure of InVert Graphite following completion of the Acquisition.

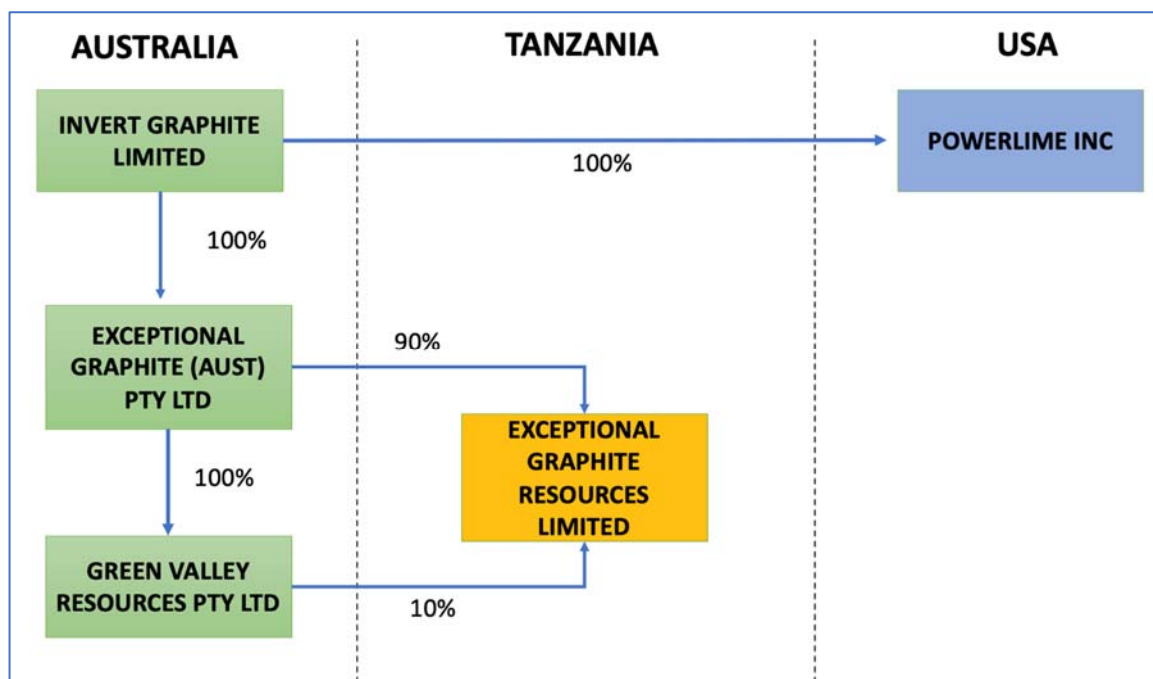


**Figure 1: Corporate structure on completion of the Acquisition**

Details of InVert Graphite's subsidiaries as at the time of Readmission are to be as follows:

- (a) PowerLime Inc (100% direct interest), which was incorporated in the USA on 12 November 2019, and which formerly held the option to purchase the land the subject of the Georgia Lime Project as referred to in Section 2.1. At the date of this Prospectus, PowerLime Inc has no current business activities.
- (b) Exceptional Graphite (100% direct interest), which was incorporated in Australia on 5 April 2023, and which will hold a ninety percent interest in the issued equity securities of EGR Tanzania, and will hold, a 100% interest in the White Hill Licences, on completion of the Acquisition.
- (c) Green Valley (100% indirect interest through Exceptional Graphite), which was incorporated in Australia on 6 December 2022 and will hold a ten percent interest in the issued equity securities of EGR Tanzania on completion of the Acquisition.
- (d) EGR Tanzania (100% indirect interest through Exceptional Graphite and Green Valley), which was incorporated in Tanzania on 4 April 2022 and holds the tenements and tenements application interests comprising the Morogoro Project. Refer to the Tanzanian Independent Solicitor's Report in Section 8.1 of this Prospectus for further information regarding EGR Tanzania.

## 2.8 Recent Capital Raising History

Set out below is a summary of the capital raising history of the Company since 1 January 2021.

On 8 October 2021 the Company announced the completion of the public offer to raise A\$4,000,000 through the issue of 100,000,000 fully paid ordinary shares at an offer price of A\$0.04. This was in conjunction with the Company completing, as announced on 27 September 2021, the acquisition of all the issued capital of PowerLime Inc. As consideration for the acquisition of PowerLime Inc, the Company issued 18,750,000 shares to PowerLime Inc's shareholders at A\$0.04 per share, 6,249,998 options to PowerLime Inc's shareholders and 4,437,500 options to the management team of PowerLime Inc. The options are exercisable at \$0.12 per option and expire on 12 October 2025. The Company also issued 5,000,000 options exercisable at \$0.12 per option (which expired in October 2024) to Taylor Collison Limited who acted as lead manager for the public offer.

## 2.9 Morogoro Project

EGR Tanzania's 100% owned Morogoro Project<sup>10</sup> encompasses approximately 386 km<sup>2</sup> of granted and application stage exploration ground in Tanzania.

### Project Location

The project is located 25 km south of the town of Morogoro and ~200km west of the Tanzanian commercial centre of Dar es Salaam, in close proximity to significant existing infrastructure including 30 km from both standard and narrow gauge railway and 30km from the Morogoro to Dar es Salaam sealed road, providing potential for short rail or trucking routes to the deep water port in Dar es Salaam.

Additionally, the Morogoro Project is located ~25 km from access to the Tanzanian national power grid, and around 60 km from the new 2,100MW Julius Nyerere Hydropower Station, which started power generation in February 2024.



Figure 2: Morogoro Project location and nearby graphite projects

### Project History

Previous exploration has included digitising the 1:200,000 geological map and ground-truthing the graphitic schist units depicted on the map through geological mapping and trenching in places. The aggregated length of the graphitic schist units was reported to be 60 km. The mapping

<sup>10</sup> Refer to the Tanzanian Independent Solicitor's Report in Section 8.1 for further details of the ownership structure and the entitlement of the Government of Tanzania to a minimum 16 per cent non-dilutable free carried interest (FCI) in the capital of any company operating under a Mining Licence or Special Mining Licence. The Government of Tanzania does not currently own any FCI in EGR Tanzania. In addition to the FCI, the Government of Tanzania shall be entitled to acquire, in total, up to fifty percent of the ordinary shares of a mining company commensurate with the total tax expenditures incurred by the Government in favour of the mining company.

program identified several new graphitic schist bands and seven prospects, namely Kumba, Kasanga, Kasanga East, Tawa, Nyingwa, Ng'weme and Lundi were identified (Figure 3). No forecast is made of the presence or degree of graphite mineralisation in the figures below (other than the surface grab sample assay results received to date, as detailed below), as it remains subject to exploration and verification.

In October 2023, a total of 21 grab samples were collected by Exceptional Graphite at the Morogoro Project with samples analysed for total graphitic carbon (**TGC**). All samples returned >5% TGC, with grades ranging from 5.7% to 30.3% TGC and an average grade of 12.6% TGC, confirming the high-grade nature of the previously mapped mineralisation as well as identifying new mineralised zones.

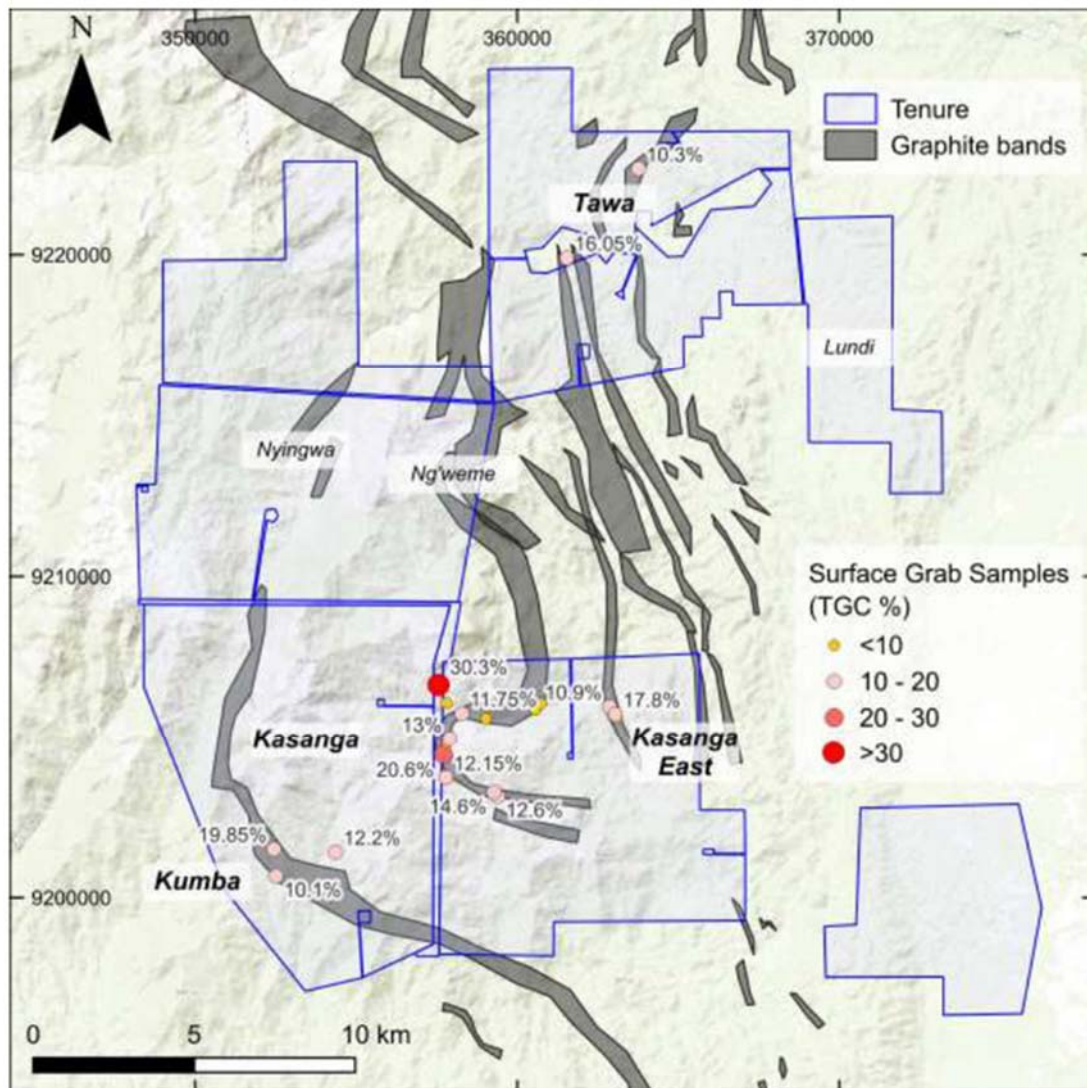


**Figure 3: Morogoro Project surface sampling results with surface samples with >10% TGC labelled, overlaid on Geological Survey of Tanzania 1:200k geological mapping (referenced in this document without consent)**

In addition to surface sampling, eight trenches were excavated at the Kumba and Kasanga prospects in September 2023. The length of these trenches range from 120m to 500m with a total length of 2,502m (Figure 4). Channel samples were collected at 2m intervals along each trench. The samples will be submitted for analysis following completion of the Acquisition.

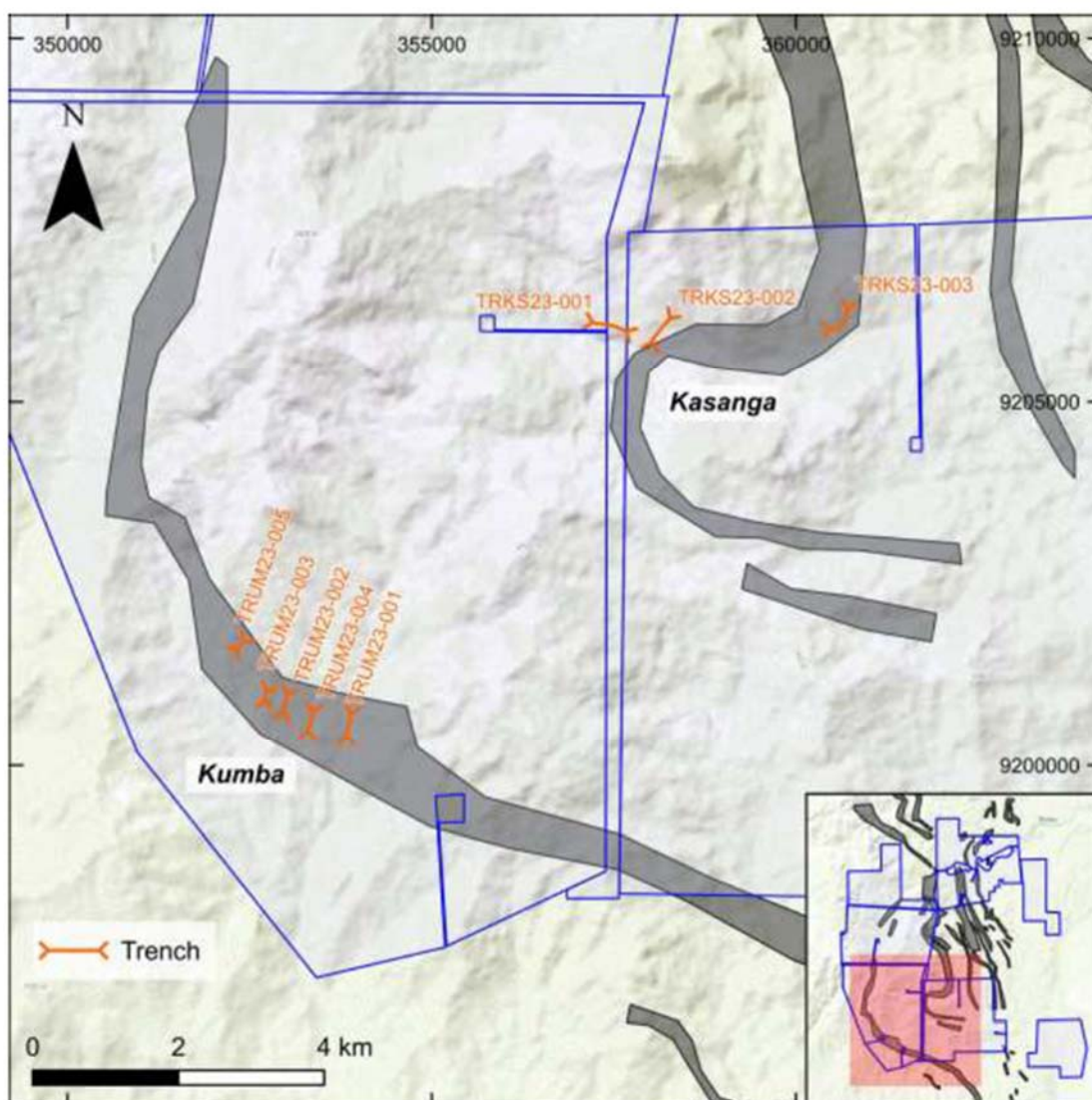


**Figure 4: Morogoro Project trench locations, overlaid on Geological Survey of Tanzania 1:200k geological mapping**

### **Metallurgy**

At five locations within the Kumba and Kasanga prospects with strong visual indications of graphite mineralisation, samples were collected in October 2022 for preliminary metallurgical test work, with an initial composite sample returning excellent metallurgical results through a standard grind flotation and cleaner process. Results for the composite sample included a very high head grade of 20.3% TGC, excellent recovery of 92.5% and a post flotation purity of 97.4% TGC.

**Table 9: Composite sample metallurgical results – Head grade, recovery, purity of total sample and purity of products**

| Measure               | %    |
|-----------------------|------|
| Assay head grade      | 20.3 |
| Concentrate recovery  | 92.5 |
| Purity of concentrate | 97.4 |

| Mesh | Size (µm)   | Name        | Purity (%) |
|------|-------------|-------------|------------|
| +35  | +500        | Super Jumbo | 97.4       |
| +50  | -500 / +300 | Jumbo       | 97.2       |
| +80  | -300 / +180 | Large       | 97.6       |
| +140 | -180 / +106 | Medium      | 97.7       |
| +200 | -106 / +75  | Small       | 97.8       |
| +400 | -75 / +38   | Amorphous   | 98.2       |
| -400 | -38         | Amorphous   | 94.1       |

These initial outstanding preliminary results highlight the potential for a high grade graphite concentrate product with high recoveries while utilising a simple process flowsheet.

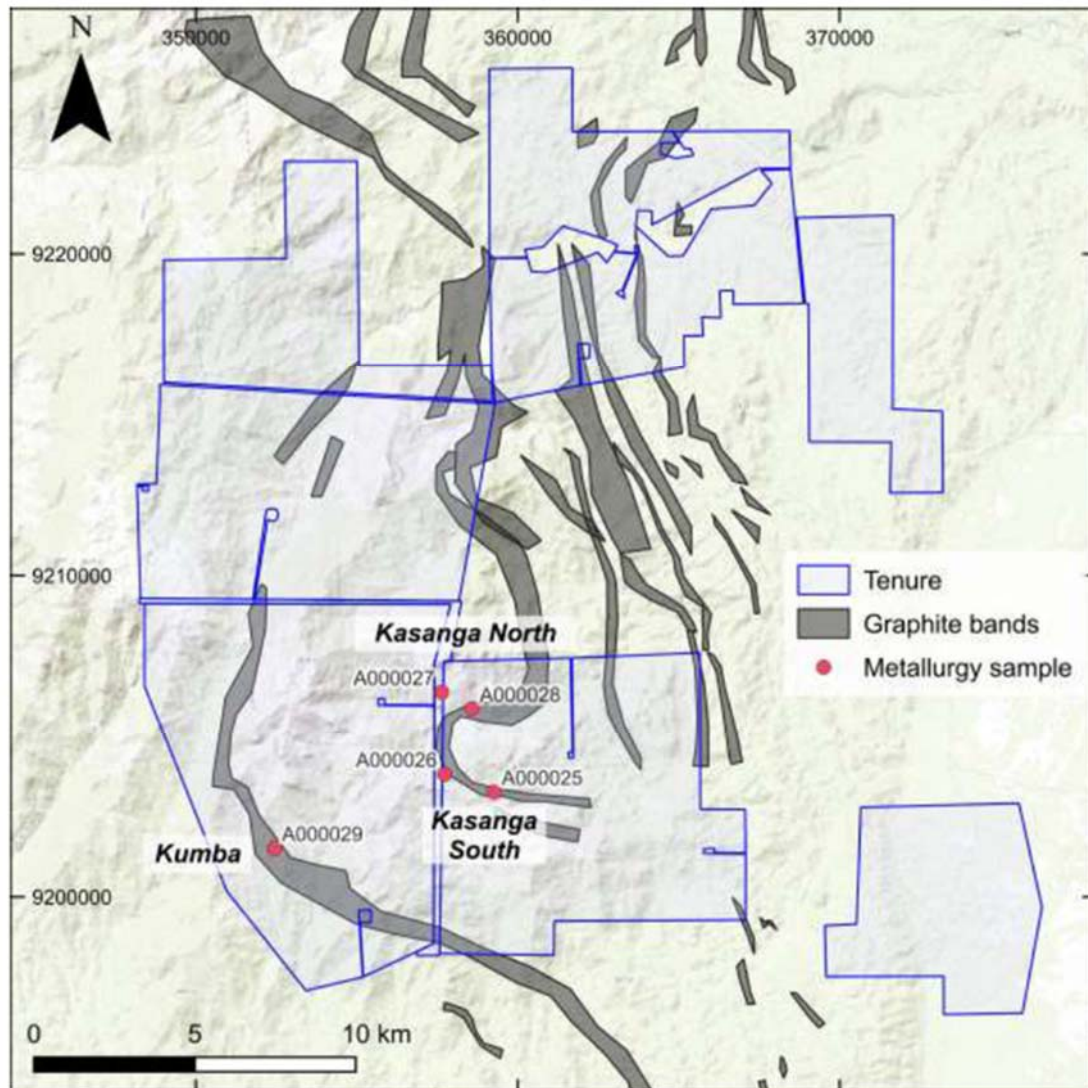


**Figure 5: Metallurgical sample locations overlaid on Geological Survey of Tanzania 1:200k geological mapping**

### **Near Term Exploration Priorities**

Exceptional Graphite has developed a comprehensive work program to rapidly progress exploration activities at the Morogoro Project, including field mapping, trenching, drilling, aero and ground geophysical surveys (electromagnetic, induced polarisation and magnetic) as well as metallurgical characterisation of mineralised zones and an environmental baseline survey.

InVert Graphite intends to accelerate exploration following completion of the Acquisition, with major drill ready targets identified (Figure 6) and drill programs to commence immediately upon completion of the Acquisition, having the intent of rapidly assessing whether a maiden Mineral Resource Estimate (reported in accordance with the JORC Code, 2012 or subsequent editions) can be delivered for the Project.

Metallurgical test work will be centred upon identifying the geological zones with the optimal mineralisation to potentially produce a high quality product and assess whether it can support the development of a simple, low-cost flow sheet. Additionally, EGR Tanzania has retained samples from its existing metallurgical work that are able to be processed for downstream test work to determine battery anode material suitability with the potential for this work to commence shortly after completion of the Acquisition.

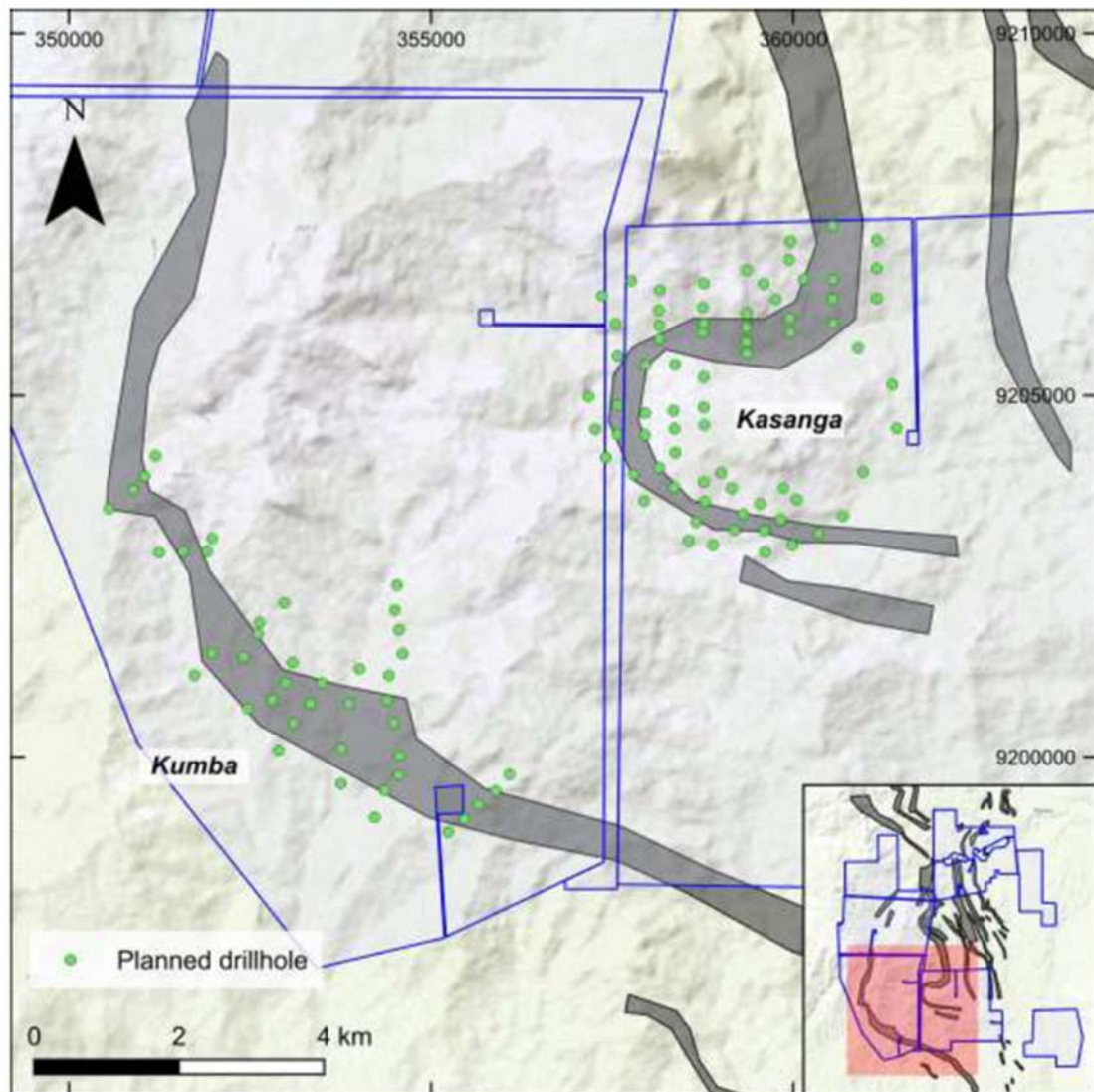


**Figure 6: Morogoro Project - proposed drilling program at Kumba and Kasanga**

The Independent Geologist's Report in Section 7 contains a detailed overview of regional geology and exploration to date across the Project.

### **Tenements**

A comprehensive list of the tenements comprising the Morogoro Project, including a summary of their status, is contained in the Tanzanian Independent Solicitor's Report in Section 8.1. The current status of the tenements comprising the Morogoro Project is summarised as follows:

**Table 10: Morogoro Project tenement schedule**

| <b>Tenement number</b> | <b>Licence type</b> | <b>Status</b> | <b>Granted / Applied for</b> | <b>Expiry</b> | <b>Area (km<sup>2</sup>)</b> |
|------------------------|---------------------|---------------|------------------------------|---------------|------------------------------|
| PL 12043/2022          | Prospecting         | Active        | 23/09/2022                   | 23/09/2026    | 65.06                        |
| PL 12150/2022          | Prospecting         | Active        | 23/12/2022                   | 23/12/2026    | 74.09                        |
| PL 12151/2022          | Prospecting         | Active        | 23/12/2022                   | 23/12/2026    | 86.12                        |
| PL 20379/2022          | Prospecting         | Application   | 12/05/2022                   | N/A           | 35.30                        |
| PL 20389/2022          | Prospecting         | Application   | 12/05/2022                   | N/A           | 23.04                        |
| PL 22336/2022          | Prospecting         | Application   | 18/11/2022                   | N/A           | 4.3                          |
| PL 20390/2022          | Prospecting         | Application   | 12/5/2022                    | N/A           | 65.05                        |
| PL 20388/2022          | Prospecting         | Application   | 12/5/2022                    | N/A           | 33.33                        |

#### Notes

1. All granted licences and applications for licences are in the name of Exceptional Graphite Resources Limited (i.e. EGR Tanzania) which is or is proposed to be the sole registered holder on grant of the licence. Refer to the Tanzanian Independent Solicitor's Report in Section 8.1 for further details of the ownership structure and the entitlement of the Government of Tanzania to a minimum 16 per cent non-dilutable free carried interest (**FCI**) in the capital of any company operating under a Mining Licence or Special Mining Licence. The Government of Tanzania does not currently own any FCI in EGR Tanzania. In addition to the FCI, the Government of Tanzania shall be entitled to acquire, in total, up to fifty percent of the ordinary shares of a mining company commensurate with the total tax expenditures incurred by the Government in favour of the mining company.
2. All active prospecting licences and applications for prospecting licences are to prospect for graphite under the Mining Act, once a prospecting licence is issued, it will only relate to the specified minerals recorded under the prospecting licence. To the extent other minerals are prospected during the prospecting licence tenure, the Mining Act requires that the licensee informs the Tanzanian Mining Commission on discovery of other minerals. The licensee will be required to apply for a new licence to prospect for the newly discovered minerals.
3. All active prospecting licences and applications for prospecting licences are located in Tanzania (refer figure 2).

#### **Environmental Permitting and Approvals - Tanzania**

The Environmental Management Act, No. 20 of 2004 (as amended) (**EMA**) is the major environmental law in Tanzania. Section 6 thereof imposes a general duty on all persons residing in the United Republic of Tanzania to protect the environment. Further to the EMA, the Environmental Management (Environmental Impact Assessment and Audit) Regulations, 2005 (as amended) (the **EIA Regulations**) requires any person, be it a proponent or developer, undertaking a specific project that is listed in the Third Schedule to the EMA to undertake an environmental and impact assessment (**EIA**) and obtain an EIA certificate (**Certificate**) as detailed below, at their own cost, prior to the commencement or financing of the project.

#### **Projects requiring an EIA**

The Third Schedule of the EMA specifies projects that require an EIA, including (among other things):

- (a) general:
  - (i) any activity out of character with its surrounding;
  - (ii) any structure of a scale not in keeping with its surrounding; and
  - (iii) major changes in land use;
- (b) mining, including quarrying and open-cast extraction;
- (c) management of hydrocarbons including the storage of natural gas and combustible or explosive fuels;
- (d) waste disposal; and
- (e) natural conservation areas.

The purpose of an EIA is to assess any impact and effects to the environment that may be caused or that is likely to be caused by the specific project or activity to be undertaken.

The EIA Regulations categorise the projects into 4 categories:

- (a) category A for "mandatory projects";
- (b) category B1 for "borderline projects";
- (c) category B2 for "non-mandatory projects"; and
- (d) "special projects" category.

For Category A and B1 projects the proponent is required to submit a Terms of Reference (**ToR**) along with a scoping report to the National Environment Management Council (the **Council**) and relevant ministries for scrutinising and approving the ToR for sufficiency of mitigation measures.

### **EIA requirements for the Mining Sector**

The ToR requirement applies to mining projects based on their categorisation EIA Regulations:  
*EIA categorisation*

| Item number of the First Schedule of EIA Regulations | Categorisation of project | Type of projects                                                                                                   |
|------------------------------------------------------|---------------------------|--------------------------------------------------------------------------------------------------------------------|
| Item No. 16(b) – Extractive Industry                 | 'A' (EIA is mandatory)    | Mining (Large and medium scale mines). (Whose capital investment is more than USD100,000 or its equivalent in TZS) |

Additionally, the ToR serves as a standard for the Council to assess whether the Environmental Impact Assessment Statement (the **Statement**) meets all necessary regulatory requirements.

Complementing the foregoing provisions, the Mining Act requires applicants of mining and special mining licences to hold a Certificate before a mineral right can be granted. The provisions of the EMA in respect of the management and use of land will prevail over any existing land laws in the event that there is any conflict in respect of environmental aspects of land management.

The EIA Regulations set out in detail how the environmental impact assessment and audit thereof should be conducted and is summarised as follows:

- (a) An application for a Certificate has to be made to the Council in the format prescribed by the EIA Regulations. The Council is then required to submit the Project Brief within seven days to each relevant ministry, the relevant local government environmental management officer and the relevant regional secretariat for their written comments, which in turn have to be submitted to the Council within 21 days of the date they received the Project Brief from the Council. The Council is then required to screen the Project Brief and the comments pursuant to the criteria specified in the EIA Regulations. The Council is required to screen the Project Brief within 45 days of the date of its submission by the proponent.
- (b) The proponent will then be required to carry out an EIA pursuant to the Fourth Schedule of the Mining Act for the purposes of preparing a Statement. The Statement is required to be submitted with a non-technical executive summary in both the Kiswahili language and English. The Council is required to submit the Statement within 14 days of the date of receipt to the Ministry of Minerals and must notify and invite the general public to comment.
- (c) The Ministry of Minerals will have 30 days within which to review the report and send its comments to the Council. Should the Ministry of Minerals fail to submit its comments within this period, or an extension thereof, the Council can proceed to determine the project without its comments. The holding of a public hearing to discuss the Statement is not mandatory, but at the discretion of the Council if it is of the opinion that it requires the view of the public to make a fair and just decision or it is necessary for the protection of the environment. The Council is required to determine whether to hold a public hearing within 30 days of receiving the Statement.
- (d) Upon completion of its review of the Statement, the Council must submit the Statement with its comments and recommendation to the Minister responsible for the environment. The Minister has 30 days from the date of receiving the Statement and recommendation to make a decision. The decision must be in writing and contain the reasons for the decision. The decision must also be communicated to the proponent and a copy of it submitted to the Council's office, where it should be made available for inspection by the general public. Further, the Minister's decision must state whether the Statement is approved, not approved or approved subject to the proponent meeting specified conditions.

- (e) Upon approval of the Statement, the Minister shall issue a Certificate. It is possible to vary the terms of the Certificate by applying to the Minister. The Certificate is transferable. Further, if the project has not started within three years of the date of issue of the Certificate, the proponent will be required to re-register, with the Council, its intention to develop.

Sections 4.6.18.4 and 6.2.19 of the Tanzanian Independent Solicitor's Report (contained in Section 8.1) confirm that the budgeted activities for the Morogoro Project are valid and can proceed without a Certificate. However, Section 6.2.20 of the same report indicates that a Certificate will be required before obtaining either a special mining licence or a mining licence for the Morogoro Project.

While initial or preparatory activities may be carried out without a Certificate, the Morogoro Project cannot advance to full-scale mining operations under a special mining licence or a mining licence without first securing the necessary environmental approvals from the Council.

## 2.10 White Hill Licences

Exceptional Graphite and InVert Graphite have also entered into a binding agreement for Exceptional Graphite to acquire from White Hill Resources Pty Limited the South Australian exploration licences EL6786 and EL6787 (being the White Hill Licences), which cover an area of 1,362km<sup>2</sup>.

### *Project location*

The White Hill Project is situated in the southeastern corner of South Australia, within the Limestone Coast area, approximately 250 km southeast of Adelaide, (refer Figure 7) the state capital. The project is located near the towns of Padthaway, Lucindale and Naracoorte. Access from Adelaide to the project area is via South Eastern Freeway (M1), Duke Highway (A8) and Riddoch Highway (A66), followed by station or vineyard tracks.

### *Project history*

Data compilation has identified 94 holes that had been drilled within the White Hill Licences, with samples from 12 of these located at the Primary Industry and Regions SA (**PIRSA**) core facility. Drilling includes regional stratigraphic holes that were drilled by the Bureau of Mineral Resources (now Geoscience Australia) (**BMR**) in the 1970s, as well as engineering holes, coal exploration holes drilled by Western Mining Corporation (**WMC**) in the 1980s, and some more recent deeper holes testing the Delamerian basement.

The geology is broadly similar to that hosting Australian Rare Earth's Koppamurra deposits and includes dunal and intertidal sediments overlying the Gambier Limestone.

Scanning of the core from the 12 available drill holes using a handheld portable X-ray fluorescence (**pXRF**) to screen for the presence of rare earth elements (**REE**) has returned four samples with total REE (**TREE**) values of >300ppm and in particular BMR hole number 20 with three readings averaging 819ppm between 10.32m and 14.36m depth.

TREE values reported for the White Hill Licences are based on pXRF analysis. pXRF readings should not be considered a substitute for laboratory assays. Laboratory assays are required to determine the widths and grade of mineralisation as reported in preliminary geological logging

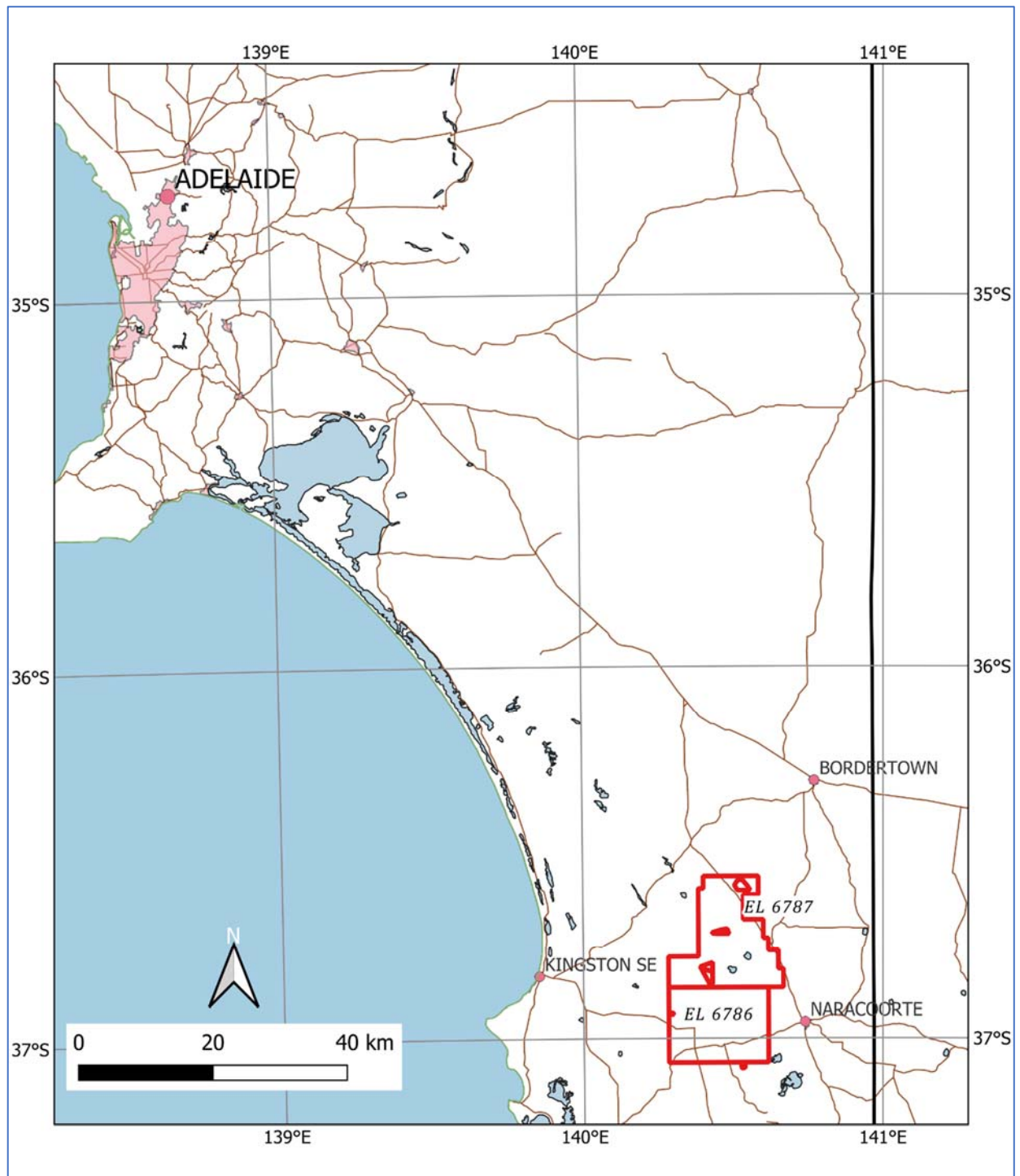


**Figure 7: Location of White Hill Licences**

#### **Near term exploration priorities**

The initial sampling of historic holes utilising pXRF will be supplemented with submission of the higher grade samples to an analytical laboratory to confirm the initial pXRF results. Upon confirmation of results, a drill program is proposed to be implemented utilising existing tracks to duplicate the historic drill holes as well as infill between the historic drilling to confirm and refine the location of mineralisation.

Upon completion of drilling and receipt of subsequent assay orientation metallurgical in mineralogical analysis will be undertaken to confirm the nature and deportment of the rare earth elements within the clays.

The Independent Geologist's Report in Section 7 contains a detailed overview of regional geology and exploration to date across the White Hill Licences.

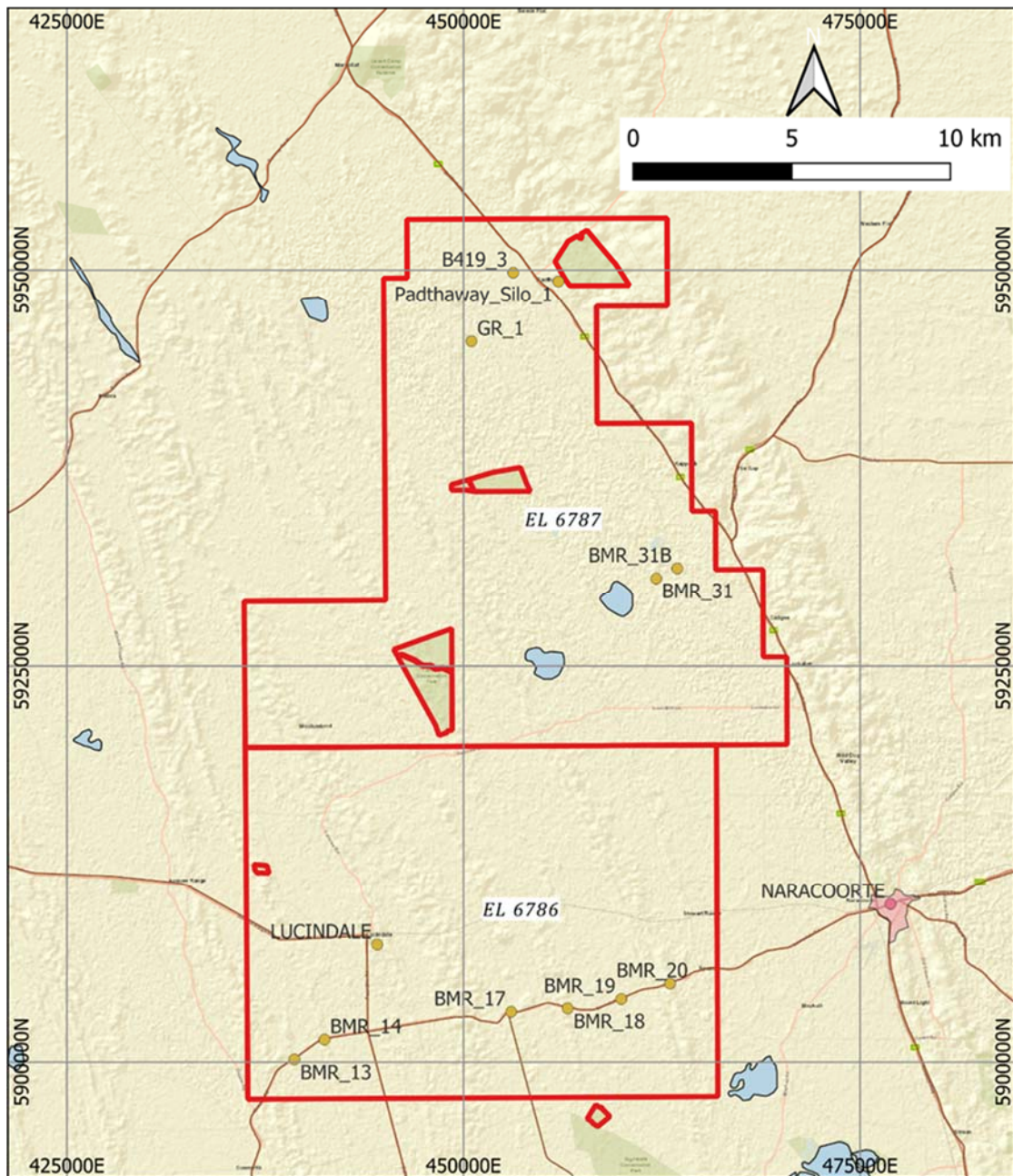


**Figure 8: Location of available White Hill drill holes**

### **Tenements**

A comprehensive list of the tenements comprising the White Hill Licences, including a summary of their status, is contained in the Australian Independent Solicitor's Report in Section 8.2. The current status of the tenements is summarised as follows:

**Table 11: Tenement schedule – White Hill Licences**

| Exploration Licence number | Grant Date  | Expiry Date | Area (km <sup>2</sup> ) | Minimum expenditure                                  |
|----------------------------|-------------|-------------|-------------------------|------------------------------------------------------|
| EL6787                     | 9 June 2022 | 8 June 2028 | 704 km <sup>2</sup>     | \$140,000 in the 24 month period ending 8 June 2026. |
| EL6786                     | 9 June 2022 | 8 June 2028 | 658 km <sup>2</sup>     | \$130,000 in the 24 month period ending 8 June 2026. |

**Notes**

1. All granted licences are in the name of White Hill Resources Pty Limited which is the sole registered holder. The licences were acquired by grant and were not purchased from a third party.
2. All active exploration licences are for the purpose of exploring for all minerals except extractive minerals (sand, gravel, stone, shell, shale or clay) or opals.
3. All licences are located in South Australia. Refer Figure 7 for location map.
4. The minimum expenditure commitments for the period to 8 June 2024 (which minimum amounts were, for the 24 months ending on that date, \$100,000 for EL6787 and \$90,000 for EL6786) were not met by White Hill Resources Pty Limited due to the suspension of exploration activity during the negotiation of the Acquisition. In accordance with the applicable legislation, White Hill Resources Pty Limited applied for and was granted a reduction in the area of each licence as detailed in the above table.
5. The tenements are not subject to any royalty other than royalties payable in accordance with the applicable legislation as summarised below.

**Environmental permitting and approvals – South Australia**

An exploration licence is required for exploration activities in South Australia. A company need not conduct an Environmental Impact Assessment (EIA) before applying for an exploration licence, but once the exploration licence is granted, the company cannot conduct exploration activities until a Program for Environment Protection and Rehabilitation (PEPR) has been approved. The company must comply with the PEPR, as this is required by the *Mining Act 1971* (SA). It is an offence not to do so.

A PEPR documents the risks with a project and provides for environmental outcomes. An outcome is a statement of the expected impact on the environment caused by the proposed or current mining activities. The outcomes stated in the PEPR are enforced by demonstrating compliance with measurable assessment criteria. An example of an outcome is “no compromise of potential pastoral use of the south western aquifer outside the mining lease”.

The regulator has developed a generic PEPR for low impact exploration to clearly define outcomes to be achieved when conducting low risk or low impact exploration operations in certain areas, and to streamline authorisation for explorers. When an exploration licence (EL) is granted, the new licence holder is automatically considered to have legally adopted the generic PEPR. Planned exploration operations that are not within the generic PEPR's scope or are located in certain sensitive environments, as described in the document, require separate approval. InVert Graphite's near term exploration objectives for the White Hill Licences following completion of the Acquisition include submitting higher grade samples from the initial sampling of historic holes utilising pXRF for laboratory analysis with the assay results being utilised to finalise planning for a proposed drill program to confirm and refine the location of mineralisation. InVert Graphite will be required to obtain an approved PEPR for the drill program prior to undertaking any drilling activity.

A mining lease (ML) is required for mining production, and to operate a mine, in South Australia. A miscellaneous purposes licence (MPL) is essentially required to construct other infrastructure that is not part of actually extracting the minerals. A company wishing to apply for an ML or MPL must conduct an EIA before applying for the ML or MPL. The applicant must attach a mining proposal to the application for a mining lease, a retention proposal to the application for a retention lease (RL) and a proposal to an application for a miscellaneous purposes licence. Among other things, these must set out any impacts on the environment, environmental outcomes to be achieved, and the results of any consultation conducted under the *Mining Regulations 2020* (SA) in relation to the proposed mine. This is before a lease is granted or a PEPR is prepared. The Minister cannot grant the ML/RL/MPL unless satisfied that appropriate environmental outcomes will be able to be achieved.

There is a two step-process for a ML/RL/MPL, including the requirement for a proposal to accompany the application for one of these tenements. This proposal contains the EIA conducted prior to the grant of ML/RL/MPL and provides the Minister with information to determine whether to approve the tenement, and if so, which conditions to place on the tenement.

A proposal/prior EIA does not need to accompany an application for an EL, where EIA takes place only through the PEPR which is prepared after the tenement is approved. For a ML/RL/MPL and an EL, a PEPR must be prepared after the tenement is granted. This also requires EIA, and no mining activities can begin until the PEPR is approved. The PEPR must be publicly available, and strong penalties apply for non-compliance (up to \$250,000). The PEPR must be reviewed if there is an application for a change in authorised operations.

When determining conditions to attach to a mineral exploration or production licence (or a PEPR itself), the Minister may consider any factors appropriate to a particular case, but must consider the protection of:

- (a) Interference to existing or permissible land use, buildings, structures or other infrastructure and aesthetic values of an area.
- (b) Loss/modification of native vegetation and associated habitats.
- (c) Loss or damage to crops or livestock.
- (d) Soil erosion and contamination.
- (e) Damage to Aboriginal Heritage sites, objects or remains.
- (f) Damage to areas and objects of national, state, or local heritage significance.
- (g) Impacts to public health and safety.

## **2.11 Objectives of Offer and Proposed Exploration Budgets**

InVert Graphite is seeking Readmission as it considers it will provide an appropriate basis from which it could seek broad investment support to implement its growth strategy. Relisting on the ASX will provide InVert Graphite with:

- (a) funding for exploration at the Morogoro Project and the White Hill Licences;
- (b) access to capital markets; and
- (c) a liquid market for its Shares and an opportunity for others to invest in InVert Graphite.

InVert Graphite proposes to fund its intended activities as detailed in Section 1.8 (part of which is described in further detail in the tables below) from its existing cash reserves and the proceeds of the Offer. It should be noted that the budgets will be subject to modification on an ongoing basis depending on the results obtained from exploration undertaken and other factors. This will involve an ongoing assessment of the Morogoro Project and the White Hill Licences and may lead to increased or decreased levels of expenditure on certain interests, reflecting a change in emphasis. If the Company is unable to spend funds on a particular tenement or group of tenements, for example due to that tenement lapsing, then, the Company would look to reallocate those funds to the other tenements in the Morogoro Project or the White Hill Licences which remain granted at the time. Subject to the above, the following budgets take into account the proposed expenses over the two years following Readmission under the Minimum Subscription and the Maximum Subscription.

In the event that the amount actually raised pursuant to the Offer falls between the Minimum Subscription and Maximum Subscription amounts, the Company presently proposes to adjust the indicative allocation of funds, to increase exploration expenditure proportionately compared with the Minimum Subscription table below (but subject to the Board's discretion to alter the way funds are applied - although part of the funds would be paid as increased Lead Manager fees as described in Section 10.9(a)).

The Directors consider that following completion of the Offer (whether at Minimum Subscription, Maximum Subscription or an amount between them), the Company will have sufficient working capital to carry out its stated objectives as reflected in Section 1.8 and described in more detail in the tables below.

**Proposed exploration budget by activity – Minimum Subscription**

**Table 12.1: InVert Graphite's proposed exploration budget by activity – Minimum Subscription**

| Indicative Use of Funds     | Year 1<br>(A\$)  | Year 2<br>(A\$)  | Total<br>(A\$)   |
|-----------------------------|------------------|------------------|------------------|
| Access and tenure           | 78,811           | 78,811           | 157,622          |
| Drilling                    | 940,875          | 983,750          | 1,924,625        |
| Geophysical surveys         | 55,000           | 20,000           | 75,000           |
| Metallurgical testwork      | 150,000          | 150,000          | 300,000          |
| Battery capability testwork | 0                | 70,000           | 70,000           |
| <b>Total</b>                | <b>1,224,686</b> | <b>1,302,561</b> | <b>2,527,247</b> |

**Table 12.2: InVert Graphite's proposed exploration budget by tenement group – Minimum Subscription**

| Tenement group      | Year 1<br>(A\$)  | Year 2<br>(A\$)  | Total<br>(A\$)   |
|---------------------|------------------|------------------|------------------|
| Morogoro Project    | 1,044,811        | 1,104,811        | 2,149,622        |
| White Hill Licences | 179,875          | 197,750          | 377,625          |
| <b>Total</b>        | <b>1,224,686</b> | <b>1,302,561</b> | <b>2,527,247</b> |

Note that each of Table 12.1 and Table 12.2 (above) refer to the same A\$2,527,247 of proposed expenditure.

**Proposed exploration budget by activity – Maximum Subscription**

**Table 13.1: InVert Graphite's proposed exploration budget by activity – Maximum Subscription**

| Indicative Use of Funds     | Year 1<br>(A\$)  | Year 2<br>(A\$)  | Total<br>(A\$)   |
|-----------------------------|------------------|------------------|------------------|
| Access and tenure           | 78,499           | 78,499           | 156,998          |
| Drilling                    | 940,875          | 992,111          | 1,932,986        |
| Geophysical surveys         | 55,000           | 20,000           | 75,000           |
| Metallurgical testwork      | 150,000          | 150,000          | 300,000          |
| Battery capability testwork | -                | 250,000          | 250,000          |
| <b>Total</b>                | <b>1,224,374</b> | <b>1,490,610</b> | <b>2,714,984</b> |

**Table 13.2: InVert Graphite's proposed exploration budget by tenement group – Maximum Subscription**

| Tenement group | Year 1 | Year 2 | Total |
|----------------|--------|--------|-------|
|----------------|--------|--------|-------|

|                     | (A\$)            | (A\$)            | (A\$)            |
|---------------------|------------------|------------------|------------------|
| Morogoro Project    | 1,044,499        | 1,292,860        | 2,337,359        |
| White Hill Licences | 179,875          | 197,750          | 377,625          |
| <b>Total</b>        | <b>1,224,374</b> | <b>1,490,610</b> | <b>2,714,984</b> |

Note that each of Table 13.1 and Table 13.2 (above) refer to the same A\$2,714,984 of proposed expenditure.

## 2.12 Investment in Luna Energy Ltd

On 20 January 2022, InVert Graphite reported that it had made an investment of C\$350,000 in Luna Energy Ltd (**Luna Energy**), which was previously named Luna Lithium, a private Canadian company which at the time of InVert Graphite's investment was exploring for lithium in Nevada, USA. InVert Graphite's investment of C\$350,000 represents a minority stake (<5%) in Luna Energy.

The change of name to Luna Energy Ltd reflected a change in the focus of its activities to uranium exploration in Paraguay. Luna Energy has identified and claimed approximately 312,000 hectares divided into blocks in eastern Paraguay.

InVert Graphite has not increased or decreased its initial investment in Luna Energy and has no current plans to do so.

## 2.13 Dividend Policy

As an early-stage minerals exploration company, InVert Graphite has no source of revenue or profits and makes no forecast of whether it will generate revenue or profits in future. Accordingly, at the date of this Prospectus, InVert Graphite does not intend, or expect, to declare or pay any dividends in the foreseeable future.

Any future determination as to the payment of dividends by InVert Graphite will be at the sole discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of InVert Graphite, 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 InVert Graphite.

InVert Graphite has no dividend reinvestment plan.

## 2.14 Royalties

In addition to the state royalties discussed in the Tanzanian Independent Solicitor's Report, the Morogoro Project will be subject to the Royalty (being an additional net sales return royalty of 0.25% on any future mineral production from the Morogoro Project, in favour of the EGR Tanzania Vendors pursuant to the Royalty Agreement as summarised in Section 10.9(c)).

The White Hill Licences are not subject to any royalties in addition to the state royalties discussed in the Australian Independent Solicitor's Report.

Please see Section 8 'Independent Solicitors' Reports' and Section 10.9(c) for further details of royalties payable, including pursuant to the Royalty Agreement.

## 2.15 Taxation

The Australian tax consequences of any investment in the Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice before deciding whether to invest.

Please see Section 8.1 'Tanzanian Independent Solicitor's Report' for details of the Tanzanian taxation environment.

## 2.16 Employee Incentive Plan

InVert Graphite has adopted the Employee Incentive Plan to align the interests of key employees, Directors, and other personnel of InVert Graphite with the interests of Shareholders for their long-term mutual benefit. See Section 10.2 for further information.

## 2.17 Accounting Standards and Auditing Standards

The financial information and Independent Limited Assurance Report in Section 6 of this Prospectus contain historical and pro forma financial information which has been derived from the consolidated financial statements of InVert Graphite for the financial year ended 31 December 2022, the financial year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024.

The consolidated financial statements of InVert Graphite for the financial year ended 31 December 2022, the financial year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024 included in Section 6 of this Prospectus have been prepared in accordance with the recognition and measurement principles detailed in the Australian Accounting Standards and InVert Graphite's adopted accounting policies. Australian Accounting Standards will continue to apply to the preparation of InVert Graphite's financial statements after its Readmission.

The consolidated financial statements of InVert Graphite for the financial year ended 31 December 2022 and for the financial year ended 31 December 2023 have been audited by, and the consolidated financial statements of InVert Graphite for the half-years ended 30 June 2023 and 30 June 2024 have been reviewed by, PKF Brisbane Audit ABN 33 873 151 348 (**PKF Brisbane Audit**) in accordance with Australian Standards on Assurance Engagements, and these standards will continue to apply to InVert Graphite's financial statements after its Readmission. PKF Brisbane Audit issued unmodified audit opinions or review conclusions. Refer to Section 6 for further information on the financial position and financial performance of InVert Graphite.

## 2.18 Corporate Governance

InVert Graphite's main corporate governance policies and practices as at the date of this Prospectus and InVert Graphite's compliance and departures from the Recommendations are set out in Section 4.10 of this Prospectus.

In addition, InVert Graphite's full suite of Corporate Governance documents, including its Corporate Governance Statement, are available from InVert Graphite's website: [www.invertgraphite.com.au](http://www.invertgraphite.com.au)

## 2.19 Corporate Social Responsibility

InVert Graphite believes that corporate social responsibility (**CSR**) is about demonstrable, responsible and proactive business leadership, and that CSR considerations influence how business is conducted, interactions with stakeholders, and the value that such businesses contribute to society.

The Board assumes overall responsibility for InVert Graphite's CSR policies, processes and procedures. InVert Graphite continues to develop its CSR strategy influenced by InVert Graphite's values and stakeholder engagement.

InVert Graphite recognises the importance of managing and developing human capital and that a positive work environment would attract, motivate and retain talent. InVert Graphite is an equal opportunity employer that adopts fair employment practices in recruitment.

### 3 RISK FACTORS

The Shares are considered highly speculative. An investment in InVert Graphite is not risk free. The proposed future activities of InVert Graphite are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Directors and management of InVert Graphite and cannot be mitigated.

Investors should note that the risks relating to the Group in this Section 3 are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to apply for Shares.

The risks detailed in this Section 3 is not an exhaustive list or explanation of all of the risks faced by InVert Graphite or by investors in InVert Graphite and should be considered in conjunction with other information in this Prospectus. Additional risks and uncertainties relating to the Group that are not currently known to the Group, or that the Group currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Group's operations, prospects, financial condition and operational results.

The risks detailed in, and others not specifically referred to in, this Section 3 may in the future materially affect the financial performance and position of InVert Graphite and the value of the Shares offered under this Prospectus. The Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or the market value of those Shares. The risks detailed in this Section 3 also necessarily include forward-looking statements. Actual events may be materially different to those detailed and may therefore affect InVert Graphite in a different way.

Investors should be aware that the performance of InVert Graphite may be affected and the value of its Shares may rise or fall over any given period. None of the Directors or any person associated with InVert Graphite guarantee InVert Graphite's performance, the performance of the Shares which are the subject of the Offer or the market price at which the Shares will trade. The Directors strongly recommend that potential investors consider the risks detailed in this Section 3, together with information detailed elsewhere in this Prospectus, and consult their professional advisers, before they decide whether or not to apply for Shares.

#### 3.1 Risks relating to the Acquisition

##### (a) Due diligence

The Company conducted due diligence investigations in respect of the Acquisition. As with any due diligence investigation, if any information provided and relied upon by the Company in its due diligence proves to be incorrect, incomplete or misleading, or if the Company was not provided with all relevant information or there were other failings in the due diligence performed by the Company (including in the Company's analysis of information provided and relied on by it and/or its analysis of the findings of such due diligence investigations), there is a risk that there could be historical or other issues in relation to the Acquisition that could affect the success of the Acquisition or otherwise impact on the Company's financial position and performance.

Investors should note that there is no assurance that the due diligence conducted was conclusive, nor that all material issues and risks in respect of the Acquisition have been, or will be, identified (including issues that are material to the decision to undertake the Acquisition) and avoided or managed appropriately. A material adverse issue that is not identified prior to undertaking the Acquisition could have an adverse impact on the financial performance, financial position or operations of the Company.

Further, the information reviewed by the Company in conducting its due diligence investigations includes forward looking information, which is inherently unreliable and based on assumptions that may change in the future. Therefore there is a risk that unforeseen issues and risks may arise which may also have a material impact on the Company.

(b) **Completion Risk**

Pursuant to the Acquisition Agreements, the Company has conditionally agreed to acquire Exceptional Graphite which in turn, along with Green Valley, has conditionally agreed to acquire EGR Tanzania (the owner of the Morogoro Project) and the White Hill Licences.

The Acquisition constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the Listing Rules as if it were seeking admission to the official list of ASX. Trading in the Company's Shares is currently suspended and will remain suspended unless and until the Company re-complies with Chapters 1 and 2 of the Listing Rules following completion of the Acquisition and Offer, or can otherwise re-comply with Chapters 1 and 2 of the Listing Rules pursuant to an alternative suitable project or business acquisition. Shareholders should note that the ASX has absolute discretion in deciding whether or not to re-admit the Company to ASX's official list and to quote its Shares.

There is a risk that the conditions for completion of the Acquisition cannot be fulfilled, such as where the Company is unable to meet the requirements of the ASX for re-quotation of its Shares on the ASX. If the Acquisition is not completed (or if the Company is otherwise unable to meet ASX's requirement for re-quotation of its Shares on the ASX), the Company will incur, and will have incurred, costs relating to advisors and other costs without any material benefit being achieved.

Further, pursuant to the ASX's long term suspended entities policy in ASX Guidance Note 33, ASX will automatically remove from ASX's official list any entity whose securities have been suspended from trading for a continuous period of two years. As the Company's securities have been suspended from official quotation since 31 August 2023, in the event the Acquisition and Offer do not complete, it is anticipated that the Company would be removed by ASX from its official list if the Company is unable to identify and acquire an alternative suitable project or business by 31 August 2025.

(c) **Dilution Risk**

The Company currently has 225,850,957 Shares and 11,187,498 Options on issue. Pursuant to, or in connection with, the Acquisition, the Company proposes to issue various additional securities in the Company, as referred to in this Prospectus (including in the pro forma capital structure set out in Section 1.9).

In addition to the dilution to the shareholdings in the Company of existing Shareholders arising from the direct issue of new Shares as described in this Prospectus, there are convertible securities proposed to be issued in the Company, being the Performance Shares and Options as detailed in this Prospectus) which, if they are converted into Shares, would further dilute existing Shareholders.

Further dilution of the shareholdings in the Company of existing Shareholders would arise from any future issues of securities in the Company. For example (and without limitation) refer also to the dilution risk set out in Section 3.2(b) (Additional requirements for capital) below.

(d) **Liquidity risk**

The Company's Shares have been suspended from trading since 31 August 2023. The Company will be required to re-comply with Chapters 1 and 2 of the Listing Rules before its Shares are reinstated to trading.

As the Company's Shares have been suspended from trading for approximately twelve months, there is currently no public market for Shares. There is no guarantee that an active trading market in the Company's Shares will develop or that prices at which Shares trade will increase following completion of the Acquisition and the Offer (if they occur).

There may be relatively few (or nil) buyers or sellers of Shares on the ASX at any particular time. The prices at which the Shares trade may be above or below the issue price pursuant to the Offer of \$0.03 per Share, and may fluctuate in response to a number of factors.

In accordance with the escrow requirements in Chapter 9 of the ASX Listing Rules, if the Company's Shares are reinstated to trading on ASX after completion of the Offer and the Acquisition, various Shares will not be able to be traded for certain periods during the ASX imposed escrow periods under the ASX Listing Rules (although none of the Shares issued pursuant to the Offer will be subject to those ASX imposed escrow restrictions).

Following release from escrow, Shares held by escrowed Shareholders may be freely traded on the ASX. There is a risk that a significant sale of Shares by one or more escrowed Shareholders, or the perception that such a sale has occurred or might occur, could adversely affect the market value of the Shares.

Further, the stock market is prone to price and volume fluctuations. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Shares, regardless of Company's operational performance.

## **3.2 Risks relating to the Company and industry specific risks**

### **(a) No profit to date and limited operating history**

InVert Graphite, Exceptional Graphite, Green Valley and EGR Tanzania have incurred operating losses since their inception and do not have a significant history of business operations (or, in the case of InVert Graphite, its history of business operations is different to its proposed future business following the Acquisition). It is therefore not possible to evaluate their prospects based on past performance. No assurance can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Morogoro Project or the White Hill Licences, or any tenements which are subsequently applied for or acquired by the Company (or any of its subsidiaries). Unless and until the Company is able to realise value from its project interests, it is likely to incur ongoing operating losses.

There can be no certainty that (and no forecast is made of whether) the Company will achieve or sustain profitability, achieve or sustain positive cash flow from its operating activities or identify a mineral deposit which is capable of being exploited economically or which is capable of supporting production activities.

### **(b) Additional requirements for capital**

The funds to be raised under the Offer are considered sufficient to meet the immediate objectives of the Company. However, additional funding is anticipated to be required in future.

For example, should the Company consider that its exploration results justify further exploration and / or commencement of development activities on any of its projects, additional funding will be required to implement the Company's exploration and development plans, the quantum of which remain unknown at the date of this Prospectus.

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until a minerals project is successfully developed and production commences (and no forecast is made of whether that may occur). The future capital requirements of the Company will depend on many factors including its business development activities.

Given the early stage of the Morogoro Project and the White Hill Licences, no forecast is made of whether either of them may be developed or may become feasible, however one of the requirements to successfully develop a minerals project and for production to commence would involve the Company securing financing in addition to the amounts to be raised pursuant to the Offer.

Following completion of the Offer, the Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means. Failure

to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of those activities (and may adversely impact upon the Company's assets and undertaking – for example potentially resulting in forfeiture of the Morogoro Project and/or the White Hill Licences) and the Company's proposed exploration and development strategy.

There can be no assurance that additional finance will be available when needed (or at all) or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Shareholders. Financing may be undertaken at prices lower than the then market price of Shares (or lower than the Offer Price under the Offer of \$0.03 per Share) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available may involve security over the Company's assets and restrictions on financing and operating activities.

**(c) Nature of mineral exploration and mining**

The business of mineral exploration, development and production is subject to a high level of risk. Mineral exploration and development requires large amounts of expenditure over extended periods of time with no guarantee of revenue, and exploration and development activities may be impeded by circumstances and factors beyond the Company's control.

The Morogoro Project and the White Hill Licences are at an early stage of exploration, given that no Exploration Target or Mineral Resource have been estimated, no scoping or feasibility study has been conducted and no Ore Reserve has been defined at the Morogoro Project or the White Hill Licences.

There can be no assurance that exploration and development at the Morogoro Project or the White Hill Licences, or any other projects that may be acquired by the Company in the future, will result in the discovery of mineral deposits which are capable of being exploited economically. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited.

Whether a mineral deposit will be commercially viable depends on a number of factors. The combination of these factors may result in the Company expending significant resources (financial and otherwise) on tenements without receiving a return. There is no certainty that expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

**(d) Operational matters**

The operations of the Company may be affected by various factors that are beyond the control of the Company, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages, delays in procuring, or increases in the costs of consumables, commodities, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company. These risks and hazards could also result in damage to, or destruction of, facilities and equipment, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. These factors are substantially beyond the control of the Company and, if they eventuate, may have an adverse effect on the financial performance of the Company and the value of its assets.

**(e) Tenure and renewal**

The Company's and its subsidiaries' exploration and development activities (including at the Morogoro Project and the White Hill Licences) are dependent upon the grant, the maintenance and renewal of appropriate licences, concessions, leases, permits and regulatory consents which may be refused, withdrawn or made subject to limitations (or otherwise adversely impacted). The maintenance, renewal and granting of these mineral

tenement rights depend on the Company or its subsidiaries being successful in obtaining required regulatory and third party approvals and complying with regulatory processes. A failure to obtain these approvals or comply with these processes may adversely affect the Company's and/or its subsidiaries' title to the mineral tenements, may prevent or impede the grant, acquisition or advancement of, or the conduct of activities within, mineral tenements and may have a material adverse effect on the business, results of operations, financial condition and prospects of the Company.

Further, there is no guarantee or assurance that the licences, concessions, leases, permits or consents will be renewed or extended as and when required or that new conditions will not be imposed in connection with the mineral tenements comprising the Morogoro Project and the White Hill Licences (or any other tenements in which the Company or its subsidiaries may acquire an interest in future). The renewal or grant of the terms of each tenement is usually at the discretion of the relevant government authority. To the extent such approvals, consents or renewals are not obtained, the Company and its subsidiaries may be curtailed or prohibited from continuing with exploration and development activities or proceeding with any future development, which may have a material adverse effect on the business, results of operations, financial condition and prospects of the Company. Refer to the Independent Solicitors' Reports in Section 8 for further information.

**(f) Exploration and appraisals**

There is a significant risk for the Company of the proposed exploration activity being unsuccessful and not resulting in the discovery of a commercially viable mineral deposit. Mineral exploration by its nature is a high-risk activity and there can be no guarantee of success in the Company's proposed exploration activities. The discovery and development of a commercially viable mineral deposit is the exception rather than the rule.

The Company is engaged in early-stage exploration and appraisal activities. There is a risk that these activities will not result in the discovery of commercially extractable mineral deposits. Furthermore, no assurances can be given that if commercially viable mineral deposits are discovered, these will be able to be commercialised as intended, or at all.

Whether positive income flows ultimately result from exploration and development expenditure incurred by the Company is dependent on many factors such as successful exploration, establishment of production facilities, other infrastructure, mining factors, metallurgy, processing factors, permitting, financing, cost control, commodity price movements, other economic factors, legal issues, environmental factors, social factors, successful contract negotiations for production and stability in the local political environment (among other things).

**(g) Metallurgy risk**

Mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

- (i) errors and other risks associated with identifying a metallurgical process through test work to produce a saleable commodity or concentrate;
- (ii) errors and other risks associated with developing an economic process route to produce a saleable commodity or concentrate; and
- (iii) changes in mineralogy in the minerals deposit can result in inconsistent mineral recovery, affecting the economic viability of a project.

**(h) Mine development**

Possible future development of mining operations at the Morogoro Project or the White Hill Licences 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 and permits 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, commodities, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk for third parties providing essential services (along with various other factors, such as those referred to in the "Exploration and appraisals" section above).

If the Company or any of its subsidiaries commences production on a minerals project, 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 Morogoro Project or the White Hill Licences (or any other project) will achieve commercial viability.

**(i) Timing and cost of exploration activities**

The proposed exploration activities and related uses of funds by the Company as described in Section 1.8 are based on certain assumptions with respect to the nature, timing and cost of exploration activities. By their nature, these estimates and assumptions are subject to significant uncertainties and therefore the actual expenditure may differ materially from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

**(j) Inadequate infrastructure may constrain mining operations**

The possibility of commencing commercial production at the Morogoro Project or the White Hill Licences hinges on (among other things) the availability of essential infrastructure. This includes dependable power sources, water supply, transportation, and surface facilities, all of which are vital for the development and operation of mines. Failure to meet these infrastructure needs adequately or encountering significant cost changes in meeting these requirements could impede the Company's capacity to initiate production at the Morogoro Project or the White Hill Licences. Such challenges could potentially exert a material adverse influence on the Company's business, financial health, operational results, cash flows, and future prospects.

**(k) Environmental**

The minerals and mining industry has become subject to increasing environmental regulations and liability.

The operations and proposed activities of the Company and its subsidiaries are subject to laws, regulations and permits concerning the environment. If such laws are breached or modified, the Company and its subsidiaries could be required to cease operations and/or incur significant liabilities including penalties, due to past or future activities. As with most exploration operations, the Company's and its subsidiaries' activities are expected to have an impact on the environment.

There are certain risks inherent in the Company's and its subsidiaries' activities which could subject them to extensive liability. The cost and complexity in complying with the applicable environmental laws and regulations may affect the viability of potential developments of the Company's and its subsidiaries' projects, and consequently the value of those projects, and the value of the Company's assets.

It may be required for the Company to conduct baseline environmental studies prior to certain exploration or mining activities, so that environmental impact can be monitored and minimised wherever possible. No baseline studies have been done to date, and a discovery of endangered flora or fauna could, for example, prevent exploration and mining activity in certain areas.

(l) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its Board, senior management and its other key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these persons ceases their engagement.

The Company may not be able to replace its 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 may also have an adverse effect on the performance of, and financial position of, the Company.

(m) **Reliance on consultants and others**

The Company has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. The Company believes that those consultants and others are competent and that they have carried out their work in accordance with internationally recognised industry standards. However, if the work conducted by those consultants or others is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays or increased costs in exploring or developing its tenements, or other adverse outcomes.

(n) **New projects and acquisitions**

The Company may make acquisitions in the future as part of future growth plans. There can be no guarantee that any new project acquisition or investment will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders. Such acquisitions may result in the use of the Company's cash resources and/or the issuance of equity securities, which will dilute shareholdings.

(o) **Mineral Resource estimates**

Mineral Resource estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Determining Mineral Resource estimates is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate.

The actual quality and characteristics of mineral deposits cannot be known until mining takes place and will almost always differ from the assumptions used to analyse them. Further, Ore Reserves are valued based on future costs and future prices and, consequently, the actual Mineral Resources and (if any are estimated in future) Ore Reserves may differ from those estimated, which may result in either a positive or negative effect on operations and/or financial performance.

No Exploration Target, Mineral Resource or Ore Reserve has been estimated at the Morogoro Project or the White Hill Licences. No forecast is made of whether any such estimations may occur in future, and they may never occur.

(p) **Management of growth**

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train, manage and retain its employee base. The inability of the Company to deal with this growth could have a material adverse effect on its business, operations, and prospects.

(q) **Land claims and community opposition**

The Company's exploration activities could potentially face disruptions or postponements from claims to the tenement areas by other parties, community opposition or legal actions against the Company. Such occurrences could have repercussions on the Company's operations and could also affect the value and performance of the Shares.

In relation to the White Hill Licences, the Native Title Act 1993 (Cth) recognises certain rights of indigenous Australians over land where those rights have not been extinguished. These rights, where they exist, may impact on the ability of the Company to conduct exploration activities or obtain production tenements. In applying for certain production tenements, the Company must observe the provisions of Native Title Legislation (where applicable) and Aboriginal Heritage legislation which protects Aboriginal sites and objects of significance.

In certain circumstances the consent of registered Native Title claimants must be obtained prior to carrying out certain activities on land to which their claim relates. It is possible that the terms of registered Native Title agreements may restrict the Company's ability to gain access to the White Hill Licences and conduct exploration, development and mining operations, or that conditions imposed by Native Title claimants on such consent may be on terms that are not acceptable to InVert Graphite.

**(r) Occupational health and safety risk**

The health and safety of the employees of the Company and its subsidiaries are at risk due to the inherent nature of their operations.

Exploration and mining operations are inherently dangerous workplaces. The Company's and its subsidiaries' exploration operations will often place their employees and others in proximity with large pieces of mechanised equipment, moving vehicles, regulated materials and other hazardous conditions. As a result, the Company and its subsidiaries are subject to a variety of health and safety laws and regulations dealing with occupational health and safety. Additionally, the Company's safety record can impact its reputation. Any failure to maintain safe work sites could expose the Company to significant financial losses as well as civil and criminal liabilities, any of which could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

**(s) Insurance**

The Company intends to insure its operations in accordance with industry practice. However, insurance of all risks associated with exploration is not always available and, where it is available, the cost may be high.

The business of the Company is subject to risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as extreme weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties, buildings, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company proposes to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms.

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.

In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.

(t) **Information systems security threats**

The Company relies on secure and adequate operations of information technology systems in the conduct of its activities. Access to and the security of the information technology systems are critical to the Company's activities. These systems are subject to disruption, damage or failure from a variety of sources, including, but not limited to cable cuts; damage to installations; natural disasters; terrorism; fire; power loss; hacking, cyber-attacks and other information security breaches; non-compliance by third party service providers; computer viruses; vandalism and theft.

The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, information technology systems and software. The systems that are in place may not be enough to guard against loss of data due to the rapidly evolving cyber threats.

The Company may be required to increasingly invest in better systems, software, and use of consultants to periodically review and adequately adapt and respond to dynamic cyber risks or to investigate and remediate any security vulnerabilities. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. Failures in the Company's information technology systems could translate into operational delays, compromising, loss or disclosure of confidential, proprietary, personal or sensitive information and third-party data, or destruction or corruption of data.

Accordingly, any failure of information systems or a component of information systems could adversely impact the Company's reputation, business, financial condition and results, as well as compliance with its contractual obligations, compliance with applicable laws, and potential litigation and regulatory enforcement proceedings. Information technology systems failures could also materially adversely affect the effectiveness of the Company's internal controls over financial reporting.

(u) **Reputational risk**

On completion of the Acquisition, the Company's operations will be dependent on positive relationships with a small number of organizations (including the government of Tanzania). Damage to the Company's reputation within Tanzania due to the actual or perceived occurrence of any number of events could negatively impact the Company.

In addition, as a result of social media and other web-based applications, companies are at risk of losing control over how they are perceived. Damage to the Company's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. Although the Company places a great emphasis on protecting its image and reputation, it does not ultimately have direct control over how it is perceived by others. Reputation loss may lead to increased challenges in developing and maintaining community relations, decreased investor confidence and act as an impediment to the Company's overall ability to advance its projects, thereby having a material adverse impact on the Company's business, financial condition or results.

(v) **Any changes to the legislation regarding the repatriation of earnings received from the countries where the Company or its subsidiaries intend to operate could adversely affect the Company's and its subsidiaries' financial condition**

On completion of the Acquisition, the Company intends to conduct the majority of its operations through, to varying degrees, one or more subsidiaries incorporated in Tanzania and will hold significant assets in such subsidiaries. Accordingly, any limitation on the transfer of cash or other assets between the Company and its subsidiaries could restrict the Company's group's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and share price. Moreover, there is no assurance that Tanzania or any other foreign country in which the Company or any of its subsidiaries

may operate in the future will not impose restrictions on the repatriation of earnings to entities that are foreign to that country.

If such issues materialised they could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

**(w) Conflicts of interest or duty**

Some of the Directors, Proposed Directors and officers of the Company are engaged as directors or officers of, or have equity interests in, other companies involved in the exploration, development or financing of minerals projects or with whom the Company or any of its subsidiaries has contractual arrangements, and situations may arise where the duties or interests of those Directors, Proposed Directors or officers will be in direct competition with the Company and could result in conflicts of interest or duty. Conflicts, if any, will be dealt with in accordance with the Company's Code of Conduct and relevant provisions of the Corporations Act. Some of the Directors, Proposed Directors and officers of the Company may become, in the future, directors or officers of additional companies engaged in the same or other business ventures.

**(x) Sovereign risk**

Tanzania is a unitary presidential democratic republic. The political conditions in Tanzania are generally stable, however, changes may occur in the political, fiscal and legal systems which may affect the ownership or operations of the Company or its subsidiaries such as changes in exchange rates or exchange controls, control or fiscal regulations, regulatory regimes, political insurrection or labour unrest, inflation or economic recession.

There are numerous risk factors associated with operating in foreign jurisdictions, such as Tanzania, including economic, social or political instability or change, inflation, currency non-convertibility or instability and changes of (or changes of interpretations of) law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, licensing, export duties, repatriation of income or return of capital, environmental protection, industrial relations laws, expropriation and nationalisation, renegotiation or nullification of existing concessions, licences, permits and contracts, illegal mining, changing political norms, government control over natural resources, government regulations that require the Company to favour or award contracts in employment of local citizens or require other benefits to be provided to local residents or which require the purchase of goods or supplies from particular jurisdictions which may be less developed than alternatives located in other jurisdictions. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality.

There can be no guarantee that political and economic conditions shall remain stable and any adverse changes to these conditions may adversely affect the Company's operations and the Morogoro Project. In Tanzania, the State retains ownership of the minerals and consequently retains control of the exploration and production of mineral resources. Accordingly, these operations may be materially affected by the government through royalty payments, export taxes and regulations, surcharges, value added taxes, production bonuses and other charges. In addition, failures by the Company or any of its subsidiaries to comply with foreign legislative or regulatory requirements may result in loss, reduction or expropriation of entitlements or the imposition of local or foreign parties as joint venture partners with carried or other interests in excess of any standard legal requirements. In addition, changes in government laws or regulations, including taxation, royalties, the repatriation of profits, restrictions on production, export controls, changes in taxation policies, environmental and ecological compliance, expropriation of property and shifts in the political stability of the country could adversely affect the Company's and its subsidiaries' potential exploration, development and production initiatives in Tanzania.

The likelihood of any of these changes, and their possible effects (if any) cannot be determined by the Company with any clarity at the present time. If any issues identified in this section were to arise, they could lead to disruption to the Company's and its

subsidiaries' operations, increased costs and, in some cases, total inability to establish or to continue minerals exploration, development and mining activities.

The Company's interests in Tanzania on completion of the Acquisition will largely comprise of various interests (via its subsidiaries) in mining tenements and associated contracts. In addition, if any contracts regulating the Company's interests in the Morogoro Project, were to be unenforceable in whole or in part, the Company would be adversely affected to the extent of any such unenforceability.

The Company has made investment and strategic decisions based on information currently available to the Board. Should there be any material change in the political, economic, legal and social environments in Tanzania, or Africa generally, the Company may reassess investment decisions and commitments to assets in Tanzania and the region.

Refer to the Tanzanian Independent Solicitor's Report in Section 8.1 (for example, that report details certain regulatory approval requirements in Tanzania in relation to transfers of, or transfers of ownership of companies with direct or indirect interests in, Tanzanian tenements such as the Morogoro Project) and the Independent Geologist's Report in Section 7 for further information. For example, section 4.20.5 of the Tanzanian Independent Solicitor's Report refers to seeking the Tanzania Mining Commission's consent to any change of control of the Company after completion of the Acquisition. However, normal trading of Shares on the ASX does not require such consent unless it leads to a change of control of the Company, in which case the Tanzania Mining Commission's approval will be mandatory to ensure regulatory compliance and avoid potential legal challenges.

**(y) Emerging markets**

When conducting operations on foreign assets in emerging markets such as Tanzania, ASX-listed entities may face a number of additional risks that companies with operations wholly within Australia may not face. For example, the ability to implement effective internal control and risk management systems and good corporate governance principles, having regard to the separation of executive management and the Board from the location of the projects and the need to rely on consultants and professional advisors in those jurisdictions.

**(z) Equipment risk**

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source and acquire appropriate mining equipment. Equipment is not always available and the market for mining equipment experiences fluctuations in supply and demand. The operations of the Company could be adversely affected if essential equipment fails or becomes unavailable to access in a timely manner or at all.

**(aa) Unforeseen expenses**

While the Company is not aware of any expenses that may need to be incurred immediately after completion of the Acquisition and the Offer that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

**(bb) Contracts**

The ability of the Company to achieve its business objectives will depend on the performance by the Company and counterparties of their contractual obligations. If any party defaults in the performance of its obligations under a contract, it may be necessary for either party to approach a court to seek a legal remedy, which could be costly for the Company and adversely impact on the Company's operations and performance.

The operations of the Company also require the involvement of numerous staff and third parties, including consultants, contractors and suppliers. Financial failure, default or

contractual non-compliance on the part of such staff or third parties may have a material impact on the Company's operations and performance. It is not possible for the Company to predict or protect itself against all such risks.

There is a risk that the business could be disrupted in situations where there is a disagreement or dispute in relation to a term of a relevant contract. Should such a disagreement or dispute occur, this may have an adverse impact on the Company's operations and performance generally. It is likewise not possible for the Company to predict or protect itself against all such risks.

The Company is not presently involved in any contractual disputes.

**(cc) Supply chain and logistics risks**

Supply chain disruptions and the general level of economic uncertainty experienced during events such as the COVID-19 pandemic and other global events such as the conflict in the Ukraine and the Middle East, continue to impact the cost and availability of commodities, freight, materials, equipment and other services required for the Company's ongoing operations. While the direct impact of the COVID-19 pandemic on the Company and its operations has subsided, uncertainty remains regarding the potential for further disruptions and interruptions from similar such events, which may have an adverse impact on the Company and its plans. Also, regional issues such as piracy on the east coast of Africa and military threats to shipping in the Gulf of Aden and the Red Sea also present risks to the Company.

**(dd) Dividends**

None of the Company, Exceptional Graphite, Green Valley or EGR Tanzania has paid any dividends on their respective shares and they are not expected to do so in the foreseeable future. They have no source of revenue or profits and the Company makes no forecast of whether it or they will generate revenue or profits in future. Accordingly, the Company does not intend, or expect, to declare or pay any dividends in the foreseeable future.

Any future determination as to the payment of dividends by the Company will be at the sole 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.

The Company does not have a dividend reinvestment plan in place.

**(ee) Opposition to mining**

The Company's business may be affected by environmental activists and others who might engage in activities intended to disrupt the Company's business operations. As a result, there could be delays in the Company's exploration and other activities, which could have a material adverse effect on the Company's business, financial condition, and results of operations.

### **3.3 General Risks**

**(a) Economic risks**

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that general economic climate include but are not limited to:

- (i) the level of direct and indirect competition against the Company;
- (ii) general economic conditions;

- (iii) changes in government policies, taxation and other laws;
- (iv) the strength of the equity and share markets in Australia and throughout the world;
- (v) movement in, or outlook on, exchange rates, interest rates and inflation rates;
- (vi) industrial disputes;
- (vii) changes in investor sentiment toward particular market sectors;
- (viii) financial failure or default by an entity with which the Company may become involved in a contractual relationship; and
- (ix) natural disasters, social upheaval or war.

(b) **Commodity price volatility**

Commodity prices are influenced by physical and investment demand. Fluctuations in commodity prices relevant to the Company may influence the exploration and development activity of the Company. If the Company achieves exploration success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks.

Commodity prices fluctuate and are affected by many factors beyond the control of the Company including but not limited to, world demand for commodities, the level of production costs in major commodity producing regions, China's decisions with respect to managing the domestic Chinese critical minerals industry and the development of new technologies that create new demands or eliminate the demand for particular critical minerals. Fluctuating commodity prices may impact the Company's project development, plans and activities, including its ability to fund those activities. The Company cannot provide any assurance as to the prices it will achieve for any mineral commodities it may produce (if any). Any substantial decline in the price of those commodities or increases in transport or distribution costs may have a material adverse effect on the Company and the value of the Shares.

(c) **Currency volatility**

After completion of the Acquisition, much of the business and operations of the Company and its subsidiaries are proposed to be conducted in currencies other than Australian dollars. All or most of the supplies and inputs into EGR Tanzania are expected to be priced in, or linked to the Tanzanian Shilling or the United States dollar. As a result, fluctuations in the rate of exchange of the United States dollar and the Tanzanian Shilling against the Australian dollar could have a material adverse effect on the Company's financial results which will be denominated and reported in Australian dollars. The exchange rates are affected by numerous factors beyond the control of the Company, such as international markets, interest rates, inflation and the general economic outlook.

From time to time, the Company may implement active hedging programs in order to offset the risk of losses if the Australian dollar decreases in value compared to foreign currencies. However, to the extent that the Company fails to adequately manage these risks, including if any such hedging arrangements do not effectively or completely hedge against changes in foreign currency rates, the Company's financial results may be negatively impacted.

(d) **Competition risk**

The mineral resources industry is subject to domestic and global competition. The Company has no influence or control over the activities or actions of its competitors and these activities or actions may positively or negatively affect the operating and financial

performance of the Morogoro Project, the White Hill Licences and the Company's business.

Many of these competitors have greater financial and other resources than the Company and there can be no assurance that the Company can compete effectively with these companies.

(e) **Market conditions**

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

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

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

Securities listed on the stock market 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.

(f) **Macro-economic risks**

Changes in the general economic outlook in Australia and globally may impact the performance of the Company, the Morogoro Project and the White Hill Licences (or any other projects that may be acquired by the Company in the future). Such changes may include (without limitation):

- (i) uncertainty in the Australian or Tanzanian economies or increases in the rate of inflation resulting from domestic or international conditions (including movements in domestic interest rates and reduced economic activity);
- (ii) increases in expenses (including the cost of goods and services used by the Company);
- (iii) abnormal stoppages in normal business operations due to factors such as war, political or civil unrest, infrastructure failure or industrial disruption;
- (iv) new or increased government taxes, duties or changes in taxation laws; and
- (v) fluctuations in equity markets in Australia and internationally.

A prolonged and significant downturn in general economic conditions may have a material adverse impact on the Company's trading and financial performance.

(g) **Corruption and Bribery Laws**

The Company's operations are governed by, and involve interactions with, many levels of government in Australia and, after completion of the Acquisition, Tanzania. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anti-corruption and anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also by its contractors and third-party agents.

If the Company finds itself subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions imposed on the Company resulting in a material adverse effect on the Company's reputation and results of its operations.

(h) **Litigation and legal compliance 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 (particularly if proven) may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

Also any failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, such as orders issued by regulatory or judicial authorities against the Company or its subsidiaries or other parties (for example, causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions). Parties such as the Company and its subsidiaries may be required to compensate those suffering loss or damage by reason of any breach of applicable laws or regulations and may have civil or criminal fines or penalties (or other adverse measures) imposed for violations of applicable laws or regulations.

(i) **Infectious diseases**

The outbreak of infectious diseases may have a material effect on the Company's operations as a result of measures taken by governments (including, but not limited to, travel bans, quarantining and restrictions on the transportation of raw materials, supplies and equipment) to limit the transmission of such diseases.

(j) **Climate change risk**

The climate change risks particularly attributable to the Company include (without limitation):

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

(k) **International conflicts**

Current, evolving conflicts in the Ukraine and the Middle East and future conflicts that may arise may impact global economic markets and supply chains. The nature and extent of the effect of such international conflicts 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 international conflicts. Further, any governmental or industry measures taken in response to international conflicts, including limitations on travel and changes to import / export restrictions and arrangements involving countries involved in those conflicts may adversely impact the Company's operations and are likely to be beyond the control of the Company.

(l) **Accounting standards**

Changes to any applicable accounting standards or to any assumptions, estimates or judgments applied by management in connection with complex accounting matters may adversely impact the Company's financial position, results or condition.

(m) **Combination of risks**

The Company may be subject to a combination of risks, including (without limitation) any of the above risks outlined in this Section 3, which could adversely affect the reputation, operational and financial performance of the Company and ultimately impact upon the market value of the Shares.

## **4 BOARD, MANAGEMENT AND CORPORATE GOVERNANCE**

### **4.1 Board of Directors**

As at the date of this Prospectus, the Board comprises of:

- (a) Dr David Brookes – Independent, Non-Executive Chairman;
- (b) Anastasios Arima – Independent, Non-Executive Director; and
- (c) Dominic Allen – Non-Independent, Executive Director.

Following completion of the Acquisition, it is intended that the Board will initially comprise the following (noting that the composition of the Board will be reviewed on an ongoing basis taking into consideration the nature and scale of the Company's activities and good corporate governance recommendations):

- (a) Dr David Brookes, who is the incumbent Non-Executive Chairman will transition to a Non-Executive Director role within three months of completion of the Acquisition;<sup>11</sup>
- (b) Mr Dominic Allen, who will transition from an Executive Director to a Non-Executive Director;
- (c) Mr Anastasios Arima, who will remain as a Non-Executive Director;
- (d) Mr Simon Taylor (whose related entity (Jimzbal Pty Ltd) is an EGA Vendor, as detailed in Section 2.2), who is proposed to be appointed as a Non-Executive Director and is to be appointed as the Non-Executive Chairman of the Company within three months of completion of the Acquisition;
- (e) Mr Andrew Boyd (who, together with his spouse, is one of the EGA Vendors, as detailed in Section 2.2), who is proposed to be appointed as an Executive Director; and
- (f) Mr Andrew Lawson, who is proposed to be appointed as the Company's Chief Executive Officer effective on (or around) the time of completion of the Acquisition and. After he has served as the Company's Chief Executive Officer for three months, the Board may in its sole discretion appoint him as the Managing Director of the Company.

Section 3.9 of the Tanzanian Independent Solicitor's Report contains details of the directors of InVert Graphite's proposed Tanzanian subsidiary EGR Tanzania, with those directors being Hashimu Musedem Millanga and Prisin Priver Moshi. It is proposed that Prisin Priver Moshi will resign as a Director of EGR Tanzania on completion of the Acquisition and Andrew Boyd will be appointed as a director of EGR Tanzania.

The directors of Exceptional Graphite and Green Valley as at the date of this Prospectus are Simon Taylor, Andrew Boyd and Robert Behets (refer to the list of EGA Vendors in Section 2.2). It is proposed that Mr Behets will resign as a director of each of Exceptional Graphite and Green Valley on completion of the Acquisition.

Anastasios Arima is the sole director of PowerLime Inc at the date of this Prospectus and will remain as the sole director of PowerLime Inc on completion of the Acquisition.

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<sup>11</sup> Dr Brookes' role as Non-Executive Director will be reviewed by the Board thereafter, taking into account the governance requirements of the Company.

## 4.2 Directors' and Proposed Directors' Profiles

Details of the Directors that will comprise the Board on Readmission are as follows:<sup>12</sup>

(a) **David Lionel Brookes – Non-Executive Chairman, Independent**

Dr Brookes has extensive experience in the health and biotechnology industries and is currently Executive Chairman of Anantara Lifesciences Ltd (ASX:ANR) and a Non-Executive director of TALi Digital Ltd (ASX:TD1). He has previously been a director of several other ASX listed biotechnology companies, most recently a director of Island Pharmaceuticals Limited (ASX:ILA) until his resignation on 19 September 2024. He also served as the Chairman of genomics solutions company, RHS Ltd, which was acquired by PerkinElmer Inc (NYSE:PKI) in June 2018. Until its acquisition in January 2021, Dr Brookes was Non-Executive Chairman of a private health services company, the Better Medical Group. Dr Brookes is a Fellow of the Australian College of Rural and Remote Medicine and a Fellow of the Australian Institute of Company Directors.

Dr Brooke's tenure as a Director commenced on 10 April 2019.

(b) **Simon James Robson Taylor - Non-Executive Director, Non-Independent**

Mr Taylor is a resources industry executive with over 30 years' experience in geology, finance and corporate management at Chief Executive Officer and Board levels. His direct operational and capital markets experience spans a wide range of commodities and jurisdictions including Africa, Australia, South and North America, Europe and China. In addition to his experience as a resource professional, he has advised companies at the corporate level on capital management, acquisitions, promotions and strategies to add shareholder value.

Mr Taylor was Managing Director of Oklo Resources Limited, acquired by B2Gold Corp in 2022 and a former Non-Executive Director of Chesser Resources Limited, acquired by Fortuna Silver Mining Corp. in 2023. He is currently Managing Director and Chief Executive Officer of Stellar Resources Limited and a Non-Executive Director of Black Canyon Resources Limited and Petratherm Limited.

Mr Taylor is a Member of the Australian Institute of Geoscientists (MAIG) and a graduate of Sydney University.

Mr Taylor's tenure as a Director will commence on or around completion of the Acquisition.

(c) **Andrew Ian Boyd - Executive Director, Non-Independent**

Mr Boyd is a geophysicist with over 25 years exploration and mining experience. He has extensive African experience as General Manager – Exploration with Oklo Resources Limited and Manager, Geoscience for Papillon Resources Limited (both were acquired by B2Gold in 2022 and 2014 for ~A\$90M and ~\$A520M respectively) and Manager, Geoscience for Mantra Resources Limited (which was acquired by ARMZ in 2011 for ~A\$1 billion). Mr Boyd was a resident of Tanzania from 2010 to 2018. He is currently an executive director of Stellar Resources Limited.

Mr Boyd is a Member of the Australian Institute of Geoscientists.

Mr Boyd's tenure as a Director will commence on or around completion of the Acquisition.

(d) **Anastasios Arima – Non-Executive Director, Independent**

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<sup>12</sup> In addition, the Board may in its sole discretion appoint Mr Andrew Lawson (who is to be appointed as the Company's Chief Executive Officer effective on (or around) the time of completion of the Acquisition) as the Managing Director of the Company after he has served as the Company's Chief Executive Officer for three months. Refer to Section 4.3(a) for details in relation to Mr Lawson.

Mr Arima is a resource company executive with a strong history of identifying company-making resource projects. He was the founder of Piedmont Lithium (ASX:PLL and NASDAQ:PLL) and was instrumental in identifying and securing the Piedmont Lithium Project in North Carolina, USA. Mr. Arima is the founder and managing director of IperionX (ASX:IPX), focused on the development of titanium metal technologies in the USA. He has extensive experience in the formation and development of energy and resource projects in North America and Europe. He attended the University of Western Australia where he earned a Bachelor of Commerce whilst studying for a Bachelor of Engineering.

Mr Arima's tenure as a Director commenced on 1 November 2021.

(e) **Dominic Paul Allen - Non-Executive Director, Non-Independent**

Mr Allen is a finance professional with over 15 years' experience in the management and operations of natural resources organisations. Mr Allen is currently chief commercial officer for IperionX (ASX:IPX), focused on the development of titanium metal technologies in the USA, having previously held senior roles with major resource organisations Rio Tinto Limited and Oyu Tolgoi LLC. Mr Allen is also a director of Foothills Rare Earths Limited and Rare Earths Americas Limited. Mr Allen commenced his career in the corporate finance team of international accounting firm Ernst & Young, holds a Bachelor of Commerce and a Bachelor of Science (Hons) from the University of Western Australia and qualified as a Chartered Accountant (CA ANZ).

Mr Allen's tenure as a Director commenced on 1 November 2021.

### 4.3 Senior Management

(a) **Andrew Lawson – Chief Executive Officer (and, subject to the Board's discretion, Managing Director, Non-Independent)**

Andrew Lawson is an executive with over 25 years' experience as Chief Executive Officer, Director and Advisor in the resources industry. Having worked in private and public companies, both in Australia and overseas, he has managed diverse types of mining and commodity operations, has analysed and executed on numerous business opportunities, and is skilled in growing new markets. In addition, he has significant experience with early-stage projects in both mining and technology, principally as an advisor, assisting such projects with strategy, execution and capital raising.

After an initial career as a solicitor, Mr. Lawson worked as a senior business executive for 13 years at Glencore International, and subsequently was Chief Executive Officer of Cockatoo Coal Ltd and Managing Director of SoFi Australia Pty Ltd. Additionally, he has advised a number of start-ups and private funds. Mr Lawson has degrees in Economics and Law from Sydney University, and a Masters of Science in Management from Stanford University.

Mr Lawson's tenure as Chief Executive Officer of InVert Graphite will commence on completion of the Acquisition. Under the terms of Mr Lawson's employment agreement, after a period of three months, the Board may, at its sole discretion, resolve to appoint Mr Lawson as Managing Director.

(b) **Louisa Martino - Company Secretary and Chief Financial Officer**

Ms Martino has over 15 years' experience providing company secretarial, financial and corporate advisory services to a number of ASX listed entities.

Ms Martino's extensive experience includes assisting with company compliance (ASIC and ASX) and capital raisings, as well as previous employment at a major accounting firm in Perth, London and Sydney where she provided corporate advisory services and performed due diligence reviews.

Ms Martino has a Bachelor of Commerce from the University of Western Australia, is a member of Chartered Accountants Australia and New Zealand, a member of the Financial

Services Institute of Australasia (FINSIA) and a Fellow of the Governance Institute of Australia (FGIA).

Ms Martino was appointed Company Secretary and Chief Financial Officer of the Company on 12 September 2024.

(c) **Hashimu Musedem Millanga – Principal Geologist (EGR Tanzania)**

Mr Millanga is a qualified geologist with over 18 years of experience as an African based geologist for a number of ASX and London listed exploration companies including Volt Resources Limited, Syrah Resources Limited, Mantra Resources Limited and Savannah Exploration Limited. Mr Millanga is highly experienced in operational development, tenement acquisition, company setup and administration, government and stakeholder engagement, resource delineation at exploration and in-mine stages including EIA and PFS studies. Mr Millanga has multi-commodity experience including industrial minerals (graphite and mineral sands), precious metals (Archean gold) and energy and base metals (uranium, nickel).

Mr Millanga is a member of the Australian Institute of Geoscientists and the Geological Society of Tanzania.

In accordance with his employment agreement summarised in Section 10.9(d), Mr Millanga is to be employed as a geologist by EGR Tanzania (not by the Company itself) and his tenure in that role will commence on the completion of the Acquisition.

## 4.4 Interests and Benefits

(a) **Remuneration of Directors and Proposed Directors**

InVest Graphite has entered into the Executive Agreements with Andrew Boyd and Andrew Lawson and Non-Executive Director Appointment Letters with David Brookes, Dominic Allen, Anastasios Arima and Simon Taylor as detailed in Sections 4.5 and 4.6.

A summary of the fees of the Directors and Proposed Directors on Readmission pursuant to those agreements is as follows:

**Table 14: Summary of Directors' and Proposed Directors' fees on Readmission**

| Director / Proposed Director     | Annual remuneration (A\$) <sup>1</sup> | Number of Options <sup>8</sup> |
|----------------------------------|----------------------------------------|--------------------------------|
| <i>Non-executive Directors</i>   |                                        |                                |
| Dr David Brookes <sup>2</sup>    | \$92,115                               | 1,231,120                      |
| Mr Anastasios Arima <sup>3</sup> | \$65,748                               | 2,462,240                      |
| Mr Dominic Allen <sup>4</sup>    | \$65,748                               | 2,462,240                      |
| Mr Simon Taylor <sup>5</sup>     | \$83,625                               | 4,924,480                      |
| <i>Executive Directors</i>       |                                        |                                |
| Mr Andrew Boyd <sup>6</sup>      | \$150,000                              | 6,968,138                      |
| Mr Andrew Lawson <sup>7</sup>    | \$300,000                              | 8,223,881                      |

**Notes:**

- Inclusive of superannuation. Annual remuneration payable assuming the Director or Proposed Director is employed / appointed for the whole of the financial year. If a Director or Proposed Director is employed or appointed for only a part of the financial year, the actual remuneration paid to that Director or Proposed Director will be a pro rata amount of the annual remuneration based on the period of time during the year that the Director was employed / appointed.
- Fees currently paid to Dr Brookes as Non-Executive Chairman. It is intended that Dr Brookes will transition to a Non-Executive Director role within three months of the completion of the Acquisition at which time his annual fees will reduce to A\$65,748 inclusive of superannuation. Dr Brookes' role as Non-Executive Director will be reviewed by the Board thereafter, taking into account the governance requirements of the Company.

3. Fees currently paid to Mr Arima as a Non-Executive Director. It is intended that Mr Arima will continue to serve as a Non-Executive Director following completion of the Acquisition.
4. It is intended that Mr Allen will transition to a Non-Executive Director role on completion of the Acquisition at which time his annual fees will reduce to A\$65,748 inclusive of superannuation. Mr Allen currently receives annual fees of A\$120,000 inclusive of superannuation for providing Executive Director services to the Company.
5. Mr Taylor is a Proposed Director. It is proposed Mr Taylor will be appointed as a Non-Executive Director following completion of the Acquisition and will transition to Non-Executive Chairman within three months of the completion of the Acquisition. The stated fees in the table above are the fees that will be payable to Mr Taylor upon him being appointed as a Non-Executive Director and upon him assuming the role of Non-Executive Chairman.
6. Mr Boyd is a Proposed Director. It is proposed Mr Boyd will be appointed as an Executive Director following completion of the Acquisition. In addition to the base annual remuneration presented in the above table, Mr Boyd is proposed to be entitled to:
  - (i) subject to the Board's absolute discretion, annual short term incentive and long term incentive bonuses totalling (in aggregate) up to 100% of annual base remuneration (inclusive of any statutory superannuation/pension benefits but reduced by the amount of applicable taxation) subject to satisfaction of key performance indicators or vesting conditions set by the Board at its absolute discretion;
  - (ii) various types of leave – including annual leave, personal/carer's leave (including sick leave), compassionate leave, long service leave, community service leave and parental leave – in accordance with applicable legislation; and
  - (iii) payment or reimbursement for all authorised and reasonable work-related expenses incurred in the course of Mr Boyd's employment, such as any out of pocket travel expenses and miscellaneous Company expenses.
7. Mr Lawson is a Proposed Director. It is proposed Mr Lawson will be appointed as Chief Executive Officer effective on or around the time of completion of the Acquisition and then, at the sole discretion of the Board, he may be appointed as Managing Director after he has served as the Company's Chief Executive Officer for three months. In addition to the base annual remuneration presented in the above table, Mr Lawson will be entitled to:
  - (i) subject to the Board's absolute discretion, annual short term incentive and long term incentive bonuses totalling (in aggregate) up to 100% of annual base remuneration (inclusive of any statutory superannuation/pension benefits but reduced by the amount of applicable taxation) subject to satisfaction of key performance indicators or vesting conditions set by the Board at its absolute discretion;
  - (ii) various types of leave – including annual leave, personal/carer's leave (including sick leave), compassionate leave, long service leave, community service leave and parental leave – in accordance with applicable legislation; and
  - (iii) payment or reimbursement for all authorised and reasonable work-related expenses incurred in the course of Mr Lawson's employment, such as any out of pocket travel expenses and miscellaneous Company expenses.

Mr Lawson's remuneration is not proposed to be altered merely if the Board appoints him as Managing Director (in addition to his role as Chief Executive Officer) of the Company.
8. On or around the completion of the Acquisition:
  - (i) 1,231,120 Chairman Options are proposed to be issued to Dr Brookes (and/or his nominee) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.3; and
  - (ii) 25,040,979 Director and Management Performance Options are proposed to be issued to Directors and Proposed Directors of InVert Graphite (and/or their nominee(s)) (but not including Dr Brookes) pursuant to the Employee Incentive Plan and on the terms set out in Section 10.4. 8,223,881 of those Director and Management Performance Options are not anticipated to be issued by the time of Readmission (as they are proposed to be issued to Mr Lawson upon the successful completion of his three month probationary period), but they have been included in the table above for completeness.

All Chairman Options and Director and Management Performance Options will have nil exercise price but each of them will be subject to certain vesting conditions. The proposed issues of the Chairman Options and the Director and Management Performance Options were approved by Shareholders at the General Meeting.

Refer to Sections 4.5 and 4.6 for further details on the Executive Agreements and the Non-Executive Director Appointment Letters (respectively).

Refer also to Section 4.4(b) (immediately below) for details of the Shares and Options issued to the Proposed Directors and Directors (or their associates), including as equity remuneration.

Refer also Independent Expert's Report at Section 9 in which the Independent Expert comments on the fairness and reasonableness (to non-participating security holders) of the issue of Chairman Options and the Director and Management Performance Options as follows:

- (i) the Independent Expert has determined that the proposed issue of Chairman Options to Dr David Brookes under the Employee Incentive Plan is FAIR AND REASONABLE to non-participating security holders; and
- (ii) the Independent Expert has determined that the proposed issue of the Director and Management Performance Options, including to the Directors (other than Dr Brookes), the Proposed Directors and to the Company's Company Secretary and Chief Financial Officer, is NOT FAIR, BUT REASONABLE to non-participating security holders.

In accordance with the Constitution, a Shareholder resolution has been passed providing that the maximum total amount of directors' fees that may be paid to InVert Graphite's Non-Executive Directors is A\$400,000 per annum.

(b) **Directors' and Proposed Directors' interests in Securities**

The Directors and Proposed Directors and their respective associated entities have the following interests in Securities as at the date of this Prospectus:

**Table 15: Summary of Directors' interests in Securities at the date of this Prospectus**

| Director / Proposed Director                        | Shares    | Options   |
|-----------------------------------------------------|-----------|-----------|
| Dr David Brookes and his associates <sup>1</sup>    | 4,901,250 | 500,000   |
| Mr Anastasios Arima and his associates <sup>2</sup> | 910,624   | 1,303,541 |
| Mr Dominic Allen and his associates <sup>3</sup>    | 2,410,624 | 1,303,541 |
| Mr Simon Taylor and his associates <sup>4</sup>     | 4,400,000 | -         |
| Mr Andrew Boyd and his associates                   | -         | -         |
| Mr Andrew Lawson and his associates                 | -         | -         |

**Notes:**

1. Shares comprise 3,530,000 Shares held in the name of Tarandi 1996 Pty Ltd and 1,371,250 Shares held by David Brookes in his personal capacity. Options comprise 500,000 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025.
2. All 910,624 Shares are held by Anastasios Arima in his personal capacity. Options comprise 1,303,541 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025.
3. Shares comprise 1,500,000 Shares held in the name of Shadow Mountain Holdings Pty Ltd and 910,624 Shares held by Dominic Allen in his personal capacity. Options comprise 1,303,541 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025.
4. All 4,400,000 Shares are held in the name of Jimzbal Pty Ltd. 706,250 of those Shares were acquired by Jimzbal Pty Ltd at a price of \$0.04 each pursuant to an offer under the Company's prospectus dated 9 September 2021. The balance of 3,693,750 Shares were acquired by Jimzbal Pty Ltd through on market purchases on the ASX.

Based on the intentions of the Directors and Proposed Directors as at the date of this Prospectus in relation to the Offer and Consideration Shares proposed to be issued to certain of the Proposed Directors or their associates on completion of the Acquisition, the Directors, Proposed Directors and their associated entities will have the following interests in Securities on Readmission:

**Table 16: Summary of Directors' and Proposed Directors' interests in Securities at the date of Readmission**

| Director /<br>Proposed<br>Director                        | Maximum<br>Shares | Options   | Maximum Voting Power on<br>Readmission (undiluted) |                         | Maximum Voting Power on<br>Readmission (fully diluted) |                         |
|-----------------------------------------------------------|-------------------|-----------|----------------------------------------------------|-------------------------|--------------------------------------------------------|-------------------------|
|                                                           |                   |           | Minimum<br>Subscription                            | Maximum<br>Subscription | Minimum<br>Subscription                                | Maximum<br>Subscription |
| Dr David Brookes<br>and his<br>associates <sup>1</sup>    | 7,401,250         | 1,731,120 | 1.79%                                              | 1.77%                   | 1.78%                                                  | 1.76%                   |
| Mr Anastasios<br>Arima and his<br>associates <sup>2</sup> | 1,910,624         | 3,765,781 | 0.46%                                              | 0.46%                   | 1.11%                                                  | 1.09%                   |
| Mr Dominic Allen<br>and his<br>associates <sup>3</sup>    | 3,410,624         | 3,765,781 | 0.83%                                              | 0.81%                   | 1.40%                                                  | 1.38%                   |
| Mr Simon Taylor<br>and his<br>associates <sup>4</sup>     | 22,280,000        | 4,924,480 | 5.40%                                              | 5.31%                   | 5.30%                                                  | 5.23%                   |
| Mr Andrew Boyd<br>and his<br>associates <sup>5</sup>      | 37,945,316        | 6,968,138 | 9.20%                                              | 9.05%                   | 8.75%                                                  | 8.64%                   |
| Mr Andrew<br>Lawson and his<br>associates <sup>6</sup>    | 1,666,667         | 8,223,881 | 0.40%                                              | 0.40%                   | 1.93%                                                  | 1.90%                   |

**Notes:**

1. Shares comprise 3,530,000 Shares held in the name of Tarandi 1996 Pty Ltd and 1,371,250 Shares held by David Brookes and 2,500,000 Shares proposed to be subscribed for by David Brookes (and/or his nominee(s)) under the Offer. Options comprise 500,000 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025, and 1,231,120 Chairman Options to be issued, the terms of which are detailed in Section 10.3.
2. Shares comprise 910,624 Shares held by Anastasios Arima and 1,000,000 Shares proposed to be subscribed for by Anastasios Arima (and/or his nominee(s)) under the Offer. Options comprise 1,303,541 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025 and 2,462,240 Director and Management Performance Options to be issued, the terms of which are detailed in Section 10.4.
3. Shares comprise 1,500,000 Shares held in the name of Shadow Mountain Holdings Pty Ltd, 910,624 Shares held by Dominic Allen and 1,000,000 Shares proposed to be subscribed for by Dominic Allen (and/or his nominee(s)) under the Offer. Options comprise 1,303,541 Existing Options with an exercise price of \$0.12 and an expiry date of 12 October 2025 and 2,462,240 Director and Management Performance Options to be issued, the terms of which are detailed in Section 10.4.
4. Shares comprise 4,400,000 Shares held by Jimzbal Pty Ltd, 15,880,000 Consideration Shares to be issued to Jimzbal Pty Ltd (and/or its nominee(s)) and 2,000,000 Shares proposed to be subscribed for by Simon Taylor (and/or his nominee(s)) under the Offer. Options comprise 4,924,480 Director and Management Performance Options to be issued, the terms of which are detailed in Section 10.4.
5. Shares comprise 36,945,316 Consideration Shares that are to be issued to Andrew Boyd and Susan Boyd ATF The Cairn Trust (and/or their nominee(s)) and 1,000,000 Shares proposed to be subscribed for by Andrew Boyd (and/or his nominee(s)) under the Offer. Options comprise 6,968,138 Director and Management Performance Options to be issued, the terms of which are detailed in Section 10.4.
6. Shares comprise 1,666,667 Shares proposed to be subscribed for by Andrew Lawson (and/or his nominee(s)) under the Offer. Options comprise 8,223,881 Director and Management Performance Options to be issued, the terms of which are detailed in Section 10.4. Those 8,223,881 Director and Management Performance Options have been included in the table above for completeness, notwithstanding they are not anticipated to be issued by the time of Readmission.

The proposed issues of the Shares proposed to be subscribed for by the Directors and the Proposed Directors (and/or their nominees) under the Offer, the Chairman Options and the Director and Management Performance Options were approved by Shareholders at the General Meeting.

Directors and Proposed Directors may hold their interests in Securities shown above directly or indirectly through holdings by companies, trusts or other nominees. Directors are not required under the Constitution to hold any Shares to be eligible to act as a Director.

(c) **Other senior management remuneration**

The remuneration of members of the Group's senior management team as at Readmission (in addition to Andrew Boyd and Andrew Lawson, whose remuneration is detailed in Table 14 above) is summarised in the following table:

**Table 17: Summary of senior management remuneration at the date of Readmission**

| Name                                    | Role                                          | Annual remuneration <sup>1</sup> | Director and Management Performance Options <sup>2</sup> | Performance Shares |
|-----------------------------------------|-----------------------------------------------|----------------------------------|----------------------------------------------------------|--------------------|
| Louisa Martino <sup>3,5</sup>           | Company Secretary and Chief Financial Officer | A\$120,000                       | 3,274,779                                                | -                  |
| Hashimu Musedem Millanga <sup>3,4</sup> | Principal Geologist                           | US\$12,000                       | -                                                        | 3                  |

**Notes:**

1. Inclusive of superannuation (where applicable).
2. These Options comprise Director and Management Performance Options which are to be issued by the time of Readmission pursuant to the Employee Incentive Plan and on the terms in Section 10.4.
3. Ms Martino and Mr Millanga are not contractually entitled to receive any short-term or long-term incentives or bonuses however InVert Graphite's Directors may elect to implement a short term and / or long-term incentive plan for senior management and / or pay discretionary bonuses to senior management.
4. It is a condition of the Acquisition that EGR Tanzania enters into an employment contract with Mr Millanga (which has occurred, as summarised in Section 10.9(d)). Under the terms of that contract Mr Millanga will receive an annual salary of US\$12,000 per annum and he or his nominee(s) will be issued 3 Performance Shares, the terms of which are detailed in Section 10.5. The employment contract may be terminated by either party providing one month's written notice to the other party.
5. Ms Martino provides Company Secretarial services and fulfils the role of Chief Financial Officer to InVert Graphite pursuant to a consultancy agreement between InVert Graphite and Jimbaran Investments Pty Ltd (a related party of Ms Martino) A monthly retainer of A\$10,000 plus GST is payable by the Company to Jimbaran Investments Pty Ltd pursuant to that agreement. The agreement may be terminated by either party giving the other party three months' notice.

(d) **Related Party Transactions**

Parties are related (among other circumstances) if one party has the ability, directly or indirectly, to control the other party.

InVert Graphite (and/or certain of its wholly owned subsidiaries) has entered into ongoing related party transactions, including as disclosed elsewhere in this Prospectus. This includes, without limitation:

- (i) Executive Agreements with Andrew Boyd and Andrew Lawson and Non-Executive Director Appointment Letters with David Brookes, Anastasios Arima, Dominic Allen and Simon Taylor being the Directors or Proposed Directors of InVert Graphite (refer to Sections 4.5 and 4.6 for further details);
- (ii) Deeds of Access, Insurance and Indemnity with each of its Directors and its former Directors and executives, and proposed to be entered into with the Proposed Directors (refer to Section 4.7 for further details);
- (iii) Mr Taylor and Mr Boyd are directors of Exceptional Graphite and Green Valley and they or their related parties (in particular Jimzbal Pty Ltd and Andrew Boyd and Susan Boyd ATF The Cairn Trust) are EGA Vendors and will receive (respectively) 15,880,000 and 36,945,316 Consideration Shares pursuant to the Acquisition;
- (iv) on 26 June 2024, the Company and Anabran Consulting Pty Ltd ACN 644 741 837 (**Anabran**) entered into a consultancy agreement, pursuant to which the

Company engaged Anabranh to use Mr Andrew Lawson to provide services to the Company of support and advice in relation to the Acquisition. Mr Andrew Lawson (who is a related party of the Company due to being a proposed Director, as detailed throughout this Prospectus) is the sole director and sole shareholder of Anabranh. Consequently, Anabranh is also a related party of the Company, due to it being controlled by Mr Lawson. The Company has paid Anabranh approximately \$13,331 (exclusive of GST) for consulting services under that consultancy agreement (and also agreed to reimburse Anabranh's reasonably incurred expenses). The term of the consultancy expired in accordance with its terms in December 2024; and

- (v) EGR Tanzania and Mr Andrew Boyd (who is a Proposed Director, and he and Susan Boyd ATF The Cairn Trust are EGA Vendors) entered into a loan agreement with an effective date of 20 May 2022 (**Loan Agreement**) under which Mr Boyd may (following requests from EGR Tanzania) provide EGR Tanzania with up to a US\$250,000 loan facility to support exploration work at the Morogoro Project. Mr Boyd is under no obligation to fund any request submitted by EGR Tanzania. No interest is payable on the facility and the loan is unsecured.

The outstanding amount owed under the Loan Agreement is repayable in two instalments, being 20 December 2025 and 20 December 2026 but will become immediately payable by EGR Tanzania upon an event of default or upon 30 days' written notice by Mr Boyd requesting immediate payment. The Loan Agreement contains customary events of default.

As at the date of this prospectus, EGR Tanzania has borrowed USD52,600 from Mr Boyd under the Loan Agreement. The total amount of USD52,600 will be repaid to Mr Boyd out of the proceeds of the Offer (as detailed in Section 1.8) through an intercompany loan from InVert Graphite to Exceptional Graphite which is then loaned through an intercompany loan to EGR Tanzania for repayment to Mr Boyd.

It is also proposed that existing Directors and Proposed Directors of InVert Graphite or their related persons or entities may participate in the Offer as set out below:

**Table 18: Director and Proposed Director intended participation in the Offer (which was approved by Shareholders at the General Meeting)**

| Director / Proposed Director | Proposed subscription | Shares proposed to be subscribed |
|------------------------------|-----------------------|----------------------------------|
| David Brookes                | \$75,000              | 2,500,000                        |
| Anastasios Arima             | \$30,000              | 1,000,000                        |
| Dominic Allen                | \$30,000              | 1,000,000                        |
| Simon Taylor                 | \$60,000              | 2,000,000                        |
| Andrew Boyd                  | \$30,000              | 1,000,000                        |
| Andrew Lawson                | \$50,000              | 1,666,667                        |

The existing Directors are not vendors pursuant to the Acquisition, but are proposed to receive Options (as detailed in Sections 10.3 (for the Chairman Options) and Section 10.4 (for the Director and Management Performance Options)), Shares pursuant to the Offer and certain related benefits as detailed in this Prospectus (and there are other proposed actions arising from the Acquisition detailed in this Prospectus, such as changes to certain roles of Directors).

Certain of the Proposed Directors have an interest in the Acquisition, such as arising from their proposed appointments to roles in the Company referred to in this Section 4 and as further summarised below (and detailed elsewhere in this Prospectus):

- (i) Simon Taylor, who is a Proposed Director of the Company, is a shareholder in White Hill Resources Pty Limited, which is the vendor of the White Hill Licences. If the Acquisition is completed, White Hill Resources Pty Limited (and/or its nominee(s)) will receive 1,000,000 Shares in the Company. At the date of this Prospectus, Simon Taylor and his spouse Sally Ann Taylor own 2.44% of the issued share capital of White Hill Resources Pty Limited;
- (ii) Jimzbal Pty Ltd<sup>13</sup>, being a related entity of Simon Taylor (who is a Proposed Director of the Company), is an EGA Vendor and will receive 15,880,000 Consideration Shares if the Acquisition is completed; and
- (iii) Andrew Boyd, who is a Proposed Director of the Company, is an EGA Vendor and will, jointly with his spouse Susan Boyd as trustees for The Cairn Trust, receive 36,945,316 Consideration Shares if the Acquisition is completed.

## 4.5 Executive Agreements

The Company's philosophy on remuneration is that executive and key employee remuneration should be aligned with Shareholder interests by providing levels of fixed remuneration and 'at risk' pay sufficient to attract and retain individuals with the skills and experience required to build on and execute the Company's business strategy, ensuring 'at risk' remuneration is contingent on outcomes that grow and/or protect shareholder value, and aligning the interests of executives and shareholders by ensuring a suitable proportion of remuneration is received as a share-based payment.

To seek to ensure that the Company continues to attract, retain and motivate talented staff at a competitive cost, the Company will aim to (subject to the Board's discretion) align total fixed remuneration to the median rate of the relevant market, with consideration given to experience, qualifications, performance and other non-financial benefits.

InVert Graphite has entered into employment agreements with Mr Boyd and Mr Lawson (both of whom are Proposed Directors) in respect of their proposed engagements with InVert Graphite to occur subject to completion of the Acquisition (**Executive Agreements**). Details of the Executive Agreements are provided below.

Pursuant to the Listing Rules, the remuneration of executive Directors must not include a commission on, or percentage of, operating revenue.

### (a) Executive Agreement – Andrew Boyd

InVert Graphite has entered into an employment agreement with Andrew Boyd pursuant to which InVert Graphite has agreed to appoint Mr Andrew Boyd as Executive Director of the Company, upon satisfaction of the conditions precedent (by 30 May 2025) of the Company completing its acquisition of Exceptional Graphite and the Company receiving approval from ASX for reinstatement to trading on ASX of the Shares, subject only to any conditions which ASX may reasonably require that are acceptable to the Company (as determined by the Board). Pursuant to that agreement, the Company will pay Mr Boyd for performing the role of Executive Director with oversight of the exploration and development activities of InVert Graphite within the scope of his qualifications, skills and experience and to report to the Board of Directors, as InVert Graphite may reasonably require from time to time.

The key terms of Mr Boyd's Executive Agreement are summarised below:

**Table 19: Summary of Andrew Boyd Executive Agreement**

<sup>13</sup> A company in which Proposed Director Simon Taylor is a director and shareholder (and he controls that company with his spouse (who is the only other shareholder and the only other director of Jimzbal Pty Ltd)).

| Term                                                            | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Base salary</b>                                              | \$150,000 per annum inclusive of statutory superannuation for the equivalent of 2.5 days' service per week. The remuneration is subject to annual review by the Board, but there is no guarantee that Mr Boyd's remuneration package will increase.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Short term incentive (STI) and long term incentive (LTI)</b> | The Board in its sole discretion may issue annual short term incentive and long term incentive bonuses totalling (in aggregate) up to 100% of annual base remuneration (inclusive of any statutory superannuation/pension benefits but reduced by the amount of applicable taxation) subject to satisfaction of key performance indicators or vesting conditions set by the Board at its absolute discretion.                                                                                                                                                                                                                                                                                                                                             |
| <b>Other benefits</b>                                           | <p>Various types of leave – including annual leave, personal/carer's leave (including sick leave), compassionate leave, long service leave, community service leave and parental leave – in accordance with applicable legislation.</p> <p>Payment or reimbursement for all authorised and reasonable work-related expenses incurred in the course of Mr Boyd's employment, such as any out of pocket travel expenses, professional memberships and miscellaneous Company expenses.</p>                                                                                                                                                                                                                                                                   |
| <b>Termination</b>                                              | <p>InVert Graphite may terminate Mr Boyd's employment by giving six months' notice and the Company may elect to pay out the notice period. InVert Graphite may also terminate Mr Boyd's employment at any time without notice (or payment in lieu of notice) in certain customary circumstances such as involving material breaches by him.</p> <p>Mr Boyd may terminate his employment by giving three months' notice to InVert Graphite, and the Company may elect to pay out the notice period.</p> <p>Shareholder approval for certain termination benefits that may become payable to Mr Boyd under his Executive Agreement was obtained at InVert Graphite's General Meeting held on 20 December 2024.</p>                                          |
| <b>Restraints</b>                                               | <p>Within 12 months of ceasing employment with InVert Graphite, Mr Boyd shall not (among other things):</p> <ol style="list-style-type: none"> <li>Without the written consent of InVert Graphite approach, solicit, canvas or encourage (or attempt to do any of the foregoing) any Restricted Person to leave the employment or agency of InVert Graphite, or otherwise engage or employ a Restricted Person.</li> <li>Be engaged in any capacity, including as a director, partner, owner, principal, agent, contractor, consultant, representative, shareholder, financier, trustee or employee, by any client of the Company or in any competing business or entity within the country of jurisdiction of each of the Company's projects.</li> </ol> |

In connection with the terms of Mr Boyd's Executive Agreement and in accordance with the terms of the Employee Incentive Plan, InVert Graphite proposes to issue on completion of the Acquisition to Mr Boyd (and/or his nominee(s)) 6,968,138 Director and Management Performance Options comprising:

- 2,787,255 Tranche A Director and Management Performance Options;
- 2,787,255 Tranche B Director and Management Performance Options; and
- 1,393,628 Tranche C Director and Management Performance Options,

on the terms and conditions set out in Section 10.4.

Mr Boyd's Executive Agreement otherwise contains provisions considered standard for an agreement of this nature.

(b) **Executive Agreement – Andrew Lawson**

InVert Graphite has entered into an employment agreement with Andrew Lawson pursuant to which InVert Graphite has agreed to appoint Mr Lawson as Chief Executive Officer upon satisfaction of the conditions precedent (by 30 May 2025) of the Company completing its acquisition of Exceptional Graphite and the Company receiving approval from ASX for reinstatement to trading on ASX of the Shares, subject only to any conditions which ASX may reasonably require that are acceptable to the Company (as determined by the Board). The Board may, at its sole discretion, elect to also appoint Mr Lawson as Managing Director three months after the effective date of his appointment as Chief Executive Officer (i.e. at the end of his probationary period).

The key terms of Mr Lawson's Executive Agreement are summarised below:

*Table 20: Summary of Andrew Lawson Executive Agreement*

| Term                                                            | Description                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Base salary</b>                                              | \$300,000 per annum inclusive of statutory superannuation for full time employment. The remuneration is subject to annual review by the Board, but there is no guarantee that Mr Lawson's remuneration package will increase.                                                                                                                                                                                                                            |
| <b>Short term incentive (STI) and long term incentive (LTI)</b> | The Board in its sole discretion may issue annual short term incentive and long term incentive bonuses totalling (in aggregate) up to 100% of annual base remuneration (inclusive of any statutory superannuation/pension benefits but reduced by the amount of applicable taxation) subject to satisfaction of key performance indicators or vesting conditions set by the Board at its absolute discretion.                                            |
| <b>Other benefits</b>                                           | Various types of leave – including annual leave, personal/carer's leave (including sick leave), compassionate leave, long service leave, community service leave and parental leave – in accordance with applicable legislation.<br><br>Payment or reimbursement for all authorised and reasonable work-related expenses incurred in the course of Mr Lawson's employment, such as any out of pocket travel expenses and miscellaneous Company expenses. |
| <b>Termination</b>                                              | InVert Graphite may terminate Mr Lawson's employment during the three month probation period by giving two weeks' notice and thereafter by giving six months' notice,                                                                                                                                                                                                                                                                                    |

| Term       | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | <p>and the Company may elect to pay out the notice period. InVert Graphite may also terminate Mr Lawson's employment at any time without notice (or payment in lieu of notice) in certain customary circumstances such as involving material breaches by him.</p> <p>Mr Lawson may terminate his employment during the three month probation period by giving two weeks' notice and thereafter by giving three months' notice to InVert Graphite, and the Company may elect to pay out the notice period.</p> <p>Shareholder approval for certain termination benefits that may become payable to Mr Lawson under his Executive Agreement was obtained at InVert Graphite's General Meeting held on 20 December 2024.</p>                                  |
| Restraints | <p>Within 12 months of ceasing employment with InVert Graphite, Mr Lawson shall not (among other things):</p> <ol style="list-style-type: none"> <li>Without the written consent of InVert Graphite approach, solicit, canvas or encourage (or attempt to do any of the foregoing) any Restricted Person to leave the employment or agency of InVert Graphite or otherwise engage or employ a Restricted Person.</li> <li>Be engaged in any capacity, including as a director, partner, owner, principal, agent, contractor, consultant, representative, shareholder, financier, trustee or employee, by any client of the Company or in any competing business or entity within the country of jurisdiction of each of the Company's projects.</li> </ol> |

In connection with the terms of Mr Lawson's Executive Agreement and in accordance with the terms of the Employee Incentive Plan, InVert Graphite proposes to issue to Mr Lawson (and/or his nominee(s)) on satisfactory completion of a three month probationary period, 8,223,881 Director and Management Performance Options comprising:

- 3,289,552 Tranche A Director and Management Performance Options;
- 3,289,552 Tranche B Director and Management Performance Options; and
- 1,644,777 Tranche C Director and Management Performance Options,

on the terms and conditions set out in Section 10.4.

Mr Lawson's remuneration is not proposed to be altered merely if the Board appoints him as Managing Director (in addition to his role as Chief Executive Officer) of the Company.

Mr Lawson's Executive Agreement otherwise contains provisions considered standard for an agreement of this nature.

#### 4.6 Non-Executive Director Arrangements

The Company has entered into outstanding non-executive director appointment letters with David Brookes, Anastasios Arima, Dominic Allen and Simon Taylor (**Non-Executive Director Appointment Letters**) pursuant to which each of those Directors will receive annual director fees as detailed in Table 14 (above). Conditional upon satisfaction of the conditions precedent (by 30 May 2025) of the Company completing its acquisition of Exceptional Graphite and the Company receiving approval from ASX for reinstatement to trading on ASX of the Shares, subject only to any conditions which ASX may reasonably require that are acceptable to the Company (as determined by the Board), Mr Allen's role as an Executive Director of the Company will transition to a Non-Executive Director role (pursuant to his Non-Executive Director Appointment Letter). The

same conditions precedent apply to Mr Taylor's appointment as a Non-Executive Director (and subsequent appointment as Chairman) pursuant to his Non-Executive Director Appointment Letter.

Under the Constitution, the Board may decide the remuneration from the Company to which each Director is entitled for their services as a Director of the Company. However, under the Constitution, the total aggregate amount provided to all Directors for their services as Directors must not exceed in any financial year the aggregate amount approved by Shareholders at the Company's general meeting. Under the Listing Rules, the Company must not increase the total aggregate amount of directors' fees payable to all of its Non-Executive Directors without the approval of Shareholders. For the purposes of the Constitution and the Listing Rules, at the Company's 2011 annual general meeting, Shareholders approved \$400,000 per annum as the maximum aggregate remuneration payable out of the funds of the Company to Non-Executive Directors for their services as Directors, including their service on a committee of Directors.

Directors do not receive additional fees for being a member of a Board committee.

InVert Graphite has also agreed to reimburse non-executive Directors for reasonable expenses incurred in performing their duties as Directors (including in relation to any authorised independent professional advice sought by them to assist them in carrying out their duties as Directors).

In addition, as approved by Shareholders at the General Meeting, and in accordance with the terms of the Employee Incentive Plan, InVert Graphite proposes to issue to each non-executive Director (or their respective nominee(s)) the following Options on the terms and conditions set out in Section 10.3 (for the Chairman Options) and Section 10.4 (for the Director and Management Performance Options):

**Table 21: Chairman Options and Director and Management Performance Options to be issued by the time of Readmission to those Directors and Proposed Directors who will be Non-Executive Directors upon Readmission (which were approved by Shareholders at the General Meeting)**

| Director / Proposed Director | Chairman Options | Tranche A Director and Management Performance Options | Tranche B Director and Management Performance Options | Tranche C Director and Management Performance Options |
|------------------------------|------------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| David Brookes                | 1,231,120        | -                                                     | -                                                     | -                                                     |
| Anastasios Arima             | -                | 984,896                                               | 984,896                                               | 492,448                                               |
| Dominic Allen                | -                | 984,896                                               | 984,896                                               | 492,448                                               |
| Simon Taylor                 | -                | 1,969,792                                             | 1,969,792                                             | 984,896                                               |

Pursuant to the Constitution, in addition to the circumstances prescribed by the Corporations Act, the office of a Director becomes vacant if the Director:

- (a) becomes an insolvent under administration, suspends payment generally to creditors or compounds with or assigns the Director's estate for the benefit of creditors;
- (b) becomes a person of unsound mind or a person who is a patient under laws relating to mental health or whose estate is administered under laws about mental health;
- (c) is absent from meetings of the Directors during a period of three consecutive calendar months without leave of absence from the Directors where the Directors have not, within 14 days of having been served by the Company's company secretary with a notice giving particulars of the absence, resolved that leave of absence be granted;
- (d) resigns office by written notice to the Company;
- (e) is removed from office under the Corporations Act;

- (f) is prohibited from being a director by reason of the operation of the Corporations Act; or
- (g) is convicted on indictment of an offence and the Directors do not within one month after that conviction resolve to confirm the Director's appointment or election (as the case may be) to the office of Director.

The Non-Executive Director Appointment Letters (other than for Dr Brookes, whose Non-Executive Director Appointment Letter states that his appointment as a director is and will be governed by the Constitution, the Corporations Act and the Corporations Regulations 2001 (Cth), as well as the Listing Rules) also provide that a given Non-Executive Director's appointment as a director of the Company automatically ceases at the end of any meeting of Shareholders at which they stand for election or re-election but are not elected or re-elected as a Director by the Shareholders, or otherwise ceases in accordance with the Constitution, the Corporations Act or other applicable law.

The Non-Executive Director Appointment Letters otherwise contain terms and conditions that are considered standard for agreements of this nature, including in relation to confidentiality and disclosure of interests.

#### **4.7 Deeds of Access, Insurance and Indemnity**

InVert Graphite has entered into standard deeds of access, insurance and indemnity with each of the Directors and Ms Louisa Martino. Pursuant to those deeds, InVert Graphite will indemnify the Directors and Ms Martino to the extent permitted by law against all liabilities arising as a result of the officer acting as an officer (including Director) of InVert Graphite and to the extent permitted by law for various legal costs incurred by the officer as an officer (including Director) of InVert Graphite. InVert Graphite is also, to the extent permitted by law and subject to certain matters, required to maintain insurance policies for the benefit of the Directors and Ms Martino which insures them (until the seventh anniversary of them ceasing to be an officer of the Company) against all liabilities arising out of actual or alleged acts of omissions that happened while they were acting as an officer of the Company. InVert Graphite must also allow them to inspect and copy Board papers and other Company records in certain circumstances.

It is proposed for the Company to also enter into equivalent deeds of access, insurance and indemnity with the Proposed Directors.

InVert Graphite has also entered into deeds of indemnity, access and insurance with former Directors and officers of the Company on similar terms to those summarised above for the Directors and the Company Secretary and Chief Financial Officer.

Certain prohibitions under the Corporations Act limit certain benefits which may be provided by InVert Graphite under the deeds of access, insurance and indemnity.

#### **4.8 ASX Corporate Governance Council Principles and Recommendations**

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

To the extent considered appropriate for InVert Graphite's size and nature, InVert Graphite has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition) (**Recommendations**).

In light of InVert Graphite's size and nature, the Board considers that the proposed Board composition and structure is a cost effective and practical method of directing and managing InVert Graphite. If InVert Graphite's activities develop in size, nature and scope, the size and composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

InVert Graphite's main corporate governance policies and practices as at the date of this Prospectus are detailed below. InVert Graphite's full Corporate Governance Plan is available in a

dedicated corporate governance information section of InVert Graphite's website at [www.invertgraphite.com.au](http://www.invertgraphite.com.au).

The Company gives Shareholders the option to receive communications from, and send communications to, the Company and the Share Registry electronically. The Company also facilitates and encourages participation at meetings of security holders, for example by holding the General Meeting both at a physical location and online. Attending the General Meeting online enabled Shareholders to listen to the General Meeting live, ask questions and cast votes on the resolutions at the appropriate times whilst the General Meeting was in progress.

**(a) Board of Directors**

The Board is responsible for the corporate governance of InVert Graphite. The Board develops strategies for InVert Graphite, reviews strategic objectives and monitors performance against those objectives. Clearly articulating the division of responsibilities between the Board and management will help manage expectations and avoid misunderstandings about their respective roles and accountabilities.

In general, the Board assumes (amongst others) the following responsibilities:

- (i) determining the Board's composition (including appointment and retirement or removal of Directors);
- (ii) oversight of the Group (including its control and accountability systems);
- (iii) appointing and removing the Chief Executive Officer or equivalent;
- (iv) ratifying the appointment and the removal of Senior Executives, where appropriate;
- (v) reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct, and legal compliance;
- (vi) approving and formulating company strategy and policy;
- (vii) monitoring the Company's senior executives' implementation of strategy;
- (viii) approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and sales;
- (ix) approving and monitoring financial and other reporting;
- (x) performance of investment and treasury functions;
- (xi) monitoring industry developments relevant to the Group and its business;
- (xii) developing suitable key indicators of financial performance for the Group and its business;
- (xiii) having input in, and granting final approval of, corporate strategy and performance objectives developed by management;
- (xiv) the overall corporate governance of the Group (including its strategic direction and goals for management, and monitoring the achievement of these goals); and
- (xv) oversight of committees of the Board.

InVert Graphite is committed to ensuring that appropriate checks are undertaken before the appointment of a Director and has in place written agreements with each Director which detail the terms of their appointment.

(b) **Composition of the Board**

Election of Board members is substantially the province of the Shareholders in general meeting. On Readmission, the Board will comprise of one executive Director (being Mr Boyd), two independent non-executive Directors (being Dr Brookes and Mr Arima) and two non-independent non-executive Directors (being Mr Allen and Mr Taylor<sup>14</sup>). The Board considers InVert Graphite's two independent non-executive Directors are free from any interest, position, association or relationship that may influence or reasonably be perceived to influence, the independent exercise of their judgement and that each of them is able to fulfil the role of an independent Director for the purpose of the Recommendations. Mr Allen will be considered non-independent due to him having served as an Executive Director of InVert Graphite from 1 November 2021 until on or around the time of completion of the Acquisition. Mr Taylor will be considered non-independent as Mr Taylor is anticipated to have a substantial shareholding in the Company following completion of the Acquisition and the Offer (refer to Section 10.11).

(c) **Identification and management of risk**

The Board's collective experience will assist in the identification of the principal risks that may affect InVert Graphite's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

For example, the Company's exposure to key identified risks (such as environmental and social risks), along with (where applicable) any relevant proposed measures for managing certain risks, is described non-exhaustively in this Prospectus - such as in Section 3. Investors should note that no assurance or forecast is given of whether any risks can be managed or mitigated.

(d) **Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards.

(e) **Independent professional advice**

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

(f) **Nomination Committee**

At the date of this Prospectus the full Board fulfills the role that would otherwise be served by a Nomination Committee. This is because the Board considers that InVert Graphite at that time is not of a sufficient size to justify the formation of a separate Nomination Committee. On completion of the Acquisition, InVert Graphite will establish a separate Nomination Committee the members of which will be Anastasios Arima (Chair), David Brookes and Dominic Allen. The specific responsibilities of the Nomination Committee include:

- (i) making recommendations to the Board in relation to Board composition, taking into account diversity objectives and the required mix of skills and experience;
- (ii) recommending to the Board a process for succession planning;
- (iii) recommending to the Board an induction process for new directors;

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<sup>14</sup> Notwithstanding the proposed issue of Chairman Options to Dr Brookes (as detailed in Section 10.3) and the proposed issue of Director and Management Performance Options to Mr Arima (as detailed in Section 10.4), the Board considers they do not compromise the independence of those Directors, given the relatively small number of those Securities and considering all factors relevant to those Directors' independence, as a whole.

- (iv) recommending and implementing a process for evaluating the performance of the Board, taking into account diversity objectives and the required mix of skills and experience;
- (v) developing and overseeing the implementation of policies relating to corporate governance issues, including an appropriate diversity policy;
- (vi) evaluating the performance of the Chief Executive Officer and other key management personnel; and
- (vii) monitoring the implementation by management of the strategic objectives and policies listed above.

**(g) Remuneration Committee**

At the date of this Prospectus the full Board fulfills the role that would otherwise be served by a Remuneration Committee. This is because The Board considers that InVert Graphite at that time is not of a sufficient size to justify the formation of a separate Remuneration Committee. On completion of the Acquisition, InVert Graphite will establish a separate Remuneration Committee the members of which will be Anastasios Arima (Chair), David Brookes and Dominic Allen.

The specific responsibilities of the Remuneration Committee include:

- (i) reviewing and implementing policies for the purposes of using remuneration to foster long-term growth and success, including motivating the pursuit of long term growth and demonstrating a clear relationship between the achievement of objectives and remuneration;
- (ii) recommending to the Board remuneration for non-executive directors, including liaising with the Nomination Committee in relation to the remuneration to be offered to any new executive or non-executive director;
- (iii) recommending and monitoring the level and structure of remuneration for the Chief Executive Officer and other key management personnel;
- (iv) reviewing the Chief Executive Officer's recommendations regarding remuneration for employees;
- (v) performance monitoring of the implementation by management of the Board's strategic objectives and policies; and
- (vi) overseeing the implementation of any company share plan or other incentive scheme (including the vesting and conversion to Shares).

**(h) Audit and Risk Management Committee**

At the date of this Prospectus the full Board fulfills the role that would otherwise be served by an Audit and Risk Management Committee. This is because The Board considers that InVert Graphite at that time is not of a sufficient size to justify the formation of a separate Audit and Risk Management Committee. On completion of the Acquisition, InVert Graphite will establish a separate Audit and Risk Management Committee the members of which will be Dominic Allen (Chair), David Brookes and Anastasios Arima.

The objectives of the Audit and Risk Management Committee are to assist the Board in fulfilling its duties and responsibilities in regard to financial reporting, audit and risk management, including:

- (i) the integrity of the Company's financial reporting;
- (ii) compliance with legal and regulatory obligations;

- (iii) the effectiveness of the Company's enterprise-wide risk management and internal control framework; and
- (iv) oversight of the effectiveness and independence of the external auditor.

(i) **External audit**

InVert Graphite in general meetings is responsible for the appointment of the external auditors of InVert Graphite, and the Board from time to time will review the scope, performance and fees of those external auditors following the recommendation from the Audit and Risk Management Committee.

(j) **Internal audit**

InVert Graphite does not have an internal audit function. The Board considers the board's oversight and financial control function in conjunction with its risk management policy is sufficient for a Company of its small size and lack of complexity. InVert Graphite's Audit and Risk Management Committee is designed to assist the Board in evaluating and seeking to improve the effectiveness of InVert Graphite's governance, risk management and internal control processes.

For example, this includes the Audit and Risk Management Committee Charter providing for that committee to:

- (i) review the Company's management's establishment and operation of an enterprise-wide risk management system which is designed to identify, assess, monitor and manage material business risk throughout the Company, in relation to audit, accounting, tax and financial reporting risk and obligations; and
- (ii) consider the adequacy and effectiveness of the Company's internal control framework by reviewing reports from management and external auditors, and by monitoring management responses and actions to correct any noted deficiencies

## **4.9 Corporate Governance Policies**

InVert Graphite has adopted the following policies (in addition to a Board and Governance Charter), each of which has been prepared having regard to the Recommendations and is available on InVert Graphite's website at [www.invertgraphite.com.au](http://www.invertgraphite.com.au).

(a) **Whistleblower policy**

InVert Graphite has adopted a whistleblower policy to help the Company identify wrongdoing that may otherwise not be uncovered unless there is a safe and secure means for disclosing misconduct. The whistleblower policy applies to the operations of InVert Graphite and its related bodies corporate in Australia, and the Australian employees, officers, contractors and associates of the Company, as well as any other persons and entities required by applicable law (including the Corporations Act). InVert Graphite is committed to conducting business with honesty and integrity. As part of this commitment, InVert Graphite will honour its obligation to protect any genuine whistleblowers who come forward from retaliation.

(b) **Anti-Bribery and Corruption policy**

InVert Graphite is committed to conducting its business and operations with honesty, integrity and the highest standards of personal and professional ethical behaviour. It has zero tolerance for bribery and corruption in any form. The Company's Anti-Bribery and Corruption policy sets out its anti-bribery and corruption rules to seek to ensure the Company's compliance with the local anti-bribery and corruption legislation and regulations, namely the Criminal Code Act 1995 (Cth) and the legislation in the various States and Territories of Australia. Where any actions are undertaken by or on behalf of the Company in, or in connection with, another jurisdiction then the anti-bribery legislation

in that jurisdiction must also be complied with including (but not limited to) the UK Bribery Act and the US Foreign Corrupt Practices Act both of which can apply to acts committed anywhere in the world.

The policy applies to all Directors, officers, senior management and other employees, consultants and contractors of InVert Graphite and agents of the Company.

(c) **Securities Trading policy**

The Board has adopted a policy that enables (and applies to) all employees, including directors, senior management, consultants and contractors, of InVert Graphite (and their associates) to understand the Company's securities trading requirements, what insider trading is and why insider trading is prohibited. The policy generally provides that the written clearance from the Chairman must be obtained prior to dealing in the Company's securities.

It also provides that, in addition to ensuring compliance with the insider trading prohibitions, persons who the policy applies to must not trade in Company securities during certain prohibited periods (but noting there are certain permitted dealings).

The Company's Securities Trading Policy also states that all employees, including directors, senior management, consultants and contractors of the Company must not enter into transactions or arrangements with anyone which could have effect of limiting their exposure to risk relating to an element of their remuneration that:

- (i) has not vested; or
- (ii) has vested but remains subject to a holding lock.

(d) **Diversity policy**

InVert Graphite is committed to supporting and ensuring a diverse work environment where it involves recognising the value of individual differences and managing them in the workplace. The Board values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Accordingly, InVert Graphite has set in place a Diversity Policy. The Company's Diversity Policy sets out InVert Graphite's objectives for achieving workplace diversity and flexibility, how it will achieve those objectives and how it will measure those achievements. The policy provides that the Board is responsible for establishing transparent, measurable objectives for achieving board diversity and articulation of the corporate benefits arising from employee and board diversity.

Pursuant to the Diversity Policy, InVert Graphite will provide information in its annual report on the following:

- (i) the proportion of women employees in InVert Graphite;
- (ii) the number of women in senior executives position;
- (iii) the number of women on the Board; and
- (iv) other diversity measures as agreed to by the Board.

(e) **Code of Conduct**

The Board has adopted a Code of Conduct that governs all directors, officers, employees, contractors and consultants of InVert Graphite, and details the standards of ethical behaviour that InVert Graphite expects from them.

The Code of Conduct embodies principles to which all such personnel are expected to adhere and to advocate. Any violations of the Code of Conduct may result in disciplinary action, including termination, as applicable.

(f) **Continuous Disclosure Policy**

Following Readmission, InVert Graphite will need to continue to comply with the continuous disclosure requirements of the Listing Rules and the Corporations Act to ensure InVert Graphite discloses to the ASX any information concerning InVert Graphite which a reasonable person would expect to have a material effect on the price or value of the Shares (subject to certain exceptions). This policy sets out the Board's continuous disclosure policies as adopted by the Board, and outlines measures adopted by InVert Graphite in order to meet these obligations.

(g) **Risk Management Policy**

This policy is designed to assist InVert Graphite to identify, assess, monitor and manage risks affecting InVert Graphite's business. The Board's collective experience is proposed to assist in the identification of the principal risks that may affect InVert Graphite's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

#### 4.10 Departures from ASX Recommendations

The Recommendations are not prescriptions but guidelines. However, under the Listing Rules InVert Graphite will be required to provide a statement in its annual report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where InVert Graphite has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

InVert Graphite's anticipated departures from Recommendations as at the time of Readmission are detailed in the following table, which the Board considers reasonable given the current stage of development of InVert Graphite and its business. Otherwise, InVert Graphite will comply with the Recommendations as at the date of Readmission, as applicable to InVert Graphite.

*Table 22: Summary of departures from ASX Recommendations*

| Principle                                                                                                                                                                                                                                                                                                                                              | Explanation for departure                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>ASX Recommendation 1.5</b><br>A listed entity should set measurable objectives for achieving gender diversity.                                                                                                                                                                                                                                      | InVert Graphite has adopted a diversity policy and the Board recognises the benefit of having a diverse employee base from a variety of ages, genders, cultural backgrounds or other personal factors.<br><br>Due to the size and specialist nature of InVert Graphite's current business activities and the small workforce currently employed, it is not practical, at this time, for InVert Graphite to set measurable objectives for achieving gender diversity. |
| <b>ASX Recommendation 1.6</b><br>A listed entity should have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors and disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. | The Board considers that the size of the Board and the current scale of InVert Graphite's activities makes the establishment of a formal performance evaluation procedure unnecessary. In the normal course of business, the Board reviews the performance of management, Directors and the Board as a whole. Further, the performance and achievement of goals are evaluated regularly on an informal basis.                                                        |
| <b>ASX Recommendation 1.7</b><br>A listed entity should have and disclose a process for evaluating                                                                                                                                                                                                                                                     | The Board believes that the small size of the executive team and the current scale of InVert Graphite's activities makes the establishment of a formal performance review procedure unnecessary. In the normal course of business,                                                                                                                                                                                                                                   |

| Principle                                                                                                                                                                                                                                                   | Explanation for departure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| the performance of its senior executives at least once every reporting period and disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.              | the Board reviews the performance of management, Directors and the Board as a whole. Further, the performance and achievement of goals are evaluated regularly on an informal basis.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>ASX Recommendation 2.4</b><br>A majority of the board of a listed entity should be independent directors.                                                                                                                                                | <p>At the time of Readmission, InVert Graphite's Board will comprise two independent directors and three non-independent directors. Accordingly, a majority of directors will not be independent directors at the time of Readmission.</p> <p>Mr Lawson's Executive Services Agreement (summarised in Section 4.5(b)) provides that at the sole discretion of the Board he may be appointed Managing Director of InVert Graphite three months after the effective date of his appointment as InVert Graphite's Chief Executive Officer (that effective date being around the time of the completion of the Acquisition). Should the Board exercise its discretion to appoint Mr Lawson as Managing Director the Board at that time would comprise two independent and four non-independent Directors.</p> <p>Given the size and scope of InVert Graphite's operations, the Board considers that it has the relevant experience in the exploration and mining industry and is appropriately structured to discharge its duties in a manner that is in the best interests of its shareholders from both a long-term strategic and operational perspective.</p> <p>Consequently, the Board does not consider it necessary to comply with Recommendation 2.4 at this stage. However, the Board will continue to assess this, noting that the Board Charter provides that the majority of the Board should be independent non-executive directors.</p> |
| <b>ASX Recommendation 2.5</b><br>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.                                                                    | <p>At the completion of the Acquisition and the Offer, Dr David Brookes will be the independent Non-Executive Chairman.</p> <p>It is intended that within three months of the completion of acquisition, Dr Brookes will transition to a Non-Executive Director role and Mr Simon Taylor, will be appointed Chairman of the Company. Mr Taylor is not considered to be an independent Director.</p> <p>The Board believes Mr Taylor to be the most appropriate person to act as Chairman of the Company following the completion of the Acquisition due to his extensive skills and experience in managing and developing resources companies in Africa.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>ASX Recommendation 2.6</b><br>A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge | <p>New Directors undertake an induction program coordinated by the Company Secretary that briefs and informs the Director on all relevant aspects of the Company's operations and background. InVert Graphite does not currently have any formal Director development program in place.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| Principle                                                                                                                                                                                     | Explanation for departure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>needed to perform their role as directors effectively.</p>                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <p><b>ASX Recommendation 4.1</b></p> <p>The board of a listed entity should have an audit committee which is chaired by an independent director.</p> <p><i>and</i></p>                        | <p>The Board considers that InVert Graphite is not currently of a sufficient size to justify the formation of a separate Audit and Risk Management Committee, so the Board as a whole performs the role of such a committee.</p> <p>On completion of the Acquisition, InVert Graphite will establish a separate Audit and Risk Management Committee the members of which will be Dominic Allen (Chair), David Brookes and Anastasios Arima.</p>                                                                                                                                                                                                                                                                                                                                                                 |
| <p><b>ASX Recommendations 7.1 and 7.2</b></p> <p>The board of a listed entity should have a committee or committees to oversee risk, each of which is chaired by an independent director.</p> | <p>A majority of the members of the Audit and Risk Management Committee will be independent non-executive Directors but Dominic Allen, the proposed Chair of the Audit and Risk and Management Committee, will be considered non-independent due to having served as an Executive Director of InVert Graphite from 1 November 2021 until on or around the time of completion of the Acquisition.</p> <p>Mr Allen holds a Bachelor of Commerce and a Bachelor of Science (Hons) from the University of Western Australia and qualified as Chartered Accountant (CA ANZ). Refer to Section 4.2(e) for details of his experience. The Board believes that Mr Allen's financial qualifications and experience make him the most qualified member of the Board to Chair the Audit and Risk Management Committee.</p> |

5 GRAPHITE INDUSTRY OVERVIEW

Graphite is a naturally occurring form of carbon with unique properties, including excellent electrical and thermal conductivity as well as chemical resistance. Graphite can occur naturally or can be produced synthetically and is commonly used in a range of incumbent industrial markets, including metallurgical, refractory, electronic and nuclear applications.

However, it is graphite’s role as a key material for anodes used in lithium ion batteries that is projected to drive significant growth in demand, particularly as the uptake of electric vehicles and a shift to electrification and the resulting requirement for energy storage accelerates over the coming decades.

The natural graphite market is currently dominated by China, which accounted for ~66% of the 2024 natural flake graphite supply, and close to 100% of downstream graphite processing for battery anode material<sup>15,16</sup>. Graphite has now been listed as a strategic critical mineral in a number of countries, including the U.S., the E.U., Japan and Australia, with the U.S. being 100% import reliant on natural graphite, of which 43% was sourced from China for the period from 2020-2023.

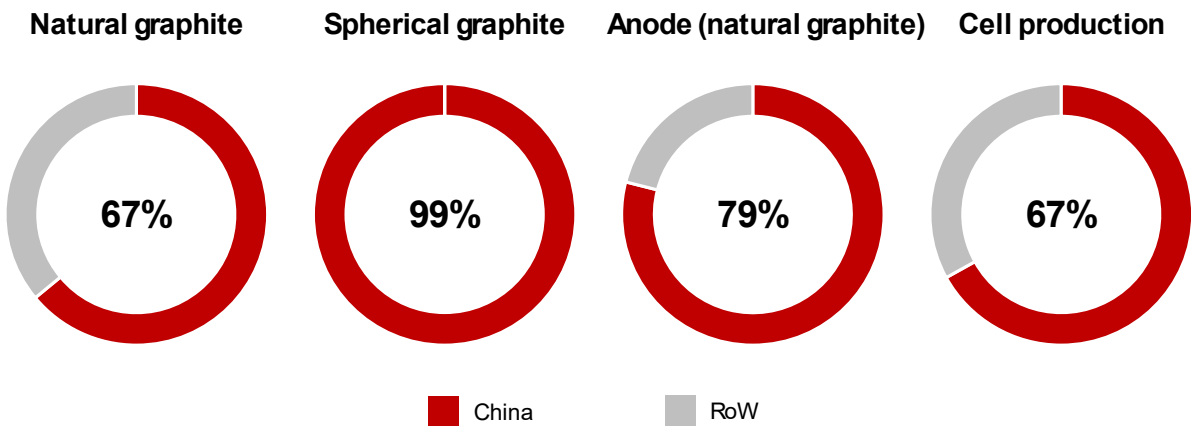


Figure 9: China’s participation level in the graphite-related battery supply chain<sup>17</sup>

Given the projected growth in demand for graphite combined with its critical and strategic nature to electric vehicle and renewable energy supply chains, particularly ex-China, the long term forecast for graphite markets is favourable<sup>18</sup>.

Strategic potential to the U.S.<sup>19</sup>

Graphite has been identified as a critical mineral in many countries as they look to secure supply chains linked to lithium-ion batteries, particularly in commodities currently dominated by China. This includes the U.S., which has determined natural graphite as a critical mineral, which in turn informs eligibility for tax credits and other incentives, across the Department of Energy and Department of Defense.

The battery end-use market for graphite has grown by 200% globally since 2019, with 10 lithium-ion battery manufacturing plants in operation in the U.S. in 2023 (up from 3 in 2019) and an

<sup>15</sup> United States Geological Survey Mineral Commodity Summary, Graphite (Natural), 2025 (referenced in this document without consent).

<sup>16</sup> Fastmarkets battery raw materials research, March 2024 (referenced in this document without consent).

<sup>17</sup> Canaccord Genuity, Benchmark, IDA, SNE Research, IEA (referenced in this document without consent).

<sup>18</sup> International Energy Agency (IEA), Global Critical Minerals Outlook 2024, Graphite (referenced in this document without consent).

<sup>19</sup> All views relating to nation states and governments in this Section 5 are opinions of the Directors, and no consents have been sought or obtained from such nation states or governments. No guarantee or forecast is provided of whether such views will prove to be accurate or inaccurate.

additional 28 facilities in development. At full capacity, these plants are expected to require approximately 1.5 million tons per year of spherical purified graphite<sup>20</sup>.

As a result, there are a significant number of programs through both the U.S. Department of Energy and the U.S. Department of Defense intended to incentivize development of the lithium-ion supply chain for the U.S., including for critical mineral development associated with countries allied to the U.S.

In 2022, a Presidential determination was signed requiring the use of U.S. Defense Production Act Title III authorities to strengthen the U.S. industrial base for large-capacity batteries and specifically increasing domestic mining and processing of critical materials for the large-capacity battery supply chain, including graphite. The determination directed the U.S. Secretary of Defense to support (1) feasibility studies for “mature mining, beneficiation, and value-added processing projects” for such critical materials; (2) byproduct and coproduct production at existing mining and other industrial facilities; and (3) improvements to increase productivity, workforce safety, and sustainability in critical minerals mining, beneficiation, and processing. In July 2023, US\$37.5 million was granted under this program to Graphite One in order to secure a reliable, sustainable supply of graphite materials within the U.S.

In 2024, three companies were awarded grants through U.S. Government programs. Lominko Metals was awarded \$8.3 million through the Defense Production Act, Title III, for the development of a natural flake graphite mine in Canada. Two other projects were awarded \$125 million each, through the Bipartisan Infrastructure Law of 2021, including the development of a coated spherical graphite production facility in Alabama<sup>21</sup>.

In April 2023, a program announced by Former U.S. Vice President Harris was officially signed to facilitate up to \$500 million in U.S. export financing to the United Republic of Tanzania<sup>22</sup>, and also progressed the Life Zone Metals Framework Agreement with the Tanzanian government to open a new multi-metals processing facility that will use innovative, low-emission technology to process nickel in Tanzania, including the identification of additional opportunities across the region for critical mineral inputs to the new facility. No forecast is made of what the new U.S. administration led by President Trump may do in future.

Geopolitical tensions have the potential to create significant supply shocks for trade of graphite from China to the U.S., and in October 2023 China announced a set of export restrictions on certain graphite products, leveraging its dominance of the global critical minerals and raw materials supply chain. Subsequently, in May 2024 the U.S. President directed increases in tariffs across a range of strategic sectors including critical minerals, with the tariff rate on natural graphite to increase from 0% to 25% in 2026. In February 2025, the U.S. International Trade Commission made a preliminary determination that China has suppressed the establishment of the U.S. graphite industry through the export of artificially cheap anode material.<sup>23</sup>

InVert Graphite’s experienced U.S. focused Non-Executive Directors believe the current geopolitical climate provides an opportunity to evaluate whether there may be potential to seek U.S. Federal Government support for the Project, including funding programs and the assessment of value-add downstream processing opportunities either in Tanzania or the U.S. This is an aspiration of InVert Graphite, as InVert Graphite does not yet have reasonable grounds to believe this can be achieved. No forecast is made of whether it may be achieved in future.

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<sup>20</sup> United States Geological Survey Mineral Commodity Summary, Graphite (Natural), 2023 / 2024, Benchmark Mineral Intelligence (referenced in this document without consent).

<sup>21</sup> United States Geological Survey Mineral Commodity Summary, Graphite (Natural), 2025 (referenced in this document without consent).

<sup>22</sup> Export-Import Bank of the United States (referenced in this document without consent).

<sup>23</sup> U.S. ITC Active Anode Material from China Investigation Nos. 701-TA-752 and 731-TA-1730 (Preliminary) (referenced in this document without consent).

## 6 FINANCIAL INFORMATION AND INDEPENDENT LIMITED ASSURANCE REPORT

### 6.1 Introduction

This section sets out certain historical and pro forma financial information of InVert Graphite, Exceptional Graphite (consolidated), Green Valley and EGR Tanzania. The Directors are responsible for the inclusion of all financial information in this Prospectus. The purpose of the inclusion of the Financial Information (as defined below) is to illustrate the effects of the Offer and other pro forma events on InVert Graphite. PKF Brisbane Audit has prepared an Independent Limited Assurance Report in respect to the Financial Information. A copy of that report, within which appears an explanation of the scope and limitations of PKF Brisbane Audit's work, is set out in Section 6.15.

All information presented in this Section should be read in conjunction with the balance of this Prospectus, including (without limitation):

- the risk factors described in Section 3;
- the description of the use of proceeds of the Offer described in Section 1.8 and Section 2.11;
- the Independent Limited Assurance Report, set out in Section 6.15; and
- the indicative capital structure described in Section 1.9.

On 31 August, 2023 the Company's Shares were suspended from quotation under ASX Listing Rule 17.2. Since that time, the Company has had limited operations. As a result, the Company is not able to disclose any key financial ratios other than the information set out below and the information included in the Independent Limited Assurance Report set out in Section 6.15 of this Prospectus.

### 6.2 Overview of Financial Information

The Financial Information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards and, in the case of EGR Tanzania, International Accounting Standards. The accounting policies adopted by InVert Graphite as detailed in Section 6.14. The Financial Information has been derived from the historical financial information and assumes the completion of the pro forma adjustments as set out in Section 6.8 as if those adjustments had occurred as at 30 June 2024.

The Financial Information contained in this Section of this Prospectus is presented in an abbreviated form and does not contain all the disclosures that are provided in a financial report prepared in accordance with the Corporations Act and Australian Accounting Standards and Interpretations.

The historical financial information comprises the following (collectively referred to as the **Historical Financial Information**):

- (a) InVert Graphite's audited historical consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2022, for the year ended 31 December 2023 and InVert Graphite's reviewed historical consolidated Statement of Profit or Loss and Other Comprehensive Income for the half-years ended 30 June 2023 and 30 June 2024;
- (b) Exceptional Graphite's audited historical Statement of Profit or Loss and Other Comprehensive Income for the period from incorporation (5 April 2023) to 31 December 2023 and Exceptional Graphite's reviewed historical Statement of Profit or Loss and Other Comprehensive Income for the period from Exceptional Graphite's incorporation to 30 June 2023 and for the half-year ended 30 June 2024;

- (c) Green Valley's audited historical Statement of Profit or Loss and Other Comprehensive Income for the period from incorporation (6 December 2022) to 31 December 2022, for the year ended 31 December 2023 and Green Valley's reviewed historical Statement of Profit or Loss and Other Comprehensive Income for the half-years ended 30 June 2023 and 30 June 2024;
- (d) EGR Tanzania's audited historical Statement of Profit or Loss and Other Comprehensive Income for the period from incorporation (4 April 2022) to 31 December 2022, for the year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024;
- (e) InVert Graphite's audited historical consolidated Statement of Financial Position as at 31 December 2022, 31 December 2023 and InVert Graphite's reviewed historical consolidated Statement of Financial Position as at 30 June 2024;
- (f) Exceptional Graphite's audited historical Statement of Financial Position as at 31 December 2023 and Exceptional Graphite's reviewed historical Statement of Financial Position as at 30 June 2024;
- (g) Green Valley's audited historical Statement of Financial Position as at 31 December 2022, 31 December 2023 and Green Valley's reviewed historical Statement of Financial Position as at 30 June 2024;
- (h) EGR Tanzania's audited historical Statement of Financial Position as at 31 December 2022, 31 December 2023 and 30 June 2024;
- (i) InVert Graphite's audited historical consolidated Statement of Cash Flows for the year ended 31 December 2022, for the year ended 31 December 2023 and InVert Graphite's reviewed historical consolidated Statement of Cash Flows for the half-years ended 30 June 2023 and 30 June 2024;
- (j) Exceptional Graphite's audited historical Statement of Cash Flows for the period from incorporation (5 April 2023) to 31 December 2023 and Exceptional Graphite's reviewed historical Statement of Cash Flows for the period from Exceptional Graphite's incorporation to 30 June 2023 and for the half-year ended 30 June 2024;
- (k) Green Valley's audited historical Statement of Cash Flows for the period from incorporation (6 December 2022) to 31 December 2022, for the year ended 31 December 2023 and Green Valley's reviewed historical Statement of Cash Flows for the half-years ended 30 June 2023 and 30 June 2024; and
- (l) EGR Tanzania's audited historical Statement of Cash Flows for the period from incorporation (4 April 2022) to 31 December 2022, for the year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024.

The pro forma financial information comprises the pro forma statement of financial position as at 30 June 2024 which assumes the completion of the Acquisition and the completion of the Offer respectively had occurred as at 30 June 2024 and the notes to the pro forma statement of financial position (**Pro-Forma Financial Information**).

The Historical Financial Information and the Pro-Forma Financial Information together form the **Financial Information**.

Also summarised in this Section are:

- the basis of preparation and presentation of the Financial Information (Section 6.3);
- Historical Financial Information (Section 6.4);
- Pro-Forma Financial Information (Section 6.8); and
- Material accounting policies (Section 6.14).

The Financial Information has been reviewed in accordance with the Australian Standard on Assurance Engagements ASAE 3450 Assurance Engagement involving Fundraising and/ or Prospective Financial Information by PKF Brisbane Audit whose Independent Limited Assurance Report is contained in Section 6.15. Investors should note the scope and limitations of that report.

The Company operates on a financial year ending 31 December. All amounts disclosed in this Section 6 are presented in Australian dollars with the exception of the financial information for EGR Tanzania which is in Tanzanian Shillings (**TZS**). Tables in this Section have not been amended to correct immaterial summation differences that may arise from rounding.

### **6.3 Basis of preparation and presentation of the Financial Information**

The Directors are responsible for the preparation and presentation of the Financial Information.

Given the fact that on completion of the Acquisition and the Offer the Company will be an early stage mineral exploration business, there are significant uncertainties associated with forecasting the future revenues and expenses of the Company. On this basis the Directors believe that there is no reasonable basis for the inclusion of financial forecasts in this Prospectus.

The Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding the underlying historical financial performance, cash flows and statement of financial position of the Company and those entities to be acquired directly or indirectly by the Company pursuant to the Acquisition.

The Financial Information of InVert Graphite, Exceptional Graphite and Green Valley has been prepared and presented in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards (including the Australian Accounting interpretations), issued by the Australian Accounting Standards Board and the accounting policies adopted by the Company.

The Financial Information of EGR Tanzania has been prepared and presented in accordance with International Financial Reporting Standards (IFRS). Compliance with Australian Accounting Standards ensures that the Financial Information complies with the recognition and measurement principles of International Financial Reporting Standards as adopted by the International Accounting Standards Board.

The Financial Information is presented in an abbreviated form and does not contain all the disclosures, statements or comparative information required by the Australian Accounting Standards and International Financial Reporting Standards applicable to annual financial reports.

The material accounting policies adopted in the preparation of the Financial Information are summarised in Section 6.14 and have been consistently applied by InVert Graphite, Exceptional Graphite and Green Valley throughout the periods presented and, in relation to the Company, are set out in full in the annual reports of the Company which can be found at [www.invertgraphite.com.au](http://www.invertgraphite.com.au). EGR Tanzania also consistently applied the material accounting policies, with the exception of the exploration and evaluation assets policy, as noted in Section 6.14.

### **6.4 Preparation of Historical Financial Information**

The financial information for InVert Graphite has been derived from the audited consolidated financial statements of the Company for the 2022 and 2023 financial years and the reviewed consolidated financial statements for the half years ended 30 June 2023 and 30 June 2024. The statutory consolidated financial statements for the years ended 31 December 2022 and 31 December 2023 have been audited by PKF Brisbane Audit in accordance with Australian Auditing Standards and in respect of which PKF Brisbane Audit issued an unmodified audit opinion in respect of these years. The statutory half year consolidated financial statements for the half years ended 30 June 2023 and 30 June 2024 have been reviewed by PKF Brisbane Audit in accordance with Australian Auditing Standards and in respect of which PKF Brisbane Audit issued an unmodified review conclusion for this period.

The financial information for Exceptional Graphite has been derived from the audited financial statements of Exceptional Graphite for the period from the date of its incorporation on 5 April 2023

to 31 December 2023 audited by PKF Brisbane Audit which issued an unmodified opinion with a material uncertainty related to going concern and financial information extracted from the reviewed financial statements for the six months to 30 June 2024 (including the comparatives for the period from the incorporation of Exceptional Graphite to 30 June 2023) which have been reviewed by PKF Brisbane Audit which issued an unmodified review conclusion with a material uncertainty related to going concern for the six months to 30 June 2024. The financial statements of Exceptional Graphite have been prepared under Australian Accounting Standards.

The financial information for Green Valley has been derived from the audited financial statements of Green Valley for the period from the date of its incorporation on 6 December 2022 to 31 December 2022 and the financial year ended 31 December 2023 audited by PKF Brisbane Audit which issued an unmodified opinion with a material uncertainty related to going concern in respect of these periods and financial information extracted from the reviewed financial statements for the six months to 30 June 2024 (including the comparatives for the six months to 30 June 2023) which have been reviewed by PKF Brisbane Audit which issued an unmodified review conclusion with a material uncertainty related to going concern for the six months to 30 June 2024. The financial statements of Green Valley have been prepared under Australian Accounting Standards.

The financial information for EGR Tanzania has been derived from the audited financial statements of EGR Tanzania for the period from the date of its incorporation on 4 April 2022 to 31 December 2022, the financial year ended 31 December 2023 and the half year ended 30 June 2024 (including the comparatives for the six months to 30 June 2023), audited by BM Financial Consultants which issued an unmodified opinion in respect of these three periods. The financial statements of EGR Tanzania have been prepared under International Financial Reporting Standards.

Exceptional Graphite, Green Valley and EGR Tanzania are the entities subject to the Acquisition as contemplated by this Prospectus. The historical financial information for Exceptional Graphite, Green Valley and EGR Tanzania for the half year ended 30 June 2024 has been included in the Pro-Forma Financial Information as disclosed in Section 6.8 below as an asset acquisition and not a business combination (refer to Section 6.10).

Investors should note that the past results do not guarantee future performance.

## 6.5 Historical statements of profit or loss and other comprehensive income

### (a) InVert Graphite Limited

Set out below are the statutory historical consolidated statements of profit or loss and other comprehensive income of InVert Graphite for the year ended 31 December 2022, for the year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024:

**Table 23: InVert Graphite historical statements of profit and loss and other comprehensive income**

|                                              | Consolidated<br>Reviewed<br>Half year<br>ended<br>30 June 2024<br>A\$ | Consolidated<br>Reviewed<br>Half year<br>ended<br>30 June 2023<br>A\$ | Consolidated<br>Audited<br>Year ended<br>31 Dec 2023<br>A\$ | Consolidated<br>Audited<br>Year ended<br>31 Dec 2022<br>A\$ |
|----------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|
| <b>Revenues</b>                              |                                                                       |                                                                       |                                                             |                                                             |
| Interest income                              | 23,700                                                                | 29,520                                                                | 59,107                                                      | 33,815                                                      |
| Total revenue                                | <b>23,700</b>                                                         | <b>29,520</b>                                                         | <b>59,107</b>                                               | <b>33,815</b>                                               |
| <b>Corporate and Administration expenses</b> |                                                                       |                                                                       |                                                             |                                                             |
| ASX and share registry                       | (27,311)                                                              | (18,345)                                                              | (51,572)                                                    | (53,533)                                                    |
| Legal and compliance costs                   | (35,057)                                                              | (38,216)                                                              | (56,021)                                                    | (145,199)                                                   |
| Director remuneration                        | (138,828)                                                             | (138,621)                                                             | (280,670)                                                   | (275,035)                                                   |
| Consultants                                  | (60,000)                                                              | (68,387)                                                              | (134,846)                                                   | (140,957)                                                   |
| Administration expenses                      | (65,077)                                                              | (54,957)                                                              | (109,002)                                                   | (164,562)                                                   |
| Corporate transaction costs                  | (65,847)                                                              | -                                                                     | (130,809)                                                   | (75,899)                                                    |
| Finance costs                                | (1,745)                                                               | (1,662)                                                               | (3,260)                                                     | (5,104)                                                     |

|                                                                | Consolidated<br>Reviewed<br>Half year<br>ended<br>30 June 2024<br>A\$ | Consolidated<br>Reviewed<br>Half year<br>ended<br>30 June 2023<br>A\$ | Consolidated<br>Audited<br>Year ended<br>31 Dec 2023<br>A\$ | Consolidated<br>Audited<br>Year ended<br>31 Dec 2022<br>A\$ |
|----------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|
| Gains / (losses) on foreign exchange                           | 24,251                                                                | 20,277                                                                | (14,728)                                                    | 15,126                                                      |
| Loss from continuing operations                                | (345,914)                                                             | (299,911)                                                             | (721,801)                                                   | (811,348)                                                   |
| <b>Georgia Lime Project expenses (Discontinued operations)</b> |                                                                       |                                                                       |                                                             |                                                             |
| Marketing studies                                              | -                                                                     | (21,231)                                                              | (40,888)                                                    | -                                                           |
| Geological consultants                                         | -                                                                     | -                                                                     | -                                                           | (61,400)                                                    |
| Impairment of contract to acquire land                         | -                                                                     | -                                                                     | (1,648,304)                                                 | -                                                           |
| Loss from discontinued operations                              | -                                                                     | -                                                                     | (1,689,192)                                                 | (61,400)                                                    |
| <b>Operating loss before income tax</b>                        | <b>(345,914)</b>                                                      | <b>(291,622)</b>                                                      | <b>(2,410,993)</b>                                          | <b>(872,748)</b>                                            |
| Income tax expense                                             | -                                                                     | -                                                                     | -                                                           | -                                                           |
| <b>Loss for the period</b>                                     | <b>(345,914)</b>                                                      | <b>(291,622)</b>                                                      | <b>(2,410,993)</b>                                          | <b>(872,748)</b>                                            |
| <b>Other comprehensive income / (loss)</b>                     |                                                                       |                                                                       |                                                             |                                                             |
| <i>Items that may be reclassified to the profit or loss</i>    |                                                                       |                                                                       |                                                             |                                                             |
| Exchange differences on translation of foreign operations      | (26,547)                                                              | (11,150)                                                              | 14,304                                                      | (18,261)                                                    |
| <b>Total comprehensive loss</b>                                | <b>(372,461)</b>                                                      | <b>(302,772)</b>                                                      | <b>(2,396,689)</b>                                          | <b>(891,009)</b>                                            |
|                                                                |                                                                       |                                                                       |                                                             |                                                             |

\* Refer to Section 6.4 with respect to the review conclusion and audit opinions issued by PKF Brisbane Audit on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

(b) **Exceptional Graphite (Aust) Pty Ltd**

Set out below are the statutory historical statements of profit or loss and other comprehensive income of Exceptional Graphite for the period from incorporation (5 April 2023) to 31 December 2023, for the period from the time of Exceptional Graphite's incorporation to 30 June 2023 and for the half-year ended 30 June 2024:

**Table 24: Exceptional Graphite historical statements of profit and loss and other comprehensive income**

|                                     | Reviewed<br>Half year ended<br>30 June 2024<br>A\$ | Reviewed<br>5 April 2023 to<br>30 June 2023<br>A\$ | Audited<br>5 April 2023 to<br>31 Dec 2023<br>A\$ |
|-------------------------------------|----------------------------------------------------|----------------------------------------------------|--------------------------------------------------|
| <b>Revenues</b>                     |                                                    |                                                    |                                                  |
| Interest income                     | -                                                  | 2                                                  | 10                                               |
| Total revenue                       | -                                                  | 2                                                  | 10                                               |
| <b>Operating expenses</b>           |                                                    |                                                    |                                                  |
| Audit fees                          | (5,000)                                            | -                                                  | (5,000)                                          |
| Business development expenses       | -                                                  | (30,218)                                           | (240,512)                                        |
| Consultants                         | -                                                  | (20,000)                                           | (20,000)                                         |
| Director remuneration               | -                                                  | (110,000)                                          | (110,000)                                        |
| Foreign exchange losses             | -                                                  | (296)                                              | (12,598)                                         |
| General and administration expenses | (607)                                              | (635)                                              | (1,184)                                          |
|                                     | (5,607)                                            | (161,149)                                          | (389,294)                                        |

|                                                             |                |                  |                  |
|-------------------------------------------------------------|----------------|------------------|------------------|
| <b>Loss before income tax</b>                               | (5,607)        | (161,147)        | (389,284)        |
| Income tax expense                                          | -              | -                | -                |
| Net loss from continuing operations                         | (5,607)        | (161,147)        | (389,284)        |
| <b>Other comprehensive loss</b>                             |                |                  |                  |
| <b>Items that may be reclassified to the profit or loss</b> | -              | -                | -                |
| Other comprehensive loss for the period                     | -              | -                | -                |
| Net loss attributable to members of the Company             | (5,607)        | (161,147)        | (389,284)        |
| <b>Total comprehensive loss</b>                             | <b>(5,607)</b> | <b>(161,147)</b> | <b>(389,284)</b> |

\* Refer to Section 6.4 with respect to the review conclusion and audit opinions issued by PKF Brisbane Audit on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

(c) **Green Valley Resources Pty Limited**

Set out below are the statutory historical statements of profit or loss and other comprehensive income of Green Valley for the period from incorporation (6 December 2022) to 31 December 2022 for the year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024:

**Table 25: Green Valley historical statements of profit and loss and other comprehensive income**

|                                                             | Reviewed<br>Half year ended<br>30 June 2024<br>A\$ | Reviewed<br>Half year ended<br>30 June 2023<br>A\$ | Audited<br>Year ended<br>31 Dec 2023<br>A\$ | Audited<br>6 Dec 2022 to<br>31 Dec 2022<br>A\$ |
|-------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|---------------------------------------------|------------------------------------------------|
| <b>Revenues</b>                                             |                                                    |                                                    |                                             |                                                |
| Interest income                                             | -                                                  | -                                                  | -                                           | -                                              |
| Total revenue                                               | -                                                  | -                                                  | -                                           | -                                              |
| <b>Operating expenses</b>                                   |                                                    |                                                    |                                             |                                                |
| Audit fees                                                  | (2,500)                                            | -                                                  | (2,500)                                     | (2,500)                                        |
| <b>Loss before income tax</b>                               | (2,500)                                            | -                                                  | (2,500)                                     | (2,500)                                        |
| Income tax expense                                          | -                                                  | -                                                  | -                                           | -                                              |
| Net loss from continuing operations                         | (2,500)                                            | -                                                  | (2,500)                                     | (2,500)                                        |
| <b>Other comprehensive loss</b>                             |                                                    |                                                    |                                             |                                                |
| <b>Items that may be reclassified to the profit or loss</b> | -                                                  | -                                                  | -                                           | -                                              |
| Other comprehensive loss for the period                     | (2,500)                                            | -                                                  | (2,500)                                     | (2,500)                                        |
| Net loss attributable to members of the Company             | (2,500)                                            | -                                                  | (2,500)                                     | (2,500)                                        |
| <b>Total comprehensive loss</b>                             | <b>(2,500)</b>                                     | <b>-</b>                                           | <b>(2,500)</b>                              | <b>(2,500)</b>                                 |

\* Refer to Section 6.4 with respect to the review conclusion and audit opinions issued by PKF Brisbane Audit on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

(d) **Exceptional Graphite Resources Limited**

Set out below are the statutory historical statements of profit or loss and other comprehensive income of EGR Tanzania for the period from incorporation (4 April 2022) to 31 December 2022

for the year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024:

**Table 26: EGR Tanzania historical statements of profit and loss and other comprehensive income**

|                                 | Audited<br>Half year ended<br>30 June 2024<br>TZS | Audited<br>Half year ended<br>30 June 2023<br>TZS | Audited<br>Year ended<br>31 Dec 2023<br>TZS | Audited<br>4 April 2022<br>to 31 Dec<br>2022<br>TZS |
|---------------------------------|---------------------------------------------------|---------------------------------------------------|---------------------------------------------|-----------------------------------------------------|
| <b>Revenues</b>                 |                                                   |                                                   |                                             |                                                     |
| Revenue                         | -                                                 |                                                   | -                                           | -                                                   |
| Cost of Sales                   | -                                                 |                                                   | -                                           | -                                                   |
| Administration Expenses         | (7,064,818)                                       | (1,494,393)                                       | (5,939,779)                                 | (4,192,062)                                         |
| <b>Profit Before Tax</b>        | <b>(7,064,818)</b>                                | <b>(1,494,393)</b>                                | <b>(5,939,779)</b>                          | <b>(4,192,062)</b>                                  |
|                                 |                                                   |                                                   |                                             |                                                     |
| Tax Expenses                    | -                                                 | -                                                 | -                                           | -                                                   |
| <b>Total comprehensive loss</b> | <b>(7,064,818)</b>                                | <b>(1,494,393)</b>                                | <b>(5,939,779)</b>                          | <b>(4,192,062)</b>                                  |
|                                 |                                                   |                                                   |                                             |                                                     |

\* Refer to Section 6.4 with respect to the audit opinions issued by BM Financial Consultants on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

## 6.6 Historical statements of financial position

### (a) InVert Graphite Limited

Set out below are the statutory historical consolidated statements of financial position of InVert Graphite as at 31 December 2022, 31 December 2023 and 30 June 2024:

**Table 27: InVert Graphite historical statements of financial position**

|                                  | Consolidated<br>Reviewed<br>30 June 2024<br>A\$ | Consolidated<br>Audited<br>31 Dec 2023<br>A\$ | Consolidated<br>Audited<br>31 Dec 2022<br>A\$ |
|----------------------------------|-------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| <b>ASSETS</b>                    |                                                 |                                               |                                               |
| <b>CURRENT ASSETS</b>            |                                                 |                                               |                                               |
| Cash and cash equivalents        | 2,673,569                                       | 3,128,352                                     | 3,686,981                                     |
| Trade and other receivables      | 6,674                                           | 1,049                                         | 2,509                                         |
| Contract to acquire land         | -                                               | -                                             | 1,640,432                                     |
| Other assets                     | 24,116                                          | 35,993                                        | 77,111                                        |
| <b>TOTAL CURRENT ASSETS</b>      | <b>2,704,359</b>                                | <b>3,165,394</b>                              | <b>5,407,033</b>                              |
| <b>NON-CURRENT ASSETS</b>        |                                                 |                                               |                                               |
| Other assets                     | 52,606                                          | 60,912                                        | 77,526                                        |
| Investments in financial assets  | 388,547                                         | 388,547                                       | 388,547                                       |
| Intangible assets                | 1,278                                           | 3,196                                         | 7,031                                         |
| <b>TOTL NON-CURRENT ASSETS</b>   | <b>442,431</b>                                  | <b>452,655</b>                                | <b>473,104</b>                                |
| <b>TOTAL ASSETS</b>              | <b>3,146,790</b>                                | <b>3,618,049</b>                              | <b>5,880,137</b>                              |
| <b>LIABILITIES</b>               |                                                 |                                               |                                               |
| <b>CURRENT LIABILITIES</b>       |                                                 |                                               |                                               |
| Trade and other payable          | 92,617                                          | 191,415                                       | 56,814                                        |
| <b>TOTAL CURRENT LIABILITIES</b> | <b>92,617</b>                                   | <b>191,415</b>                                | <b>56,814</b>                                 |
| <b>TOTAL LIABILITIES</b>         | <b>92,617</b>                                   | <b>191,415</b>                                | <b>56,814</b>                                 |
| <b>NET ASSETS</b>                | <b>3,054,173</b>                                | <b>3,426,634</b>                              | <b>5,823,323</b>                              |

|                     |                  |                  |                  |
|---------------------|------------------|------------------|------------------|
| <b>EQUITY</b>       |                  |                  |                  |
| Contributed equity  | 88,623,748       | 88,623,748       | 88,623,748       |
| Reserves            | 228,081          | 254,628          | 240,324          |
| Accumulated losses  | (85,797,656)     | (85,451,742)     | (83,040,749)     |
| <b>TOTAL EQUITY</b> | <b>3,054,173</b> | <b>3,426,634</b> | <b>5,823,323</b> |
|                     |                  |                  |                  |

\* Refer to Section 6.4 with respect to the review conclusion and audit opinions issued by PKF Brisbane Audit on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

(b) **Exceptional Graphite (Aust) Pty Ltd**

Set out below are the statutory historical statements of financial position of Exceptional Graphite as at 31 December 2023 and 30 June 2024:

*Table 28: Exceptional Graphite historical statements of financial position*

|                                  | Reviewed<br>30 June 2024<br>A\$ | Audited<br>31 Dec 2023<br>A\$ |
|----------------------------------|---------------------------------|-------------------------------|
| <b>ASSETS</b>                    |                                 |                               |
| <b>CURRENT ASSETS</b>            |                                 |                               |
| Cash and cash equivalents        | 481                             | 1,148                         |
| Trade and other receivables      | 276                             | 216                           |
| <b>TOTAL CURRENT ASSETS</b>      | <b>757</b>                      | <b>1,364</b>                  |
| <b>TOTAL ASSETS</b>              | <b>757</b>                      | <b>1,364</b>                  |
| <b>LIABILITIES</b>               |                                 |                               |
| <b>CURRENT LIABILITIES</b>       |                                 |                               |
| Trade and other payable          | 10,646                          | 5,646                         |
| <b>TOTAL CURRENT LIABILITIES</b> | <b>10,646</b>                   | <b>5,646</b>                  |
| <b>TOTAL LIABILITIES</b>         | <b>10,646</b>                   | <b>5,646</b>                  |
| <b>NET ASSETS</b>                | <b>(9,889)</b>                  | <b>(4,282)</b>                |
| <b>EQUITY</b>                    |                                 |                               |
| Contributed equity               | 385,002                         | 385,002                       |
| Reserves                         |                                 |                               |
| Accumulated losses               | (394,891)                       | (389,284)                     |
| <b>TOTAL EQUITY</b>              | <b>(9,889)</b>                  | <b>(4,282)</b>                |
|                                  |                                 |                               |

\* Refer to Section 6.4 with respect to the review conclusion and audit opinions issued by PKF Brisbane Audit on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

(c) **Green Valley Resources Pty Limited**

Set out below are the statutory historical statements of financial position of Green Valley as at 31 December 2022, 31 December 2023 and 30 June 2024:

*Table 29: Green Valley historical statements of financial position*

|                                  | Reviewed<br>30 June 2024<br>A\$ | Audited<br>31 Dec 2023<br>A\$ | Audited<br>31 Dec 2022<br>A\$ |
|----------------------------------|---------------------------------|-------------------------------|-------------------------------|
| <b>ASSETS</b>                    |                                 |                               |                               |
| <b>CURRENT ASSETS</b>            |                                 |                               |                               |
| Trade and other receivables      | 2                               | 2                             | 2                             |
| <b>TOTAL CURRENT ASSETS</b>      | 2                               | 2                             | 2                             |
| <b>TOTAL ASSETS</b>              | 2                               | 2                             | 2                             |
| <b>LIABILITIES</b>               |                                 |                               |                               |
| <b>CURRENT LIABILITIES</b>       |                                 |                               |                               |
| Trade and other payable          | 7,500                           | 5,000                         | 2,500                         |
| <b>TOTAL CURRENT LIABILITIES</b> | 7,500                           | 5,000                         | 2,500                         |
| <b>TOTAL LIABILITIES</b>         | 7,500                           | 5,000                         | 2,500                         |
| <b>NET ASSETS</b>                | (7,498)                         | (4,998)                       | (2,498)                       |
| <b>EQUITY</b>                    |                                 |                               |                               |
| Contributed equity               | 2                               | 2                             | 2                             |
| Accumulated losses               | (7,500)                         | (5,000)                       | (2,500)                       |
| <b>TOTAL EQUITY</b>              | (7,498)                         | (4,998)                       | (2,498)                       |
|                                  |                                 |                               |                               |

\* Refer to Section 6.4 with respect to the review conclusion and audit opinions issued by PKF Brisbane Audit on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

(d) **Exceptional Graphite Resources Limited**

Set out below are the statutory historical statements of financial position of EGR Tanzania as at 31 December 2022, 31 December 2023 and 30 June 2024:

*Table 30: EGR Tanzania historical statements of financial position*

|                                   | Audited<br>30 June 2024<br>TZS | Audited<br>31 Dec 2023<br>TZS | Audited<br>31 Dec 2022<br>TZS |
|-----------------------------------|--------------------------------|-------------------------------|-------------------------------|
| <b>ASSETS</b>                     |                                |                               |                               |
| <b>CURRENT ASSETS</b>             |                                |                               |                               |
| Cash and Bank                     | 5,352,652                      | 38,299,180                    | 689,790                       |
| Receivables                       | 9,052,990                      | 9,052,990                     | 290,793                       |
| <b>TOTAL CURRENT ASSETS</b>       | 14,405,642                     | 47,352,170                    | 980,583                       |
| <b>NON - CURRENT ASSETS</b>       |                                |                               |                               |
| Exploration and Evaluation Assets | 478,396,856                    | 437,975,231                   | 107,961,188                   |
| Equipment                         | 10,782,240                     | 12,322,560                    | -                             |
| Total non-current Assets          | 489,179,096                    | 450,297,791                   | 107,961,188                   |
| <b>TOTAL ASSETS</b>               | 503,584,739                    | 497,649,962                   | 108,941,772                   |
| <b>EQUITY AND LIABILITIES</b>     |                                |                               |                               |
| Retained Earnings                 | (17,196,660)                   | (10,131,841)                  | (4,192,062)                   |
| <b>Subtotal</b>                   | (17,196,660)                   | (10,131,841)                  | (4,192,062)                   |

|                                     | Audited<br>30 June 2024<br>TZS | Audited<br>31 Dec 2023<br>TZS | Audited<br>31 Dec 2022<br>TZS |
|-------------------------------------|--------------------------------|-------------------------------|-------------------------------|
| <b>NON-CURRENT LIABILITIES</b>      |                                |                               |                               |
| Liability due to related parties    | 520,781,399                    | 507,781,804                   | 113,133,834                   |
| <b>Subtotal</b>                     | <b>520,781,399</b>             | <b>507,781,804</b>            | <b>113,133,834</b>            |
| <b>CURRENT LIABILITIES</b>          |                                |                               |                               |
| Trade Payables                      |                                | -                             | -                             |
| <b>TOTAL EQUITY AND LIABILITIES</b> | <b>503,584,739</b>             | <b>497,649,962</b>            | <b>108,941,772</b>            |
|                                     |                                |                               |                               |

\* Refer to Section 6.4 with respect to the audit opinions issued by BM Financial Consultants on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

## 6.7 Historical statements of cash flows

### (a) InVert Graphite Limited

Set out below are the statutory historical consolidated statements of cash flows of InVert Graphite for the year ended 31 December 2022, for the year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024:

**Table 31: InVert Graphite historical statements of cash flows**

|                                                                   | Consolidated<br>Reviewed<br>Half year ended<br>30 June 2024<br>A\$ | Consolidated<br>Reviewed<br>Half year ended<br>30 June 2023<br>A\$ | Consolidated<br>Audited<br>Year ended<br>31 Dec 2023<br>A\$ | Consolidated<br>Audited<br>Year ended<br>31 Dec 2022<br>A\$ |
|-------------------------------------------------------------------|--------------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                        |                                                                    |                                                                    |                                                             |                                                             |
| Payments to suppliers and employees                               | (478,483)                                                          | (318,376)                                                          | (608,725)                                                   | (1,027,387)                                                 |
| Interest received                                                 | 23,700                                                             | 29,520                                                             | 59,107                                                      | 33,815                                                      |
| <b>Net cash flows used in operating activities</b>                | <b>(454,783)</b>                                                   | <b>(288,856)</b>                                                   | <b>(549,618)</b>                                            | <b>(993,572)</b>                                            |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                        |                                                                    |                                                                    |                                                             |                                                             |
| Payments for option to acquire land                               | -                                                                  | -                                                                  | (7,872)                                                     | (220,002)                                                   |
| <b>Net cash flows used in operating activities</b>                | <b>-</b>                                                           | <b>-</b>                                                           | <b>(7,872)</b>                                              | <b>(220,002)</b>                                            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                        |                                                                    |                                                                    |                                                             |                                                             |
| Costs of share issue                                              | -                                                                  | -                                                                  | -                                                           | (9,119)                                                     |
| <b>Net cash provided by financing activities</b>                  | <b>-</b>                                                           | <b>-</b>                                                           | <b>-</b>                                                    | <b>(9,119)</b>                                              |
| Net change in cash and cash equivalents                           | (454,783)                                                          | (288,856)                                                          | (557,490)                                                   | (1,222,693)                                                 |
| Cash and cash equivalents beginning of period                     | 3,128,352                                                          | 3,686,981                                                          | 3,686,981                                                   | 4,909,553                                                   |
| Effect of exchange rate fluctuations on cash and cash equivalents | -                                                                  | 12                                                                 | (1,139)                                                     | 121                                                         |
| <b>Cash and cash equivalents end of period</b>                    | <b>2,673,569</b>                                                   | <b>3,398,137</b>                                                   | <b>3,128,352</b>                                            | <b>3,686,981</b>                                            |
|                                                                   |                                                                    |                                                                    |                                                             |                                                             |

\* Refer to Section 6.4 with respect to the review conclusion and audit opinions issued by PKF Brisbane Audit on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

(b) **Exceptional Graphite (Aust) Pty Ltd**

Set out below are the statutory historical statements of cash flows of Exceptional Graphite for the period from incorporation (5 April 2023) to 31 December 2023, for the period from the time of Exceptional Graphite's incorporation to 30 June 2023 and for the half-year ended 30 June 2024:

*Table 32: Exceptional Graphite historical statements of cash flows*

|                                                                   | Reviewed<br>Half year ended<br>30 June 2024<br>A\$ | Reviewed<br>5 April 2023 to<br>30 June 2023<br>A\$ | Audited<br>5 April 2023 to<br>31 Dec 2023<br>A\$ |
|-------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|--------------------------------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                        |                                                    |                                                    |                                                  |
| Payments to suppliers and employees                               | (667)                                              | -                                                  | (253,862)                                        |
| Interest received                                                 | -                                                  | 2                                                  | 10                                               |
| <b>Net cash flows used in operating activities</b>                | <b>(667)</b>                                       | <b>2</b>                                           | <b>(253,852)</b>                                 |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                        |                                                    |                                                    |                                                  |
| Net cash used in investing activities                             | -                                                  | -                                                  | -                                                |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                        |                                                    |                                                    |                                                  |
| Proceeds from share issue                                         | -                                                  | 255,000                                            | 255,000                                          |
| <b>Net cash provided by financing activities</b>                  | <b>-</b>                                           | <b>255,000</b>                                     | <b>255,000</b>                                   |
| Net increase / (decrease) in cash held                            | (667)                                              | 255,002                                            | 1,148                                            |
| Cash and cash equivalents beginning of period                     | 1,148                                              | -                                                  | -                                                |
| Effect of exchange rate fluctuations on cash and cash equivalents | -                                                  | -                                                  | -                                                |
| <b>Cash and cash equivalents end of period</b>                    | <b>481</b>                                         | <b>255,002</b>                                     | <b>1,148</b>                                     |

\* Refer to Section 6.4 with respect to the review conclusion and audit opinions issued by PKF Brisbane Audit on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

(c) **Green Valley Resources Pty Limited**

Set out below are the statutory historical statements of cash flows of Green Valley for the period from incorporation (6 December 2022) to 31 December 2022 for the year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024:

*Table 33: Green Valley historical statements of cash flows*

|                                                    | Reviewed<br>Half year ended<br>30 June 2024<br>A\$ | Reviewed<br>Half year ended<br>30 June 2023<br>A\$ | Audited<br>Year ended<br>31 Dec 2023<br>A\$ | Audited<br>6 Dec 2022 to<br>31 Dec 2022<br>A\$ |
|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|---------------------------------------------|------------------------------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>         |                                                    |                                                    |                                             |                                                |
| Payments to suppliers and employees                | -                                                  | -                                                  | -                                           | -                                              |
| Interest received                                  | -                                                  | -                                                  | -                                           | -                                              |
| <b>Net cash flows used in operating activities</b> | <b>-</b>                                           | <b>-</b>                                           | <b>-</b>                                    | <b>-</b>                                       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>         |                                                    |                                                    |                                             |                                                |
| Net cash used in investing activities              | -                                                  | -                                                  | -                                           | -                                              |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>         |                                                    |                                                    |                                             |                                                |

|                                                                   |   |   |   |   |
|-------------------------------------------------------------------|---|---|---|---|
| Proceeds from share issue                                         | - | - | - | - |
| <b>Net cash provided by financing activities</b>                  | - | - | - | - |
| Net increase / (decrease) in cash held                            |   |   |   |   |
| Cash and cash equivalents beginning of period                     |   |   |   |   |
| Effect of exchange rate fluctuations on cash and cash equivalents | - | - | - | - |
| <b>Cash and cash equivalents end of period</b>                    | - | - | - | - |

\* Refer to Section 6.4 with respect to the review conclusion and audit opinions issued by PKF Brisbane Audit on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

(d) **Exceptional Graphite Resources Limited**

Set out below are the statutory historical statements of cash flows of EGR Tanzania for the period from incorporation (4 April 2022) to 31 December 2022 for the year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024:

*Table 34: EGR Tanzania historical statements of cash flows*

|                                                    | Audited<br>Half year ended<br>30 June 2024<br>TZS | Audited<br>Half year ended<br>30 June 2023<br>TZS | Audited<br>Year ended<br>31 Dec 2023<br>TZS | Audited<br>4 April 2022 to<br>31 Dec 2022<br>TZS |
|----------------------------------------------------|---------------------------------------------------|---------------------------------------------------|---------------------------------------------|--------------------------------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>         |                                                   |                                                   |                                             |                                                  |
| Surplus for the year                               | (7,064,818)                                       | (1,494,393)                                       | (5,939,779)                                 | (4,192,062)                                      |
| Depreciation                                       | 1,540,320                                         | -                                                 | 3,080,640                                   | -                                                |
| <b>Working Capital Changes</b>                     |                                                   |                                                   |                                             |                                                  |
| (Increase)/ Decrease in Receivables                | -                                                 | -                                                 | (8,762,197)                                 | (290,793)                                        |
| (Increase)/ Decrease in Payables                   | -                                                 | -                                                 | -                                           | -                                                |
| <b>Net cash flows used in operating activities</b> | <b>(5,524,498)</b>                                | <b>(1,494,393)</b>                                | <b>(11,621,336)</b>                         | <b>(4,482,855)</b>                               |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>         |                                                   |                                                   |                                             |                                                  |
| Exploration and Evaluation Assets                  | (40,421,625)                                      | (53,943,277)                                      | (330,014,042)                               | (107,961,188)                                    |
| Purchase of field equipment                        | -                                                 | -                                                 | (15,403,200)                                | -                                                |
| <b>Net cash used in investing activities</b>       | <b>(40,421,625)</b>                               | <b>(53,943,277)</b>                               | <b>(345,417,242)</b>                        | <b>(107,961,188)</b>                             |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>         |                                                   |                                                   |                                             |                                                  |
| Borrowings from related parties                    | 12,999,595                                        | 57,207,714                                        | 394,647,970                                 | 113,133,834                                      |
| <b>Net cash provided by financing activities</b>   | <b>12,999,595</b>                                 | <b>57,207,714</b>                                 | <b>394,647,970</b>                          | <b>113,133,834</b>                               |
| <b>Movement in Cash and Cash Equivalent</b>        | <b>(32,946,528)</b>                               | <b>1,770,044</b>                                  | <b>37,609,390</b>                           | <b>689,790</b>                                   |
| <b>At start of period</b>                          | <b>38,299,180</b>                                 | <b>689,790</b>                                    | <b>689,790</b>                              | <b>-</b>                                         |
| <b>Cash and cash equivalents at end of period</b>  | <b>5,352,652</b>                                  | <b>2,459,834</b>                                  | <b>38,299,180</b>                           | <b>689,790</b>                                   |

\* Refer to Section 6.4 with respect to the audit opinions issued by BM Financial Consultants on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

## **6.8 Pro-Forma Financial Information**

The pro-forma statement of financial position as at 30 June 2024 set out below is derived from the historical statement of financial position of the Company as at 30 June 2024, adjusted to reflect the Acquisition and the impact of the Offer.

The pro-forma statement of financial position is provided for illustrative purposes and is not represented as being necessarily indicative of the Company's view of its statement of financial position upon completion of the Acquisition and the completion of the Offer or at a future date. Further information on the sources and uses of the funds of the Offer is contained in Section 1.8 and Section 2.11.

Table 35: Pro-forma statement of financial position

|                                  | Notes   | Minimum Subscription               |                                           |                                           |                             | Maximum Subscription                      |                                    |                             |
|----------------------------------|---------|------------------------------------|-------------------------------------------|-------------------------------------------|-----------------------------|-------------------------------------------|------------------------------------|-----------------------------|
|                                  |         | Reviewed<br>30 June<br>2024<br>A\$ | Subsequent<br>Event<br>Adjustments<br>A\$ | Public<br>Offer<br>Adjustment<br>s<br>A\$ | Pro Forma<br>Balance<br>A\$ | Subsequent<br>Event<br>Adjustments<br>A\$ | Public Offer<br>Adjustments<br>A\$ | Pro Forma<br>Balance<br>A\$ |
| <b>ASSETS</b>                    |         |                                    |                                           |                                           |                             |                                           |                                    |                             |
| <b>CURRENT ASSETS</b>            |         |                                    |                                           |                                           |                             |                                           |                                    |                             |
| Cash and cash equivalents        | 6.14(a) | 2,673,569                          | (877,736)                                 | 2,565,966                                 | 4,361,799                   | (877,736)                                 | 2,753,703                          | 4,549,536                   |
| Trade and other receivables      |         | 6,674                              | 5,335                                     | -                                         | 12,009                      | 5,335                                     | -                                  | 12,009                      |
| Other assets                     |         | 24,116                             | -                                         | -                                         | 24,116                      | -                                         | -                                  | 24,116                      |
| <b>TOTAL CURRENT ASSETS</b>      |         | <b>2,704,359</b>                   | <b>(872,401)</b>                          | <b>2,565,966</b>                          | <b>4,397,924</b>            | <b>(872,401)</b>                          | <b>2,753,703</b>                   | <b>4,585,661</b>            |
| <b>NON-CURRENT ASSETS</b>        |         |                                    |                                           |                                           |                             |                                           |                                    |                             |
| Other assets                     |         | 52,606                             | -                                         | -                                         | 52,606                      | -                                         | -                                  | 52,606                      |
| Property, plant and equipment    |         | -                                  | 6,097                                     | -                                         | 6,097                       | 6,097                                     | -                                  | 6,097                       |
| Investments in financial assets  |         | 388,547                            | -                                         | -                                         | 388,547                     | -                                         | -                                  | 388,547                     |
| Intangible assets                |         | 1,278                              | -                                         | -                                         | 1,278                       | -                                         | -                                  | 1,278                       |
| <b>TOTAL NON-CURRENT ASSETS</b>  |         | <b>442,431</b>                     | <b>6,097</b>                              | <b>-</b>                                  | <b>448,528</b>              | <b>6,097</b>                              | <b>-</b>                           | <b>448,528</b>              |
| <b>TOTAL ASSETS</b>              |         | <b>3,146,790</b>                   | <b>(866,304)</b>                          | <b>2,565,966</b>                          | <b>4,846,452</b>            | <b>(866,303)</b>                          | <b>2,753,703</b>                   | <b>5,034,189</b>            |
| <b>LIABILITIES</b>               |         |                                    |                                           |                                           |                             |                                           |                                    |                             |
| <b>CURRENT LAIBILITIES</b>       |         |                                    |                                           |                                           |                             |                                           |                                    |                             |
| Trade and other payables         |         | (92,617)                           | (168,301)                                 | -                                         | (260,918)                   | (168,302)                                 | -                                  | (260,919)                   |
| <b>TOTAL CURRENT LIABILITIES</b> |         | <b>(92,617)</b>                    | <b>(168,301)</b>                          | <b>-</b>                                  | <b>(260,918)</b>            | <b>(168,302)</b>                          | <b>-</b>                           | <b>(260,919)</b>            |
| <b>TOTAL LIABILITIES</b>         |         | <b>(92,617)</b>                    | <b>(168,301)</b>                          | <b>-</b>                                  | <b>(260,918)</b>            | <b>(168,302)</b>                          | <b>-</b>                           | <b>(260,919)</b>            |
| <b>NET ASSETS/ (LIABILITIES)</b> |         | <b>3,054,173</b>                   | <b>(1,034,605)</b>                        | <b>2,565,966</b>                          | <b>4,585,534</b>            | <b>(1,034,605)</b>                        | <b>2,753,703</b>                   | <b>4,773,270</b>            |
| <b>EQUITY</b>                    |         |                                    |                                           |                                           |                             |                                           |                                    |                             |
| Contributed equity               | 6.14(b) | 88,623,748                         | 2,302,727                                 | 2,851,712                                 | 93,778,187                  | 2,302,727                                 | 3,033,447                          | 93,959,922                  |
| Reserves                         | 6.14(c) | 228,081                            | -                                         | 108,750                                   | 336,831                     | -                                         | 108,750                            | 336,831                     |
| Accumulated losses               | 6.14(d) | (85,797,656)                       | (3,337,332)                               | (394,496)                                 | (89,529,484)                | (3,337,332)                               | (388,494)                          | (89,523,483)                |
| <b>TOTAL EQUITY</b>              |         | <b>3,054,173</b>                   | <b>(1,034,605)</b>                        | <b>2,565,966</b>                          | <b>4,585,534</b>            | <b>(1,034,605)</b>                        | <b>2,753,703</b>                   | <b>4,773,270</b>            |

\* Refer to Section 6.4 with respect to the review conclusion and audit opinions issued by PKF Brisbane Audit and BM Financial Consultants on the Historical Financial Information. The financial information should be read in conjunction with the accounting policies in Section 6.14 and the Independent Limited Assurance Report in Section 6.15.

The pro-forma statement of financial position has been derived from the historical statement of financial position as at 30 June 2024, after reflecting the Directors' pro-forma adjustments for events as if those events had occurred at 30 June 2024.

The following pro-forma adjustments have been made to InVert Graphite's consolidated statement of financial position at 30 June 2024 in relation events and other transactions which are proposed to occur before or on completion of the Offer (but also including the 8,223,881 Director and Management Performance Options that are proposed to be issued to Mr Lawson following the successful completion of his three month probationary period detailed in Section 4.5(b)):

- (a) the settlement of the Acquisition through the Company acquiring 100% of Exceptional Graphite shares (and through Exceptional Graphite, indirect ownership of 100% of Green Valley Shares and 100% of EGR Tanzania Shares) and the White Hill Licences in consideration for the issue of Consideration Shares equivalent to the value of the assets acquired pursuant to the Acquisition. The vendors of the assets acquired in the Acquisition will be issued 76,757,576 Consideration Shares at \$0.03 per Share representing an acquisition value of \$2,302,727.

The Directors have determined that the Acquisition does not meet the definition of a business combination under AASB 3 *Business Combinations*. Therefore, the transaction has been accounted for as an asset acquisition. Under the asset acquisition accounting policy adopted, the cost of the Acquisition are allocated to the assets acquired on the basis of relative fair values. As the assets acquired in the Acquisition are the exploration permits comprising the Morogoro Project and the White Hill Licences and it is InVert Graphite's accounting policy to expense exploration and evaluation expenditure as incurred, the \$2,383,070 (refer to Section 6.10) cost of the Acquisition has been expensed as at 30 June 2024;

- (b) the payment of costs relating to the Morogoro Project in EGR Tanzania with a loan of USD 52,600 (AUD 85,000) (refer to Section 4.4(d)(v) for details of the loan). As it is InVert Graphite's accounting policy to expense exploration and evaluation expenditure as incurred, all costs have been expensed as at 30 June 2024;
- (c) the payment of costs and recording of accounts payable for the period from 1 July 2024 totalling \$954,262 relating to the costs of the Acquisition, relisting and general administration costs, all of which have been expensed as at 30 June 2024;
- (d) the issue of 3 Performance Shares to Hashimu Musedem Millanga (and/or his nominee(s)) as a term of his employment as Principal Geologist by EGR Tanzania as a condition of the Acquisition. Each Performance Share will be subject to different vesting conditions. The Performance Shares have been valued at an aggregate value of \$411,680 using a Monte Carlo option pricing methodology (refer to Section 6.9(d)). The fair value of the Performance Shares will be recognised as an expense in the Statement of Profit and Loss over the vesting period for each Performance Share;
- (e) the issue of 1,231,120 Chairman Options which will have a nil exercise price and will be subject to vesting conditions. The Chairman Options have been valued at an aggregate value of \$8,495 using a Monte Carlo option pricing methodology (refer to Section 6.9(b)). The fair value of the Chairman Options will be recognised as an expense in the Statement of Profit and Loss over the vesting period;
- (f) the issue of 28,315,758 Director and Management Performance Options which will have a nil exercise price and will be subject to vesting conditions. The Director and Management Performance Options will be issued in three tranches with each tranche being subject to different vesting conditions. The Director and Management Performance Options have been valued at an aggregate value of \$587,835 using a Monte Carlo option pricing methodology for Tranche B and a Black-Scholes option pricing methodology for Tranche A and Tranche C (refer to Section 6.9(c)). The fair value of the Director and Management Performance Options will be recognised as an expense in the Statement of Profit and Loss over the vesting period for each tranche;
- (g) the issue of 15 million Lead Manager Options as partial consideration for the services provided by the Lead Manager in relation to the Offer. The Lead Manager Options have been valued at an aggregate value of \$108,750 using a Black-Scholes option pricing methodology (refer to Section 6.9(a)). The issue of these options is recorded as an increase to Option Reserve in equity and an increase in capital raising costs in equity for \$108,750; and
- (h) the issue of either:

- (i) 110,000,000 new Shares at a price of \$0.03 per share to raise \$3,300,000 (before costs and expenses) pursuant to the Minimum Subscription. The total costs related to the Offer (pursuant to the Minimum Subscription) is \$734,034. Of the total costs related to the Offer (pursuant to the Minimum Subscription), \$394,496 has been expensed to increase Accumulated Losses and \$339,538 has been recorded as a deduction from Contributed Equity. As at the date of the Prospectus \$178,090 of the total costs related to the Offer have already been paid thereby reducing the amount to be paid from the proceeds of the Offer; or
- (ii) 116,666,667 new Shares at a price of \$0.03 per share to raise \$3,500,000 (before costs and expenses) pursuant to the Maximum Subscription. The total costs related to the Offer (pursuant to the Maximum Subscription) is \$746,297. Of the total costs related to the Offer (pursuant to the Maximum Subscription), \$388,494 has been expensed to increase Accumulated Losses and \$357,803 has been recorded as a deduction from Contributed Equity. As at the date of the Prospectus \$178,090 of the total costs related to the Offer have already been paid thereby reducing the amount to be paid from the proceeds of the Offer.

## 6.9 Option and Performance Share valuations

### (a) Lead Manager Options

**Table 36: Valuation of Lead Manager Options**

|                                             | Tranche A        | Tranche B        |
|---------------------------------------------|------------------|------------------|
| Valuation methodology                       | Black Scholes    | Black Scholes    |
| Iterations                                  | n/a              | n/a              |
| Assumed spot price at grant date (A\$)      | A\$0.03          | A\$0.03          |
| Term                                        | 2 years          | 2 years          |
| Assumed latest vesting date                 | n/a              | n/a              |
| Exercise price (A\$)                        | A\$0.06          | A\$0.09          |
| Assumed VWAP hurdle (A\$)                   | n/a              | n/a              |
| Risk-free rate (%)                          | 3.498%           | 3.498%           |
| Volatility (%)                              | 85%              | 85%              |
| Dividend yield (%)                          | nil              | nil              |
| <b>Fair value per Option, rounded (A\$)</b> | <b>A\$0.0086</b> | <b>A\$0.0059</b> |

Section 10.6 provides further information regarding the terms and conditions of the Lead Manager Options.

### (b) Chairman Options

**Table 37: Valuation of Chairman Options**

|                                        | Tranche A   |
|----------------------------------------|-------------|
| Valuation methodology                  | Monte Carlo |
| Iterations                             | 100,000     |
| Assumed spot price at grant date (A\$) | A\$0.03     |
| Term                                   | 5 years     |

|                                             | Tranche A        |
|---------------------------------------------|------------------|
| Assumed latest vesting date                 | 31 December 2025 |
| Exercise price (A\$)                        | nil              |
| Assumed VWAP hurdle (A\$)                   | A\$0.09          |
| Risk-free rate (%)                          | 3.537%           |
| Volatility (%)                              | 85%              |
| Dividend yield (%)                          | nil              |
| <b>Fair value per Option, rounded (A\$)</b> | A\$0.0069        |

Section 10.3 provides further information regarding the terms and conditions of the Chairman Options.

(c) **Director and Management Performance Options**

*Table 38: Valuation of Director and Management Performance Options*

|                                             | Tranche A        | Tranche B        | Tranche C        |
|---------------------------------------------|------------------|------------------|------------------|
| Valuation methodology                       | Black Scholes    | Monte Carlo      | Black Scholes    |
| Iterations                                  | n/a              | 100,000          | n/a              |
| Assumed spot price at grant date (A\$)      | A\$0.03          | A\$0.03          | A\$0.03          |
| Term                                        | 5 years          | 5 years          | 5 years          |
| Assumed latest vesting date                 | 31 December 2025 | 31 December 2025 | 31 December 2025 |
| Exercise price (A\$)                        | nil              | nil              | nil              |
| Assumed VWAP hurdle (A\$)                   | n/a              | A\$0.09          | n/a              |
| Risk-free rate (%)                          | 3.537%           | 3.537%           | 3.537%           |
| Volatility (%)                              | 85%              | 85%              | 85%              |
| Dividend yield (%)                          | nil              | nil              | nil              |
| <b>Fair value per Option, rounded (A\$)</b> | A\$0.03          | A\$0.0069        | A\$0.03          |

Section 10.4 provides further information regarding the terms and conditions of the Director and Management Performance Options.

(d) **Performance Shares**

*Table 39: Valuation of Performance Shares*

|                                        | Tranche A   | Tranche B   | Tranche C   |
|----------------------------------------|-------------|-------------|-------------|
| Valuation methodology                  | Monte Carlo | Monte Carlo | Monte Carlo |
| Iterations                             | 100,000     | 100,000     | 100,000     |
| Assumed spot price at grant date (A\$) | A\$0.03     | A\$0.03     | A\$0.03     |
| Term                                   | 5 years     | 5 years     | 5 years     |

|                                                                      | Tranche A        | Tranche B        | Tranche C         |
|----------------------------------------------------------------------|------------------|------------------|-------------------|
| Assumed latest vesting date                                          | 3 years          | 4 years          | 5 years           |
| Exercise price (A\$)                                                 | Nil              | nil              | nil               |
| Assumed VWAP hurdle (A\$)                                            | A\$0.04          | A\$0.04          | A\$0.05           |
| Risk-free rate (%)                                                   | 3.440%           | 3.537%           | 3.537%            |
| Volatility (%)                                                       | 85%              | 85%              | 85%               |
| Dividend yield (%)                                                   | nil              | nil              | nil               |
| Fair value per Performance Share (A\$)                               | A\$300,000       | A\$300,000       | A\$1,500,000      |
| Average simulated number of ordinary shares to be issued on exercise | 5,395,246        | 5,055,738        | 18,380,852        |
| <b>Total value to be recognised (A\$)</b>                            | <b>A\$97,998</b> | <b>A\$80,795</b> | <b>A\$232,887</b> |

Section 10.5 provides further information regarding the terms and conditions of the Performance Shares.

## 6.10 Acquisition

On 7 August 2024, the Company executed a binding term sheet to conditionally acquire 100% of the issued capital of Exceptional Graphite.

The Company and Exceptional Graphite have also entered into a binding term sheet with other parties for Exceptional Graphite and Green Valley to conditionally acquire a 100% ownership interest in EGR Tanzania which in turn holds a 100% interest in the Morogoro Project comprising three granted prospecting in Tanzania licences covering approximately 225 km<sup>2</sup> and five applications for prospecting licences in Tanzania covering an area of approximately 161 km<sup>2</sup>.

Separately, the Company and Exceptional Graphite have entered into an agreement for Exceptional Graphite to conditionally acquire the White Hill Licences from White Hill Resources Pty Limited.

The Directors have determined that the acquisition of Exceptional Graphite (and the indirect acquisitions of Green Valley and EGR Tanzania) pursuant to the Acquisition represents an asset acquisition and not a business combination due to the fact that none of Exceptional Graphite, Green Valley or EGR Tanzania is an operational business and that their material assets consist only of the exploration permits and applications for exploration permits comprising the Morogoro Project. The Directors have also determined that the acquisition of the White Hill Licences is an asset acquisition.

The cost of the transaction has been measured at the fair value of the consideration transferred in accordance with AASB 13 *Fair Value Measurements*.

In connection with the Acquisition, a net sales return royalty of 0.25% on any future production from the Morogoro Project will also be granted to the EGR Tanzania Vendors by EGR Tanzania (being the Royalty, as summarised in Section 10.9(c)). In determining the fair value of the consideration transferred the deferred consideration on the royalty payments has not been included due to the level of contingency associated with these payments.

Once the cost of the transaction was determined, it was allocated to the individual assets acquired based on their relative fair values as per below:

**Table 40: Allocation of Acquisition consideration**

| <b>Purchase Consideration</b>                                                                                | <b>At Acquisition<br/>A\$</b> |
|--------------------------------------------------------------------------------------------------------------|-------------------------------|
| Fair value of 76,757,576 Consideration Shares issued                                                         | 2,302,727                     |
| Add net liabilities acquired                                                                                 | 80,343                        |
| <b>Total purchase consideration</b>                                                                          | <b>2,383,070</b>              |
| <b>Allocation to Assets Acquired</b>                                                                         | <b>At Acquisition<br/>A\$</b> |
| Intangible – Morogoro Project exploration permits                                                            | 2,353,070                     |
| Intangible – White Hill Licences                                                                             | 30,000                        |
| Less: Exploration and evaluation expenditure expensed in accordance with InVert Graphite's accounting policy | (2,383,070)                   |
| <b>Assets acquired</b>                                                                                       | <b>Nil</b>                    |

As the assets acquired in the Acquisition are the exploration permits comprising the Morogoro Project and the White Hill Licences and it is InVert Graphite's accounting policy to expense exploration and evaluation expenditure as incurred, the \$2,383,070 cost of the Acquisition has been expensed as at 30 June 2024 in the Pro-Forma Financial Information.

## 6.11 Contingent assets, contingent liabilities and Commitments

### (a) Commitments

Commitments for minimum exploration expenditures required to maintain tenure for the Morogoro Project and the White Hill Licences are as follows (assuming no extension to the life of the tenure):

*Table 41: Commitments schedule*

|                                                 | <b>Annual Commitment<br/>A\$</b> |
|-------------------------------------------------|----------------------------------|
| Less than one year                              | 299,886                          |
| Greater than one year and less than two years   | 455,316                          |
| Greater than two years and less than five years | 155,430                          |

### (b) Contingent liabilities

The EGA Term Sheet provide that the EGR Tanzania Vendors will be entitled to receive a 0.25% net sales return royalty from the sale of any production from the Morogoro Project (the subject of the Royalty Agreement summarised in Section 10.9(c)). At the date of this Prospectus the nature and/or scale of natural or mineral materials at the Morogoro Project is not known. Therefore no actual liability or commitment is currently recorded.

### (c) Contingent assets

Directors are not aware of any other commitments, contingent assets or contingent liabilities that are likely to have a material effect on the results of the Company as disclosed in the Financial Information.

## 6.12 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Interest of Directors: details of remuneration and interests held by Directors are provided predominantly in Section 4 of this Prospectus.

## 6.13 Effect of Pro Forma Adjustments of Statement of Financial Position line items

### (a) Cash & Cash equivalents

**Table 42: Cash and cash equivalents Pro Forma Balance**

|                                                                                              | Consolidated<br>Reviewed<br>30 June 2024<br>A\$ | Proforma<br>Minimum<br>Subscription<br>A\$ | Proforma<br>Maximum<br>Subscription<br>A\$ |
|----------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------|--------------------------------------------|
| Cash and cash equivalents                                                                    | 2,673,569                                       | 4,361,799                                  | 4,549,536                                  |
| <b>Reviewed consolidated balance at 30 June 2024</b>                                         |                                                 | 2,673,569                                  | 2,673,569                                  |
| <u>Subsequent events</u>                                                                     |                                                 |                                            |                                            |
| Estimated cash expenditure for the period from 1 July to the date of the Prospectus          |                                                 | (881,913)                                  | (881,913)                                  |
| Cash acquired pursuant to acquisition of Exceptional Graphite, Green Valley and EGR Tanzania |                                                 | 4,177                                      | 4,177                                      |
|                                                                                              |                                                 | <b>(877,736)</b>                           | <b>(877,736)</b>                           |
| <u>Offer</u>                                                                                 |                                                 |                                            |                                            |
| Issue of Offer Shares                                                                        |                                                 | 3,300,000                                  | 3,500,000                                  |
| Costs of the Offer paid from Offer proceeds                                                  |                                                 | (734,034)                                  | (746,297)                                  |
|                                                                                              |                                                 | <b>2,565,966</b>                           | <b>2,753,703</b>                           |
| <b>Pro Forma Balance</b>                                                                     |                                                 | <b>4,361,799</b>                           | <b>4,549,536</b>                           |
|                                                                                              |                                                 |                                            |                                            |

### (b) Issued capital

The movements in InVert Graphite's issued capital in the period from 30 June 2024 to the date of Readmission are:

**Table 43: Issued Capital Pro Forma Balance**

|                                                                                                  | Consolidated<br>Reviewed<br>30 June 2024<br>Shares | Consolidated<br>Reviewed<br>30 June 2024<br>A\$ | Proforma<br>Minimum<br>Subscription<br>Shares | Proforma<br>Minimum<br>Subscription<br>A\$ | Proforma<br>Maximum<br>Subscription<br>Shares | Proforma<br>Maximum<br>Subscription<br>A\$ |
|--------------------------------------------------------------------------------------------------|----------------------------------------------------|-------------------------------------------------|-----------------------------------------------|--------------------------------------------|-----------------------------------------------|--------------------------------------------|
| Issued Capital                                                                                   | 225,850,957                                        | 88,623,748                                      | 412,608,533                                   | 93,778,187                                 | 419,275,200                                   | 93,959,922                                 |
| <b>Reviewed consolidated balance at 30 June 2024</b>                                             |                                                    |                                                 | 225,850,957                                   | 88,623,748                                 | 225,850,957                                   | 88,623,748                                 |
| <u>Subsequent events</u>                                                                         |                                                    |                                                 |                                               |                                            |                                               |                                            |
| Shares issued pursuant to the acquisition of Exceptional Graphite, Green Valley and EGR Tanzania |                                                    |                                                 | 75,757,576                                    | 2,272,727                                  | 75,757,576                                    | 2,272,727                                  |
| Shares issued pursuant to the acquisition of the White Hill Licences                             |                                                    |                                                 | 1,000,000                                     | 30,000                                     | 1,000,000                                     | 30,000                                     |

|                                | Consolidated<br>Reviewed<br>30 June 2024<br>Shares | Consolidated<br>Reviewed<br>30 June 2024<br>A\$ | Proforma<br>Minimum<br>Subscription<br>Shares | Proforma<br>Minimum<br>Subscription<br>A\$ | Proforma<br>Maximum<br>Subscription<br>Shares | Proforma<br>Maximum<br>Subscription<br>A\$ |
|--------------------------------|----------------------------------------------------|-------------------------------------------------|-----------------------------------------------|--------------------------------------------|-----------------------------------------------|--------------------------------------------|
| <i>Offer</i>                   |                                                    |                                                 | 76,757,576                                    | 2,302,727                                  | 76,757,576                                    | 2,302,727                                  |
| Issue of Offer Shares          |                                                    |                                                 | 110,000,000                                   | 3,300,000                                  | 116,666,667                                   | 3,500,000                                  |
| Capitalised costs of the Offer |                                                    |                                                 | -                                             | (339,538)                                  | -                                             | (357,803)                                  |
| Issue of Lead Manager Options  |                                                    |                                                 | -                                             | (108,750)                                  | -                                             | (108,750)                                  |
|                                |                                                    |                                                 | 110,000,000                                   | 2,851,712                                  | 116,666,667                                   | 3,033,447                                  |
| <b>Proforma Balance</b>        |                                                    |                                                 | 412,608,533                                   | 93,778,187                                 | 419,275,200                                   | 93,959,922                                 |
|                                |                                                    |                                                 |                                               |                                            |                                               |                                            |

**Notes:**

1. Refer to Section 10.9(b) for details of the Acquisition Agreements pursuant to which the Consideration Shares are to be issued.
2. Refer to Section 10.16 for details of the costs of the Offer.
3. Refer to Section 10.6 for details of the Lead Manager Options.

(c) **Reserves**

**Table 44: Reserves Pro Forma Balance**

|                                                      | Consolidated<br>Reviewed<br>30 June 2024<br>A\$ | Proforma<br>Minimum<br>Subscription<br>A\$ | Proforma<br>Maximum<br>Subscription<br>A\$ |
|------------------------------------------------------|-------------------------------------------------|--------------------------------------------|--------------------------------------------|
| Reserves                                             | 228,081                                         | 336,831                                    | 336,831                                    |
| <b>Reviewed consolidated balance at 30 June 2024</b> |                                                 | 228,081                                    | 228,081                                    |
| <i>Offer</i>                                         |                                                 |                                            |                                            |
| Issue of Lead Manager Options                        |                                                 | 108,750                                    | 108,750                                    |
|                                                      |                                                 | 108,750                                    | 108,750                                    |
| <b>Proforma balance</b>                              |                                                 | 336,831                                    | 336,831                                    |
|                                                      |                                                 |                                            |                                            |

(d) **Accumulated losses**

**Table 45: Accumulated Losses Pro Forma Balance**

|                                                                                                                                                | Consolidated<br>Reviewed<br>30 June 2024<br>A\$ | Proforma<br>Minimum Subscription<br>A\$ | Proforma<br>Maximum<br>Subscription<br>A\$ |
|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------|--------------------------------------------|
| Accumulated losses                                                                                                                             | (85,797,656)                                    | (89,529,484)                            | (89,523,483)                               |
| <b>Reviewed consolidated balance at 30 June 2024</b>                                                                                           |                                                 | (85,797,656)                            | (85,797,656)                               |
| <i>Subsequent events</i>                                                                                                                       |                                                 |                                         |                                            |
| Estimated expenditure for the period from 1 July to Readmission                                                                                |                                                 | (954,262)                               | (954,262)                                  |
| Excess of share consideration over net liabilities acquired pursuant to the Acquisition of Exceptional Graphite, Green Valley and EGR Tanzania |                                                 | (2,353,070)                             | (2,353,070)                                |
| Excess of share consideration over the value of White Hill Licences                                                                            |                                                 | (30,000)                                | (30,000)                                   |
|                                                                                                                                                |                                                 | (3,337,332)                             | (3,337,332)                                |
| <i>Offer</i>                                                                                                                                   |                                                 |                                         |                                            |
| Costs of the Offer expensed                                                                                                                    |                                                 | (394,496)                               | (388,496)                                  |
|                                                                                                                                                |                                                 | (394,496)                               | (388,496)                                  |

|                  |  |              |              |
|------------------|--|--------------|--------------|
| Proforma Balance |  | (89,529,484) | (89,523,483) |
|                  |  |              |              |

## 6.14 Summary of material accounting policies

### (a) Background

The material accounting policies adopted in the preparation of the Financial Information are set out below. These policies have been consistently applied, unless otherwise stated. The Financial Information is presented for the Company and has been prepared in accordance with the recognition and measurement (but not the disclosure) requirements of Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act. that are mandatory for the current reporting period.

Except for cash flow information, the Financial Information has been prepared on an accruals basis, are based on historical cost and except where stated do not take into account changing money values or current valuations of selected non-current assets, financial assets and financial liabilities. Cost is based on the fair values of the consideration given in exchange for assets.

All amounts are presented in Australian dollars.

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 Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Information, are disclosed accordingly.

The Company has adopted all of the new or amended Accounting Standards and interpretations issued by the Australian Accounting Standards Board 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) Going Concern

The Financial Information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

InVert Graphite does not currently have any material assets other than cash and a minority investment in Luna Energy (refer to Section 2.12). The ability of the Company to continue as a going concern is dependent on the Company completing the Acquisition or an alternative business acquisition that will form the basis of the Company's future operations.

The Directors consider that it is reasonable to expect that InVert Graphite will be able to complete the Acquisition and that there is a reasonable basis to prepare the financial statements on a going concern basis.

### (c) Key judgements – Acquisition

The Directors have determined that the Acquisition does not meet the definition of a business combination under AASB 3 Business Combinations. It was assessed that there was an absence of an integrated set of activities and assets that was capable of being conducted and managed for the purpose of providing a return. Therefore, the transaction has been accounted for as an asset acquisition. Accordingly, no additional intangible assets (including any goodwill) have been recognised on completion of the Acquisition, Acquisition costs have been expensed in accordance with InVert Graphite's accounting

policy for exploration and evaluation expenditure and deferred tax assets have not been recognised.

The following specific accounting policies have been adopted in the preparation of the historical statement of financial position and pro-forma statements of financial position. Unless otherwise stated, the accounting policies adopted are consistent with the accounting policies adopted for the preparation of the financial report of the Company for the half year ended 30 June 2024.

(d) **Basis of consolidation**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group 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 Group. They are de-consolidated from the date that control ceases. The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. Intercompany transactions, balances and unrealised gains on transactions between Group companies 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 Group.

(e) **Foreign currency**

***Functional and presentation currency***

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the **functional currency**). The financial statements of the Group are presented in Australian dollars, which is InVert Graphite's functional and presentation currency.

***Transactions and balances***

Transactions in a currency other than the functional currency (**foreign currency**) are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

***Translation of group entities' financial statements***

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from InVert Graphite's presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing rates at the date of the Statement of Financial Position.
- (ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) All resulting exchange differences are recognised in the currency translation reserve within equity.

(f) **Exploration and Evaluation Assets**

With the exception of EGR Tanzania, exploration and evaluation costs, including the costs of acquiring licences, are expensed in the statement of profit or loss when incurred.

Historically EGR Tanzania has recognised exploration and evaluation expenditures as an exploration and evaluation asset in the year in which they are incurred.

(g) **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.

(h) **Financial liabilities**

The Group's financial liabilities comprise trade and other payables.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial liabilities are initially measured at fair value, and where applicable, adjusted for transaction costs.

Subsequently, financial liabilities are measured at amortised cost using the effective interest rate method.

(i) **Contributed equity**

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.

(j) **Income tax**

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised, except:

- (i) where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (ii) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the financial period when the asset is realised or the liability is settled, based

on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same tax authority.

**(k) Share based payments**

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values.

The Group operates equity-settled share-based remuneration plans for its employees.

Where employees are rewarded using share-based payments, the fair value of the employees services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions.

All share-based remuneration is ultimately recognised as an expense in profit or loss. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of equity instruments expected to vest.

Non-market vesting conditions are included in assumptions about the number of equity instruments that are expected to become exercisable. Estimates are subsequently revised if there is any indication the number of equity instruments expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period.

Where the fair value of services rendered by other parties can be reliably determined, this is used to measure the equity-settled payment.

**(l) Critical Accounting Estimates and Judgements**

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results. Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expense is provided below.

***Deferred tax assets***

No members of the Group have generated taxable income in the financial year and as such the Group continues to carry forward tax losses that give rise to deferred tax assets. Given that the Group's projects remain in early exploration stages, it is unlikely that the Group will generate taxable income in the foreseeable future in the absence of asset sales.

Taking account of the above, the deferred tax assets have not been recognised in the financial statements as management does not believe that the members of the Group satisfy the criteria set out in paragraph 35 of AASB 112.

***Share based payments***

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The Group measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using option pricing models or market valuations as summarised in Section 6.9.

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## **6.15 Independent Limited Assurance Report**

**Board of Directors**

InVert Graphite Limited  
Level 5, 56 Pitt Street  
SYDNEY NSW 2000

**Date**

11 March 2025

Dear Directors

**INVESTIGATING ACCOUNTANT'S REPORT****INDEPENDENT LIMITED ASSURANCE REPORT ON FINANCIAL INFORMATION****Introduction**

The directors of InVert Graphite Limited (previously Dominion Minerals Limited) ("InVert Graphite" or "the Company") and the entities it controls ("the Group") have engaged PKF Brisbane Audit ("PKF") to prepare an Independent Limited Assurance Report on the Financial Information as set out below for inclusion in the Prospectus to be dated on or about 11 March 2025 ("the Prospectus") relating to the issue of 110,000,000 (minimum subscription) or up to 116,666,667 (maximum subscription) new fully paid ordinary shares in the Company to raise \$3.30 million (minimum subscription) or up to \$3.50 million (maximum subscription) (the "Offer").

Expressions and terms defined in the Prospectus have the same meaning in this report, unless otherwise specified.

**Scope**

You have requested PKF to review the following Financial Information of InVert Graphite included in Section 6 of the Prospectus:

- Historical Financial Information consisting of:
  - InVert Graphite's audited historical consolidated Statements of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2022, for the year ended 31 December 2023 and InVert Graphite's reviewed historical consolidated Statements of Profit or Loss and Other Comprehensive Income for the half-years ended 30 June 2023 and 30 June 2024;
  - Exceptional Graphite's audited historical Statements of Profit or Loss and Other Comprehensive Income for the period from incorporation (5 April 2023) to 31 December 2023 and Exceptional Graphite's reviewed historical Statements of Profit or Loss and Other Comprehensive Income for the period from Exceptional Graphite's incorporation to 30 June 2023 and for the half-year ended 30 June 2024;
  - Green Valley's audited historical Statements of Profit or Loss and Other Comprehensive Income for the period from incorporation (6 December 2022) to 31 December 2022, for the year ended 31 December 2023 and Green Valley's reviewed historical Statements of Profit or Loss and Other Comprehensive Income for the half-years ended 30 June 2023 and 30 June 2024;

- EGR Tanzania's audited historical Statements of Profit or Loss and Other Comprehensive Income for the period from incorporation (4 April 2022) to 31 December 2022, for the year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024;
  - InVert Graphite's audited historical consolidated Statements of Financial Position as at 31 December 2022, 31 December 2023 and InVert Graphite's reviewed historical consolidated Statement of Financial Position as at 30 June 2024;
  - Exceptional Graphite's audited historical Statements of Financial Position as at 31 December 2023 and Exceptional Graphite's reviewed historical Statement of Financial Position as at 30 June 2024;
  - Green Valley's audited historical Statements of Financial Position as at 31 December 2022, 31 December 2023 and Green Valley's reviewed historical Statement of Financial Position as at 30 June 2024;
  - EGR Tanzania's audited historical Statements of Financial Position as at 31 December 2022, 31 December 2023 and 30 June 2024;
  - InVert Graphite's audited historical consolidated Statements of Cash Flows for the year ended 31 December 2022, for the year ended 31 December 2023 and InVert Graphite's reviewed historical consolidated Statement of Cash Flows for the half-years ended 30 June 2023 and 30 June 2024;
  - Exceptional Graphite's audited historical Statements of Cash Flows for the period from incorporation (5 April 2023) to 31 December 2023 and Exceptional Graphite's reviewed historical Statement of Cash Flows for the period from Exceptional Graphite's incorporation to 30 June 2023 and for the half-year ended 30 June 2024;
  - Green Valley's audited historical Statements of Cash Flows for the period from incorporation (6 December 2022) to 31 December 2022, for the year ended 31 December 2023 and Green Valley's reviewed historical Statement of Cash Flows for the half-years ended 30 June 2023 and 30 June 2024; and
  - EGR Tanzania's audited historical Statements of Cash Flows for the period from incorporation (4 April 2022) to 31 December 2022, for the year ended 31 December 2023 and for the half-years ended 30 June 2023 and 30 June 2024.
- Pro-forma Financial Information consisting of:
    - the Pro-forma Consolidated Statement of Financial Position as at 30 June 2024; and
    - selected notes to the Pro-forma Consolidated Statement of Financial Position.

The Financial Information has been prepared in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards, other mandatory professional reporting requirements in Australia, and the significant accounting policies summarised in Section 6.14 of the Prospectus.

The Historical Financial Information has been based on the audited and reviewed consolidated financial statements of the Group. The consolidated financial statements of the Group for the years ended 31 December 2022 and 31 December 2023 were audited by PKF Brisbane Audit who issued unqualified audit opinions. The consolidated financial statements for the half-years ended 30 June 2023 and 30 June 2024 were reviewed by PKF Brisbane who issued an unqualified review opinion. The consolidated financial statements of Exceptional Graphite Resources Limited for the period from incorporation (4 April 2022) to 31 December 2022, for the year ended 31 December 2023 and half year ended 30 June 2024 were audited by BM Financial Consultants, who issued unqualified opinions.

The Pro-forma Consolidated Statement of Financial Position as at 30 June 2024 is based on the Historical Consolidated Balance Sheet of the Group as at 30 June 2024 adjusted to reflect Pro-forma adjustments as if they occurred on or before 30 June 2024 including:

- (a) the settlement of the Acquisition through the Company acquiring 100% of Exceptional Graphite shares (and through Exceptional Graphite, indirect ownership of 100% of Green Valley shares and 100% of EGR Tanzania Shares) and the White Hill Licences in consideration for the issue of Consideration Shares equivalent to the value of the assets acquired pursuant to the Acquisition. The vendors of the assets acquired in the Acquisition will be issued 76,757,576 Consideration Shares at \$0.03 per Share representing an acquisition value of \$2,302,727.

The Directors have determined that the Acquisition does not meet the definition of a business combination under AASB 3 *Business Combinations*. Therefore, the transaction has been accounted for as an asset acquisition. Under the asset acquisition accounting policy adopted, the cost of the Acquisition is allocated to the assets acquired on the basis of relative fair values. As the assets acquired in the Acquisition are the exploration permits comprising the Morogoro Project and the White Hill Licences and it is InVert Graphite's accounting policy to expense exploration and evaluation expenditure as incurred, the \$2,383,070 cost of the Acquisition has been expensed as at 30 June 2024.

- (b) At the successful Completion of the Offer an allotment of:
  - i. Minimum raise - 110,000,000 ordinary shares at \$0.03 each, being \$3,300,000; or
  - ii. Maximum raise - 116,666,667 ordinary shares at \$0.03 each, being \$3,500,000.
- (c) The estimated cash issue expenses associated with the preparation of the Prospectus and capital raising are:
  - i. Minimum raise - \$734,034 of which \$339,538 being offset against the share capital raised and \$394,496 expensed; or
  - ii. Maximum raise - \$746,297 of which \$357,803 being offset against the share capital raised and \$388,494 expensed.

As at the date of the Prospectus \$178,090 of the total costs related to the Offer have already been paid, thereby reducing the amount to be paid from the proceeds of the Offer.

- (d) the payment of costs relating to the Morogoro Project in EGR Tanzania with a loan of USD 52,600 (AUD 85,000). As it is InVert Graphite's accounting policy to expense exploration and evaluation expenditure as incurred, all costs have been expensed as at 30 June 2024.
- (e) the payment of costs and recording of accounts payable for the period from 1 July 2024 totalling \$954,262 relating to the costs of the Acquisition, relisting and general administration costs, all of which have been expensed as at 30 June 2024.
- (f) 15 million options are to be issued to the lead managers as part of its remuneration for the IPO. These options were independently valued at \$108,750 and have been offset against the share capital raised.
- (g) the issue of 3 Performance Shares to Hashimu Musedem Millanga (and/or his nominee(s)) as a term of his employment as a Principal Geologist by EGR Tanzania as a condition of the Acquisition. Each Performance Share will be subject to different vesting conditions. The Performance Shares have been valued at an aggregate value of \$411,680 using a Monte Carlo option pricing methodology. The fair value of the Performance Shares will be recognised as an expense in the Statement of Profit and Loss

over the vesting period for each Performance Share.

- (h) the issue of 1,231,120 Chairman Options which will have a \$NIL exercise price and will be subject to vesting conditions. The Chairman Options have been valued at an aggregate value of \$8,495 using a Monte Carlo option pricing methodology. The fair value of the Chairman Options will be recognised as an expense in the Statement of Profit and Loss over the vesting period.
- (i) the issue of 28,315,758 Director and Management Performance Options which will have a \$NIL exercise price and will be subject to vesting conditions. The Director and Management Performance Options will be issued in three tranches with each tranche being subject to different vesting conditions. The Director and Management Performance Options have been valued at an aggregate value of \$587,835 using a Monte Carlo option pricing methodology for Tranche B and a Black Scholes option pricing methodology for Tranche A and Tranche C. The fair value of the Director and Management Performance Options will be recognised as an expense in the Statement of Profit and Loss over the vesting period for each tranche.

The Financial Information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

#### **Directors' Responsibility**

The Directors of the Company are responsible for the preparation of the Financial Information, including the selection and determination of Pro-forma adjustments made to prepare the Pro-forma Financial Information and included in the Financial Information.

This includes responsibility for such internal controls as the Directors determine are necessary to enable the preparation of Financial Information that is free from material misstatement, whether due to fraud or error.

#### **Our Responsibility**

Our responsibility is to express a limited assurance conclusion on the Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/ or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review 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 an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

#### **Conclusions**

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe that the Financial Information of the Group as described in Section 6 of the Prospectus is not presented fairly,

in all material respects, in accordance with the stated basis of preparation as described in Section 6.3 of the Prospectus.

Prospective investors should be aware of the material risks and uncertainties in relation to an investment in the Company, which are detailed in the Prospectus. Accordingly, prospective investors should have regard to the investment risks as described in Section 3 of the Prospectus. We express no opinion as to the future financial performance of the Group.

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. We have assumed, and relied on representations from certain members of management of the Group, that all material information concerning the prospects and proposed operations of InVert Graphite Limited and the Group have been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

### **Restrictions on Use**

Without modifying our conclusions, we draw attention to Section 6 of the Prospectus, which describes 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.

### **Consent**

PKF Brisbane Audit has consented to the inclusion of this Independent Limited Assurance Report in the Prospectus in the form and context in which it is included.

### **Liability**

The liability of PKF Brisbane Audit is limited to the inclusion of this report in the Prospectus. PKF Brisbane Audit makes no representation regarding, and has no liability, for any other statements or other material in, or omission from the Prospectus.

### **Independence & Disclosure of Interest**

PKF Brisbane Audit does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. PKF Brisbane Audit will receive a professional fee for the preparation of this Independent Limited Assurance Report and participation in due diligence procedures.

Yours faithfully

**PKF Brisbane Audit**



**Cameron Bradley**  
**Partner**

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## **7 INDEPENDENT GEOLOGIST'S REPORT**

Final

# Independent Geologist's Report

InVert Graphite Prospectus IGR, Morogoro Project, Tanzania + White Hill Project, South Australia  
InVert Graphite Limited



SRK Consulting (Australasia) Pty Ltd ■ DEI002 ■ 7 March 2025



**Final**

## Independent Geologist's Report

InVert Graphite Prospectus IGR, Morogoro Project, Tanzania + White Hill Project, South Australia

**Prepared for:**

InVert Graphite Limited  
Level 5, 56 Pott Street  
Sydney, NSW, 2000  
Australia



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**File Name:**

DEI002\_Morogoro and White Hill IGR\_Rev4

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SRK Consulting (Australasia) Pty Ltd. 2025. Independent Geologist's Report. Final. Prepared for InVert Graphite Limited: Sydney, NSW. Project number: DEI002. Issued 7 March 2025.

**Cover Image:**

Outcropping graphite mineralisation along ridge crest, Morogoro, Tanzania

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SRK Consulting (Australasia) Pty Ltd ■ DEI002 ■ 7 March 2025



## Acknowledgments

| Role                | Name            | Professional designation                  |
|---------------------|-----------------|-------------------------------------------|
| Author              | Gavin Chan      | BSc, MPhil, PhD, FAIG                     |
| Peer review         | Jeames McKibben | BSc (Hons), MBA, FAusIMM(CP), MAIG, MRICS |
| Releasing authority | Gavin Chan      | BSc, MPhil, PhD, FAIG                     |

**Disclaimer:** The opinions expressed in this Report have been based on the information supplied to SRK Consulting (Australasia) Pty Ltd (SRK) by InVert Graphite Limited (InVert Graphite). The opinions in this Report are provided in response to a specific request from InVert Graphite to do so. SRK has exercised all due care in reviewing the supplied information. While SRK has compared key supplied data with expected values, the accuracy of the results and conclusions from the review are entirely reliant on the accuracy and completeness of the supplied data. SRK does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them. Opinions presented in this Report apply to the site conditions and features as they existed at the time of SRK's investigations, and those reasonably foreseeable. These opinions do not necessarily apply to conditions and features that may arise after the date of this Report, about which SRK had no prior knowledge nor had the opportunity to evaluate.

# Letter to Company

7 March 2025

InVert Graphite Limited  
Level 21, 10 Eagle Street  
Brisbane QLD 4000  
Australia

Dear Sir/Madam

## **InVert Graphite Limited – Independent Geologist's Report on the Morogoro Project in Tanzania and the White Hill Project in South Australia**

At your request, SRK Consulting (Australasia) Pty Ltd (SRK) has prepared an Independent Geologist's Report (IGR) on the Morogoro Project in Tanzania and the White Hill Project in South Australia for InVert Graphite Limited (InVert Graphite or the Company). It is SRK's understanding that the IGR will be included in a Prospectus to be lodged with the Australian Securities and Investments Commission (ASIC) in support of the capital raising on the Australian Securities Exchange (ASX) in connection with the Company's proposed re-compliance with Chapters 1 and 2 of the Listing Rules. The purpose of the Prospectus is to offer for subscription 110,000,000 shares at an Offer Price of A\$0.03 per share to raise A\$3,300,000 (before associated costs) with the ability to accept oversubscriptions of up to an additional 6,666,667 shares at A\$0.03 per share to raise an additional A\$200,000 (before associated costs) to fund various purposes as described in the Prospectus, including future exploration and development of the Morogoro and White Hill projects.

The Mineral Assets proposed to be acquired by InVert Graphite in this IGR include the Morogoro Project, located in Tanzania and the White Hill Project, located in South Australia. These two projects are considered by the Company to be prospective for graphite and rare earth element (REE) mineralisation respectively.

The objectives of this IGR are to:

- provide an overview of the geological setting of the projects and the associated mineralisation
- present a geological description for each project
- outline the recent exploration and development activities undertaken on each project
- comment on the exploration and development potential on each project
- consider the appropriateness of InVert Graphite's proposed work program and budget.

This IGR has been prepared in accordance with the ASX Listing Rules. Under these rules, reporting in accordance with the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (JORC Code, 2012) and the *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets* (VALMIN Code, 2015) mineral reporting codes (as defined herein) is required.

For the preparation of this IGR, InVert Graphite has made available all relevant information available to it. Where necessary, SRK has supplemented this information with data and information from its own geological databases or available in the public domain. A listing of the documents referenced by SRK is provided at the end of this Report or IGR. This IGR contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government sources or the ASX. The authors of these reports have not consented to the use of their statements in this IGR, and these statements are included in accordance with ASIC Corporations (Consent to Statements) Instrument 2016/72.

Opinions presented in this IGR apply to the site conditions and features as they existed at the time of SRK's investigations and those reasonably foreseeable. These opinions do not necessarily apply to conditions and features that may arise after the date of this Report or IGR, about which SRK had no prior knowledge nor had the opportunity to evaluate.

SRK understands that the current ownership status and standing of the mineral tenements within each project is dealt with in a separate Solicitor's Report prepared for each Project located elsewhere in this Prospectus. SRK has not independently verified the ownership and current standing of the tenements and is not qualified to make legal representations in this regard. SRK has not attempted to confirm the legal status of the tenements with respect to acquisition or joint venture agreements, local heritage or potential social, environmental or land access restrictions. SRK has prepared this Report or IGR on the understanding that all the tenements are currently in good standing.

The proposed exploration programs presented in this IGR and reviewed by SRK have been designed to realise the potential of each project in a prudent and efficient manner. The exploration programs currently planned amount to A\$2.7 M (maximum subscription) or A\$2.5 M (minimum subscription).

From its assessment of InVert Graphite's project areas, it is SRK's opinion that the projects are of merit and worthy of further exploration, and that the exploration programs proposed over the respective projects have been carefully conceived and costed.

InVert Graphite's planned commitment of A\$2.7 M (maximum subscription) or A\$2.5 M (minimum subscription) to the exploration and evaluation of the projects represents greater than 50% of the funds proposed to be raised by InVert Graphite after costs of the issue and satisfies the requirements of ASX Listing Rules 1.3.2 (b), 1.3.3 (a) and 1.3.3 (b). SRK considers these expenditures to be warranted given the results encountered to date and perceived prospectivity of the mineral tenures proposed to be acquired by InVert Graphite. SRK considers that the planned commitments for exploration expenditure on granted tenements of the Morogoro Project and the White Hill Project are sufficient to meet the minimum statutory expenditure requirements. This applies at the minimum subscription, the maximum subscription, and any point in between.

This IGR was prepared by Dr Heung Ngai (Gavin) Chan (Principal Consultant, Project Evaluation). Dr Chan has sufficient experience that is relevant to the style of mineralisation and type of mineral deposits under consideration to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Jeames McKibben (Principal Consultant, Project Evaluation) provided peer review of the IGR. Dr Chan takes the overall responsibility of this IGR and consents to the inclusion of this IGR in the InVert Graphite Prospectus and the matters based on his information in the form and context in which they appear.

SRK is a specialist mining industry consultancy providing services in the fields of geology, exploration, resource estimation, mining engineering, geotechnical engineering, risk assessment, mining information technology and corporate services, including independent expert reports and mineral asset valuations. SRK has prepared Independent Technical Reports and valuations on a variety of mineral commodities in many countries.

Neither SRK nor any of its consultants involved in the preparation of this Report or IGR have any material interest in InVert Graphite or in the Mineral Assets considered in this Report. SRK is remunerated for this Report or IGR by way of a professional fee determined according to a standard schedule of rates. SRK's remuneration is not contingent on the outcome of this Report.

SRK has given, and has not, before lodgement of the Prospectus with ASIC, withdrawn its written consent to being named as author of this Report and to the inclusion of this IGR in InVert Graphite's ASX Prospectus.

## Statement of SRK independence

Neither SRK nor any of the authors of this IGR have any material present or contingent interest in the outcome of this Report, nor do they have any pecuniary or other interest that could be reasonably regarded as being capable of affecting their independence or that of SRK.

## Consulting fees

SRK's professional fee is approximately A\$35,000 for completing this IGR. The fees are agreed based on the complexity of the assignment, SRK's knowledge of the assets and the availability of data. The payment of this professional fee is not contingent on the outcome of this Report.

## Warranties and indemnities

InVert Graphite has warranted that full disclosure has been made of all material information and that, to the best of its knowledge and understanding, such information is complete, accurate and true.

## Consent

SRK has given and has not withdrawn its consent for this Report, to be included in full, in the InVert Graphite Prospectus in the form and context in which the technical assessment is provided to be used for the purposes of InVert Graphite's potential acquisition and capital raising on the ASX in connection with the Company's proposed re-compliance with Chapters 1 and 2 of the Listing Rules, including publication on InVert Graphite's website and to the inclusion of statements made by SRK and to the references of its name in other documents pertaining to InVert Graphite's listing on the ASX. SRK provides this consent on the basis that the technical assessments expressed in the Executive Summary and in the individual sections of this IGR be considered with, and not independently of, the information set out in the complete Report or IGR.

SRK confirms that to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this Report or IGR is in accordance with the facts and does not omit anything likely to affect the import of such information.

SRK confirms that nothing has come to its attention to indicate any material change to what is reported in this Report or IGR.

Yours faithfully

For and on behalf of SRK Consulting (Australasia) Pty Ltd



Dr Gavin Chan, PhD, FAIG  
Principal Consultant (Project Evaluation)



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Jeames McKibben, BSc (Hons), MBA,  
FAusIMM(CP), MAIG, MRICS  
Principal Consultant (Project Evaluation)

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## Useful definitions

This list contains definitions of symbols, units, abbreviations, and terminology that may be unfamiliar to the reader.

|                                      |                                                                                            |
|--------------------------------------|--------------------------------------------------------------------------------------------|
| A\$                                  | Australian dollars                                                                         |
| AIG                                  | Australian Institute of Geoscientists                                                      |
| AMML                                 | Australian Minmet Metallurgical Laboratories Pty Ltd                                       |
| ASX                                  | Australian Securities Exchange                                                             |
| AusIMM                               | Australasian Institute of Mining and Metallurgy                                            |
| BMR                                  | Bureau of Mining Resources, Geology and Geophysics, now Geoscience Australia               |
| BRGM                                 | Bureau de Recherches Géologiques et Minières                                               |
| C                                    | carbon                                                                                     |
| CP                                   | Competent Person                                                                           |
| CRM                                  | certified reference material                                                               |
| EV                                   | electric vehicle                                                                           |
| Exceptional Graphite or EGA          | Exceptional Graphite (Aust) Pty Ltd                                                        |
| Exceptional Graphite Tanzania or EGR | Exceptional Graphite Resources Limited                                                     |
| GML                                  | Gemstone Mining Licence                                                                    |
| GPL                                  | Gemstone Prospecting Licence                                                               |
| Green Valley                         | Green Valley Resources Pty Ltd                                                             |
| ha                                   | hectares                                                                                   |
| IAC                                  | ionic adsorption clay                                                                      |
| IGR                                  | Independent Geologist's Report                                                             |
| InVert Graphite or the Company       | InVert Graphite Limited                                                                    |
| JORC Code                            | Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves |
| km                                   | kilometres                                                                                 |
| km <sup>2</sup>                      | kilometres squared                                                                         |
| kt                                   | thousand tonnes                                                                            |
| M                                    | million                                                                                    |
| MC                                   | master composite                                                                           |
| MDA                                  | Mining Development Agreement                                                               |
| MEM                                  | Minister of Energy and Minerals                                                            |
| ML                                   | Mining Licence                                                                             |
| mm                                   | millimetres                                                                                |
| MOB                                  | Mozambique Orogenic Belt                                                                   |
| Mt                                   | million tonnes                                                                             |
| MW                                   | megawatts                                                                                  |
| NEMC                                 | National Environment Management Council                                                    |
| PIRSA                                | Primary Industry and Regions SA                                                            |

|             |                                                                                                 |
|-------------|-------------------------------------------------------------------------------------------------|
| PL          | Prospecting Licence                                                                             |
| PML         | Primary Mining Licence                                                                          |
| PPL         | Primary Prospecting Licence                                                                     |
| ppm         | parts per million                                                                               |
| pXRF        | portable x-ray fluorescence                                                                     |
| QC          | quality control                                                                                 |
| REE         | rare earth element                                                                              |
| RL          | Retention Licence                                                                               |
| SML         | Special Mining Licence                                                                          |
| SRK         | SRK Consulting (Australasia) Pty Ltd                                                            |
| TGC         | Total Graphite Content                                                                          |
| TREO        | total rare earth oxide                                                                          |
| USGS        | United States Geological Survey                                                                 |
| VALMIN Code | Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Asset |
| WHPL        | White Hill Resources Pty Ltd                                                                    |
| µm          | Microns                                                                                         |
| %           | per cent                                                                                        |

## Executive summary

On 7 August 2024, InVert Graphite Limited (InVert Graphite or the Company) announced the potential acquisition of Exceptional Graphite (Aust) Pty Ltd, Exceptional Graphite Resources Limited, and the White Hill exploration licences. This acquisition includes a 100% interest in the Morogoro Project in Tanzania, which is considered by the Company to be prospective for graphite mineralisation. In addition, the acquisition also secures a 100% interest in the White Hill Project, wholly owned by White Hill Resources Pty Ltd (WHPL) in South Australia, covering exploration licences EL6786 and EL6787, which are considered by the Company to be prospective for ionic adsorption clay (IAC) type rare earth elements (REE) mineralisation.

InVert Graphite has commissioned SRK to prepare an Independent Geologist's Report (IGR) on the Morogoro Project and the White Hill Project. This IGR is to be included in the Company's Prospectus related to the acquisition of these Projects and the associated capital raising in the Australian Securities Exchange (ASX) in connection with the Company's proposed re-compliance with Chapters 1 and 2 of the Listing Rules.

The Morogoro Project is located 25 km south of the regional township of Morogoro and approximately 200 km west of the Tanzanian capital, Dar es Salaam. It is considered prospective for graphite mineralisation. The Project comprises a 100% interest in three granted prospecting licences (PL), covering a combined area of approximately 225.26 km<sup>2</sup> and five PL applications covering a further 161.04 km<sup>2</sup>. The project area forms part of the Paleoproterozoic Usagaran Belt, where the geology is characterised by polyphase deformed graphitic schist, quartzites, felsic gneisses, and minor dolomite and felsic granulite bands.

Previous exploration has identified seven graphite prospects, with Kasanga (North and South) and Kumba located in the southern part of the project area being the primary target areas. Initial surface geochemical sampling has returned positive results, with grades ranging from 5.77% to 30.3% total graphite content (TGC) and an average grade of 12.6% TGC. SRK considers the project lies within a well-known geological belt where prospective graphite mineralisation is present. Reconnaissance geological and alteration mapping, surface sampling and trenching have all confirmed the presence of graphite mineralisation at, or in close proximity to, the surface.

Sighter metallurgical testwork on five samples from the surface demonstrated a concentrate grade recovery of 92.1%, with an average grade of 97.3% TGC. Flake size distribution analysis revealed that 53% of flakes fell within the Large and Medium (-200+300 µm) size fractions, while the premium size fraction (-500+500 µm) (Super Jumbo and Jumbo), accounted for 17.2% of the overall flake distribution. There has been no drilling to date. Sighter metallurgical testwork has indicated that a saleable product could potentially be produced with a potentially acceptable level of recovery and TGC content. Samples from the trenches were also collected to guide the proposed drilling program, however, the results were pending at the time of reporting.

InVert Graphite has prepared a 2-year budget involving near term drilling, geophysical surveying and additional metallurgical testwork. The Company's focus will be on the key known prospects at Kumba and Kasanga, as well as other regional prospects. This program aims to assess the chemical and physical properties of the graphitic schist and further evaluate the project's potential for graphite extraction and target a maiden Mineral Resource estimate.

SRK has reviewed InVert Graphite's proposed budget and consider it to be well reasoned and with the amounts outlined sufficient to support the proposed exploration activities (Table ES.1). Based on the proposed activities and costings completed, SRK expects that InVert Graphite will possibly be able to achieve its objective of delineating a Mineral Resource at the Morogoro Project within the 2-year budgeting period.

The acquisition also provides InVert Graphite with access to the White Hill licences, located on the southern edge of the Murray Basin. This project area is characterised by Early Miocene Gambier Limestone and Quaternary sediments, and is recognised for its REE prospectivity, especially within the clay layer immediately above the Gambier Limestone. Historical exploration from 1974 to 1981 included 94 drill holes. Recent portable x-ray fluorescence (pXRF) analysis on some of the drill hole samples by a consultant commissioned by WHPL has yielded positive preliminary results, justifying further investigation. SRK cautions however, that pXRF readings should not be considered a substitute for laboratory assays. Laboratory assays are necessary to accurately determine the widths and grade of mineralisation as indicated in geological logging.

InVert Graphite's exploration strategy at White Hill involves validating the recent pXRF findings through further surface sampling with laboratory assays, drilling to confirm mineralisation, and performing metallurgical analysis. SRK recommends using at least geophysical techniques to further enhance the Company's geological understanding, and considers the proposed 2-year budget and associated activities to support this comprehensive exploration effort to be appropriate (Table ES.1).

**Table ES.1: InVert Graphite's proposed exploration budget (thousand A\$)**

| Project      | Minimum subscription |                |                | Maximum subscription |                |                |
|--------------|----------------------|----------------|----------------|----------------------|----------------|----------------|
|              | Year 1               | Year 2         | Total          | Year 1               | Year 2         | Total          |
| Morogoro     | \$1,045              | \$1,105        | \$2,150        | \$1,044              | \$1,293        | \$2,337        |
| White Hill   | \$180                | \$198          | \$378          | \$180                | \$198          | \$378          |
| <b>Total</b> | <b>\$1,225</b>       | <b>\$1,303</b> | <b>\$2,527</b> | <b>\$1,224</b>       | <b>\$1,491</b> | <b>\$2,715</b> |

Source: InVert Graphite, 2025

SRK notes that the Year 2 expenditures are contingent on the outcome of the Year 1 exploration programs. These expenditures may differ from those currently stated depending on future outcome and circumstances.

# 1 Introduction and Scope of Work

On 7 August 2024, InVert Graphite, an ASX listed exploration and development company with ticker code DLM (which has been varied to IVG), announced the proposed acquisition of Exceptional Graphite (Aust) Pty Ltd (Exceptional Graphite), an Australian-incorporated private company, Exceptional Graphite Resources Limited and the White Hill exploration licences, wholly owned by WHPL.

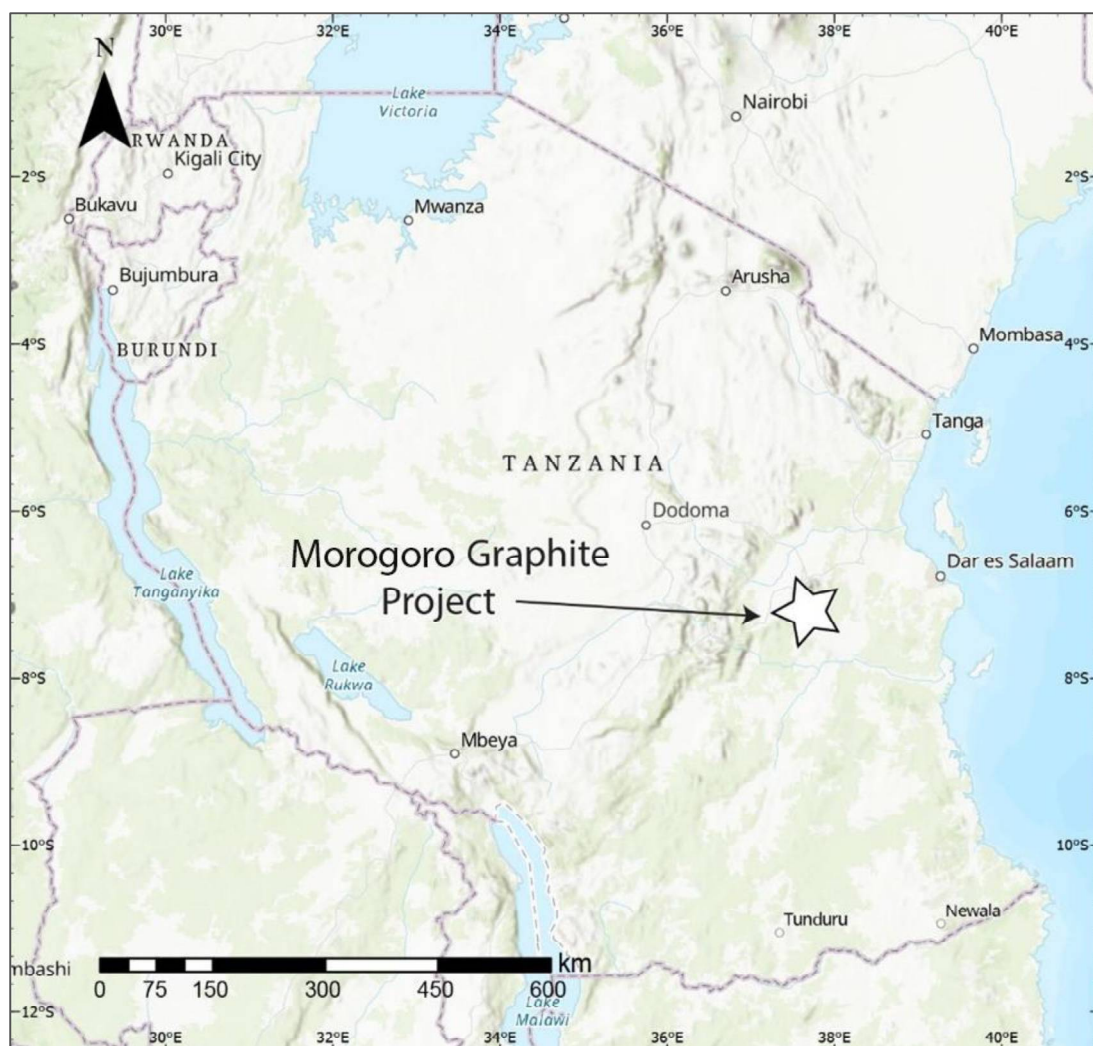
InVert Graphite and Exceptional Graphite have also entered into a binding term sheet for Exceptional Graphite and its then wholly-owned subsidiary (Green Valley Resources Pty Ltd – Green Valley) to acquire a 100% interest in Exceptional Graphite Resources Limited (Exceptional Graphite Tanzania). This Tanzanian incorporated company holds a 100% interest in the Morogoro Project.

The Morogoro Project is located 25 km south of the regional township of Morogoro and approximately 200 km west of Dar es Salaam, the national capital of Tanzania. The project is considered by InVert Graphite to be prospective for graphite mineralisation. It includes a 100% interest in three granted PLs, covering a combined area of approximately 225.26 km<sup>2</sup> and five PL applications covering a further area of approximately 161.04 km<sup>2</sup> (Figure 1.1).

Separately, the Company and Exceptional Graphite have entered into an agreement for Exceptional Graphite to acquire a 100% interest in the South Australian exploration licences EL6786 and EL6787 covering approximately 1,362 km<sup>2</sup> (the White Hill licences). These licences are currently held by WHPL and are located around the towns of Padthaway, Lucindale and Naracoorte, approximately 350 km southeast of Adelaide (Figure 1.2).

InVert Graphite has commissioned SRK to prepare an IGR relating to the Morogoro Project and the White Hill licences. This IGR is to be included in the Company's prospectus related to the capital raising on the ASX and in connection with the Company's proposed re-compliance with Chapters 1 and 2 of the Listing Rules.

**Figure 1.1: Morogoro Project location**

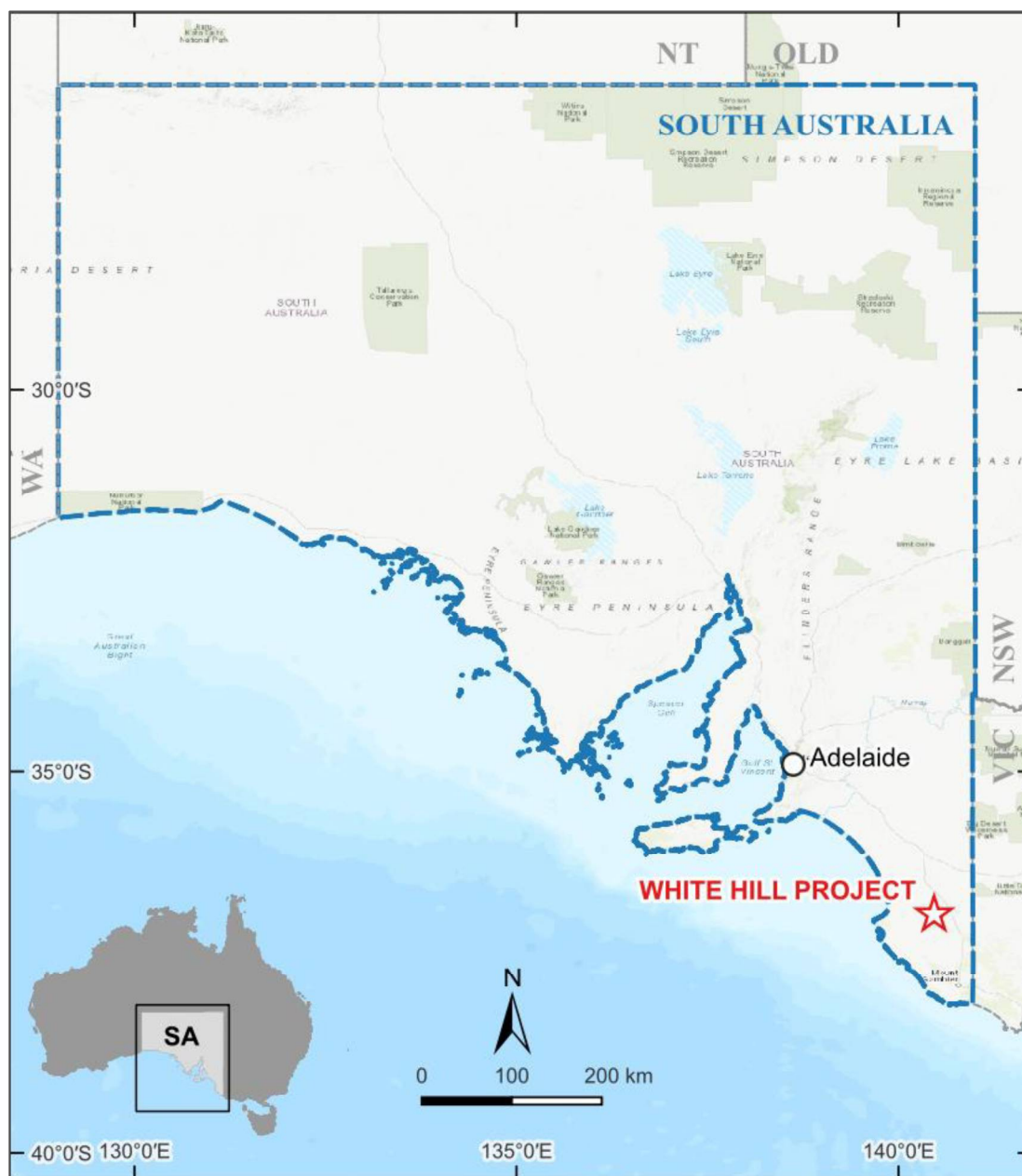


Source: ESRI<sup>1</sup>, InVert Graphite (2025)

Note: January 2025, prepared by Gavin Chan

<sup>1</sup> The named party has not consented to the use of their information in this report.

**Figure 1.2: White Hill Project location**



Source: ESRI<sup>2</sup>, InVert Graphite (2025)

Note: January 2025, prepared by Gavin Chan

<sup>2</sup> The named party has not consented to the use of their information in this report.

This IGR presents the following technical assessment as at the Effective Date (defined in Section 1.6):

- an overview of the geological setting of the projects and associated known mineralisation
- an outline of the historical and recent exploration work undertaken at the projects
- SRK's opinion regarding the exploration and development potential for each of the projects
- SRK's opinion as to the reasonableness of InVert Graphite's budgeted work programs.

This IGR is intended to properly inform readers of InVert Graphite's Prospectus about the status and exploration potential of InVert Graphite's projects and to provide independent commentary on the Company's proposed future exploration and development programs.

## 1.1 Reporting standard

This Report has been prepared to the standard of, and is considered by SRK to be, a technical assessment prepared under the guidelines of the VALMIN Code (2015). The Report was prepared by Gavin Chan and peer reviewed by Jeames McKibben.

The author and reviewer of this Report are Members or Fellows of either the Australasian Institute of Mining and Metallurgy (AusIMM) or the Australian Institute of Geoscientists (AIG) and, as such, are bound by both the VALMIN Code and the JORC Code. For the avoidance of doubt, this Report has been prepared in accordance with:

- the 2015 edition of the *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets* (VALMIN Code)
- the 2012 edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (JORC Code).

As per the VALMIN Code (2015), a first draft of the Report was supplied to InVert Graphite to check for material error, factual accuracy and omissions before the final report was issued. The final report was issued following review of all comments made by InVert Graphite.

## 1.2 Project team

This IGR has been prepared by Gavin Chan and reviewed by Jeames McKibben. Both have extensive experience in the mining industry and are fellows in good standing of relevant professional institutions.

### **Gavin Chan, Principal Consultant (Geology), BSc MPhil, PhD (Earth Sciences), FAIG**

Gavin Chan has over 20 years of academic and commercial experience in geosciences and has worked on a wide range of commodities from precious metals, base metals, bulk commodities, rare earths and industrial minerals to construction materials in Australia, Asia, Africa, Europe and the Caribbean. Gavin has extensive experience in technical due diligence, technical economic analysis, valuation, fatal flaw and project analysis. He also has prepared public reports for stock exchanges in Hong Kong, Singapore, Indonesia and Australia. Gavin is a Fellow of the AIG and has the appropriate relevant qualifications, experience, competence and independence to be

considered a Specialist and Competent Person under the VALMIN Code (2015) and JORC Code (2012) respectively. Gavin takes overall responsibility of this Report.

**Jeames McKibben, BSc Hons (Geology and Geochemistry), MBA, Chartered Valuation Surveyor (MRICS), FAusIMM (CP), FGSA – Principal Consultant (Project Evaluation)**

Jeames is an experienced international mining professional having operated in a variety of roles including consultant, project manager, geologist and analyst for almost 30 years. He has a strong record in mineral asset valuation, project due diligence, independent technical review and deposit evaluation. As a consultant, he specialises in mineral asset valuations and Independent Technical Reports for equity transactions and in support of project finance. Jeames has been responsible for multidisciplinary teams covering precious metals, base metals, bulk commodities (ferrous and energy) and other minerals in Australia, Asia, Africa, North and South America and Europe. He has assisted numerous mineral companies, financial, accounting and legal institutions and has been actively involved in arbitration and litigation proceedings. Jeames is a current member of the VALMIN Committee. Jeames is the reviewer of this Report.

### 1.3 Development status

As defined in the VALMIN Code (2015), mineral assets comprise all property including (but not limited to) tangible property, intellectual property, mining and exploration tenure and other rights held or acquired in relation to the exploration, development of and production from those tenures. This may include plant, equipment and infrastructure owned or acquired for the development, extraction and processing of minerals relating to that tenure.

For this Report, the mineral assets were classified in accordance with the categories outlined in the VALMIN Code (2015), these being:

- **Early Stage Exploration Projects** – tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
- **Advanced Exploration Projects** – tenure holdings where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.
- **Pre-development Projects** – tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.
- **Development Projects** – tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a pre-feasibility study.

- **Production Projects** – tenure holdings – particularly mines, wellfields and processing plants that have been commissioned and are in production.

Based on its review of the available technical data, SRK considers that the Morogoro Project is best classified as an Advanced Exploration Stage, with a certain amount of exploration having been conducted, and targets identified, while the White Hill Project is at an Early Stage Exploration stage, where only limited exploration has been undertaken to date, and the presence or absence of mineralisation remains to be determined.

## 1.4 Forward-looking statement

Mineral exploration is a high-risk endeavour, particularly during the early phases of technical assessment. It is possible that no materially significant mineralisation exists. Project success can also be impacted by uncertainty in the market, including volatility and variations in commodity prices, which may have either positive or negative impacts.

## 1.5 Work program

SRK commenced its work program in September 2024, which involved reviewing the data provided by InVert Graphite and other data available from subscription databases such as S&P Global Market Intelligence which has been incorporated during the preparation of this Report.

While noting section 11.1 of the VALMIN Code (2015), SRK did not undertake a site inspection to the mineral assets as, in SRK's opinion, a site inspection was unlikely to reveal additional material information over and above that available in the supplied documentation.

## 1.6 Effective Date

The Effective Date of this Report is 6 February 2025. The technical information contained in this Report has been prepared as at the Effective Date.

## 1.7 Legal matters and limitations

SRK has not been engaged to comment on any legal matters and notes its understanding that such matters are considered elsewhere within InVert Graphite's Prospectus. Furthermore, SRK notes that it is not qualified to make legal representations as to the ownership and legal standing of the mineral tenements that are the subject of this Report. SRK has not attempted to confirm the legal status of the tenements with respect to joint venture agreements, local heritage or potential environmental or land access restrictions. Information regarding the legal status of the Project is given in the Independent Solicitors' Reports that are appended to the Prospectus. SRK has made all reasonable enquiries into this status at the Effective Date of this Report and has relied on the Independent Solicitors' Reports, prepared for each project as outlined elsewhere in this Prospectus for the purpose of this Report. Bowmans Tanzania Limited has acted as the tenement solicitors to InVert Graphite for the Morogoro Project and has prepared the Tanzanian Independent Solicitor's Report. O'Loughlins Lawyers has acted as the tenement solicitors to InVert Graphite for the White Hill Licences and has prepared the Australian Independent Solicitor's Report.

## 1.8 Limitations

SRK's opinion contained herein is based on information provided to SRK by the Company throughout the course of SRK's assessment as described in the Report, which in turn reflects various technical and economic conditions at the time of writing. Such technical information as provided by InVert Graphite was taken in good faith by SRK. This Report includes technical information, which requires subsequent calculations to derive subtotals, totals, averages, and weighted averages. Such calculations may involve a degree of rounding. Where such rounding occurs, SRK does not consider it to be material.

The Company has confirmed in writing to SRK that full disclosure has been made of all material information and that to the best of its knowledge and understanding, the information provided by InVert Graphite was complete, accurate and true – and not incorrect, misleading or irrelevant in any material aspect.

SRK has relied on the accuracy and completeness of the documentation supplied to it by the Company. As far as SRK has been able to ascertain, the information provided by the Company was complete and not incorrect, misleading or irrelevant in any material aspect.

## 1.9 Statement of SRK's independence

Neither SRK nor the authors of this Report have any material or contingent interest in the outcome of the Report, nor any pecuniary or other interest that could be reasonably regarded as capable of affecting the independence of SRK.

## 1.10 Practitioner consent

The information in this IGR that relates to the technical assessment of the Mineral Assets is based on, and fairly reflects, information compiled, and conclusions derived by Dr (Gavin) Heung Ngai Chan. Dr Chan is a Fellow of the AIG and full time-consultant employed by SRK. Dr Chan takes full responsibility for the preparation of this IGR including the technical assessment of the Mineral Assets and the associated Exploration Results that have been compiled by the Competent Persons as set out below. Dr Chan has sufficient experience that is relevant to the technical assessment of the Mineral Assets, the styles of mineralisation the types of deposits under consideration and the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the VALMIN Code, and as a Competent Person as defined in the 2012 edition of the JORC Code.

Dr (Gavin) Heung Ngai Chan consents to the inclusion of this information in the Report in the form and context in which it appears.

Dr (Gavin) Heung Ngai Chan is not an employee of InVert Graphite, nor of a related party of InVert Graphite.

### **JORC Code Compliance Statement for Exploration Results – Competent Person Consent Statement**

The Exploration Results in this IGR have been prepared and reported in accordance with the 2012 edition of the JORC Code. The Exploration Results related to the Morogoro Project presented in this IGR are based on and fairly reflect information (including Table 1 in Appendix B) compiled by

Hashimu Millanga, a Competent Person who is a member of the AIG. Mr Millanga is a Director and shareholder of Exceptional Graphite Tanzania, is a party to (as a vendor of EGR as defined below) the Exceptional Graphite Resources Limited (EGR) Tanzania Term Sheet (defined as the 'EGR Tanzania Term Sheet' in the Company's Prospectus), and is proposed to be employed as Principal Geologist by Exceptional Graphite Tanzania on completion of the Acquisition (as also defined in the Prospectus). Full details of Mr Millanga's interests in the securities of InVert Graphite, remuneration payable to Mr Millanga under the terms of his proposed employment agreement with Exceptional Graphite Tanzania, and the terms of the EGR Tanzania Term Sheet are set out in the Prospectus. Mr Millanga has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Millanga consents to the inclusion in this Report the matters based on his information in the form and context in which it appears.

The Exploration Results related to the White Hill Project presented in this IGR are based on and fairly reflect information (including Table 1 in Appendix B) compiled by Andrew Boyd, a Competent Person who is a member of the AIG. Mr Boyd is a Director and shareholder of Exceptional Graphite (Aust) Pty Ltd (EGA) and a Director of Green Valley Resources Pty Ltd (being companies that are parties to the EGA Term Sheet, defined as the 'EGA Term Sheet' in the Company's Prospectus) and EGR Tanzania Term Sheet, and is also a party to the EGA Term Sheet (as a vendor of Exceptional Graphite). Mr Boyd is proposed to be engaged as an Executive Director of InVert Graphite on completion of the Acquisition. Full details of Mr Boyd's interests in the securities of InVert Graphite, remuneration payable to Mr Boyd under the terms of his proposed executive services agreement with InVert Graphite, and the terms of the EGR Tanzania Term Sheet and the EGA Term Sheet are set out in the Prospectus. Mr Boyd has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Boyd consents to the inclusion in this Report the matters based on his information in the form and context in which it appears.

## 1.11 Consulting fees

SRK's estimated fee for completing the Report is based on its normal professional daily rates plus reimbursement of incidental expenses. The fees are agreed based on the complexity of the assignment, SRK's knowledge of the assets, additional information covered by a variation to the contract, and availability of existing data. The fee payable to SRK for this engagement is estimated at approximately A\$35,000. The payment of this professional fee is not contingent on the outcome of this Report nor the success of the capital raising.

## 2 Graphite

### 2.1 Introduction

Graphite has been designated as a strategic mineral by the United States, the European Union, Japan and Australia due to its scarcity, unique physical and chemical properties, and its growing importance in high technology applications and green energy initiatives, such as an anode material in lithium ion batteries.

China currently dominates both the downstream and upstream portions of the graphite market, producing about 75% of the world's graphite and nearly 100% of the downstream graphite processing capacity for battery anode materials.

### 2.2 Characteristics of graphite

Graphite is formed by metamorphism of organic matter in sedimentary rocks. It is a natural form of carbon, with the chemical formula 'C' and is characterised by its hexagonal crystalline structure. Graphite exists in two forms: natural and synthetic.

Graphite's key physical and chemical characteristics include:

- high melting temperature
- stability and strength at high temperatures
- high thermal and electrical conductivity
- chemically inert
- high resistance to thermal shock
- high conductivity of solid; low conductivity of porous foam, cloth and tape
- low coefficient of thermal expansion
- good electrical conductivity (it is the only non-metal that is a good conductor of electricity)
- high radiation emissivity
- flame retardant
- high compressive strength
- stiffness of solid; flexibility of filament, cloth or tape
- high resistance to erosion
- good machinability
- low friction; self-lubrication
- high resistance to chemical attack and corrosion.

Natural and synthetic graphite are processed at temperatures of up to 2,500°C to produce high-purity graphite with up to 99.9% TGC. This temperature profile allows for the introduction of promoter elements, such as boron and silicon into the graphite structure (Harben, 1999<sup>3</sup>; Crossley, 2000<sup>4</sup>), enhancing its consistency, lubricant properties and conductivity.

Crystalline graphite is preferred for making crucibles, while amorphous graphite is used in foundry facings, steelmaking and refractories. Natural graphite's low coefficient of friction also makes it suitable for coatings, pencils, powder metallurgy, refractories, lubricants and batteries. Lower quality graphite can also be used in high technology applications, traditionally dominated by synthetic material.

Natural graphite offers significant cost advantages over synthetic graphite, but has limited recycling capacity given it is gradually consumed in applications such as refractories or brake linings. Recycling of graphite includes renewing used electrodes or substituting for amorphous graphite. The use of recycled graphite in products such as brake linings and thermal insulation is growing, but due to the abundance of natural graphite, there is currently no incentive for large-scale recycling.

Substitution of graphite by other minerals is low, as no mineral matches its versatility and unique physical and chemical properties.

### 2.2.1 Flake graphite

Three main forms of natural graphite of commercial significance (Harben and Kužvart, 1996<sup>5</sup>) are:

- flake (or crystalline/disseminated flake)
- crystalline vein (or lump)
- amorphous (microcrystalline).

For the purposes of this Report, SRK has only provided details relating to flake graphite, as this is currently the only form recorded at the Morogoro Project.

The formation of graphite flake occurs from an amorphous organic precursor in rocks at, or beyond, amphibolite grade metamorphism (Landis, 1971<sup>6</sup>). As a mineral, graphite occurs as flat, plate-like crystals with angular rounded or irregular edges, typically disseminated throughout an originally carbonaceous meta-sedimentary horizon. Host rocks principally include quartz-mica schist, feldspathic or micaceous quartzite and gneiss.

Flake graphite deposits are usually stratabound, with individual beds or lenses ranging in thickness from 0.3 m to more than 30 m and can extend over strike lengths of >2 km. Mineralised zones are typically tabular, sometimes lenticular, and may present as irregularly-shaped bodies in the hinge zones to folds. Most economic flake graphite deposits are derived from Archaean (4 billion to 2.5 billion years ago) to the late Proterozoic (540 million years ago) aged rocks. These rocks may contain up to 90% graphite, though grades of between 10% and 15% are more common.

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<sup>3</sup> The named party has not consented to the use of their information in this report.

<sup>4</sup> The named party has not consented to the use of their information in this report.

<sup>5</sup> The named party has not consented to the use of their information in this report.

<sup>6</sup> The named party has not consented to the use of their information in this report.

Flake size is a major determinant of product pricing and can range from 1 mm to 25 mm with an average size of 2.5 mm. The main regions of occurrence outside of China, include East Africa, Europe and North America.

Commercially, flake graphite is divided into coarse and fine, or from super jumbo to fine (with relevant size distributions outlined in Table 2.1). Fine flake may be further divided into medium flake, fine flake and powder. Impurities typically include minerals found in metasedimentary units, such as quartz, feldspar, mica, amphibole, garnet and calcite, with occasional occurrences of amphiboles, pyrrhotite, pyrite and magnetite.

**Table 2.1: Flake classification by size**

| Flake type  | Microns | Mesh (µm) |
|-------------|---------|-----------|
| Super jumbo | >500    | >35       |
| Jumbo       | 300–500 | >50       |
| Large       | 180–300 | >80       |
| Medium      | 150–180 | >100      |
| Fine        | 75–150  | <100      |
| Amorphous   | <75     | 200       |

## 2.3 Graphite markets

China is the world's largest producer of graphite, producing 1.23 Mt of natural graphite in 2023, which accounted for about 77% of the global market. Other key producers include Mozambique and Madagascar. Most Chinese mines are situated in the Heilongjiang and Shandong provinces, with those in Heilongjiang often closing in winter due to harsh weather, resulting in seasonal pricing differentials.

Recently, China has faced production challenges as its known near surface deposits deplete, leading to increased costs as mining progresses deeper. Rising labour and environmental standards also contribute to higher costs. While China produces limited quantities of large flake graphite, most of the country's output is small flake (in the +200 mesh range). Mozambique and Tanzania are known for large, high-purity flake graphite deposits. As at 2022, all spherical graphite was processed in China.

Table 2.2 shows most recent figures from the United States Geological Survey (USGS), with China dominating production.

**Table 2.2: Graphite production for the period from 2021 to 2023**

| Country                | Mine production (t) |                  |                  | Graphite mineralisation (t) |
|------------------------|---------------------|------------------|------------------|-----------------------------|
|                        | 2021                | 2022             | 2023             |                             |
| Austria                | 500                 | 500              | 500              | *                           |
| Brazil                 | 82,000              | 87,000           | 73,000           | 74,000,000                  |
| Canada                 | 12,000              | 15,000           | 3,500            | 5,700,000                   |
| China                  | 820,000             | 850,000          | 1,230,000        | 78,000,000                  |
| Germany                | 250                 | 250              | 150              | *                           |
| India                  | 7,000               | 8,300            | 11,500           | 8,600,000                   |
| Korea, North           | 8,100               | 8,100            | 8,100            | 2,000,000                   |
| Korea, Republic of     | 10,500              | 17,000           | 27,000           | 1,800,000                   |
| Madagascar             | 70,000              | 110,000          | 100,000          | 24,000,000                  |
| Mexico                 | 2,100               | 1,900            | 2,000            | 3,100,000                   |
| Mozambique             | 72,000              | 170,000          | 96,000           | 25,000,000                  |
| Norway                 | 6,290               | 10,000           | 7,200            | 600,000                     |
| Russia                 | 15,000              | 15,000           | 16,000           | 14,000,000                  |
| Sri Lanka              | 3,000               | 3,000            | 2,200            | 1,500,000                   |
| Tanzania               | -                   | 8,000            | 6,000            | 18,000,000                  |
| Turkey                 | 2,700               | 2,900            | 2,000            | 6,900,000                   |
| Ukraine                | 10,000              | 3,000            | 2,000            | *                           |
| Uzbekistan             | 110                 | -                | -                | -                           |
| Vietnam                | 5,000               | 5,000            | 500              | *                           |
| <b>Total (rounded)</b> | <b>1,130,000</b>    | <b>1,300,000</b> | <b>1,600,000</b> | <b>280,000,000</b>          |

Sources: USGS (2023, 2024<sup>7</sup>)

Notes: Compiled by 2025 SRK, prepared by Gavin Chan

\*Included in total.

Recent exploration activities have significantly increased global graphite resources (USGS, 2024). The focus has been on flake graphite, particularly in Mozambique, Tanzania, Canada and Australia. The largest deposits recently discovered were in Mozambique and Tanzania. For instance, Triton Minerals Limited (ASX:TON) and Syrah Resources Limited (ASX:SYR) have reported total mineral resources of approximately 159 Mt<sup>8</sup> and 120 Mt<sup>9</sup> of contained graphite in Mozambique, respectively. In Tanzania, Volt Resources Limited (ASX:VRC) and Black Rock Mining (ASX:BKT) have reported total contained graphite of 23 Mt<sup>10</sup> and 16.6 Mt<sup>11</sup>, respectively.

<sup>7</sup> The named party has not consented to the use of their information in this report.

<sup>8</sup> 1,430 Mt at 11.1% TGC, including 369 Mt at 11.3% TGC Indicated and 1,062 Mt at 11.1% TGC Inferred as of March 2016.

<sup>9</sup> 1,035 Mt at 11.6% TGC, including 21 Mt at 16.9% TGC Measured, 240 Mt at 13.0% TGC Indicated and 774 Mt at 11.0% TGC Inferred as of December 2023.

<sup>10</sup> 461 Mt at 4.9% TGC, including 20 Mt at 5.3% TGC Measured, 155 Mt at 5.0% TGC Indicated and 286 Mt at 4.9% TGC Inferred as of December 2016.

<sup>11</sup> 213 Mt at 7.8% TGC, including 32 Mt at 8.6% TGC Measured, 85 Mt at 7.8% TGC Indicated and 96.7 Mt at 7.4% TGC Inferred as of February 2022.

These resources are reported in accordance with the JORC Code (2012) by the respective companies.

Over 80% of global graphite demand comes from industrial uses, with 39% for refractories, mainly due to steel production. Demand is also rising in high technology applications, especially for electric vehicle (EV) batteries and portable electronics. Significant growth in graphite demand is forecast, driven by the increase in EV battery needs over the next decade. While traditional uses such as steel manufacturing and refractories are expected to see modest growth, EV batteries are forecast to drive much higher demand. Predictions from September 2024 suggest that demand for graphite will increase fourfold by 2030 compared to 2020 according to research prepared by BloombergNEF in August 2024.

## 2.4 Mining industry in Tanzania

In 2024, Tanzania had an estimated population of about 69 million ([www.worldometers.info](http://www.worldometers.info), accessed on 15 September 2024<sup>12</sup>). The country has experienced relatively high economic growth over the past decade, averaging 6–7% annually. In 2017, key growth drivers included construction, mining, transport and communications. However, economic growth slowed to 4.7% in 2022 from 4.9% in 2021, due to rising food and energy prices following the Russia–Ukraine conflict. In 2023, the gross domestic product grew 5.3% (African Development Bank Group, 2024<sup>13</sup>). Tanzania is a major African mining destination, contributing about 1.7% of the world's gold mine output and is the only global producer of tanzanite.

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<sup>12</sup> The named party has not consented to the use of their information in this report.

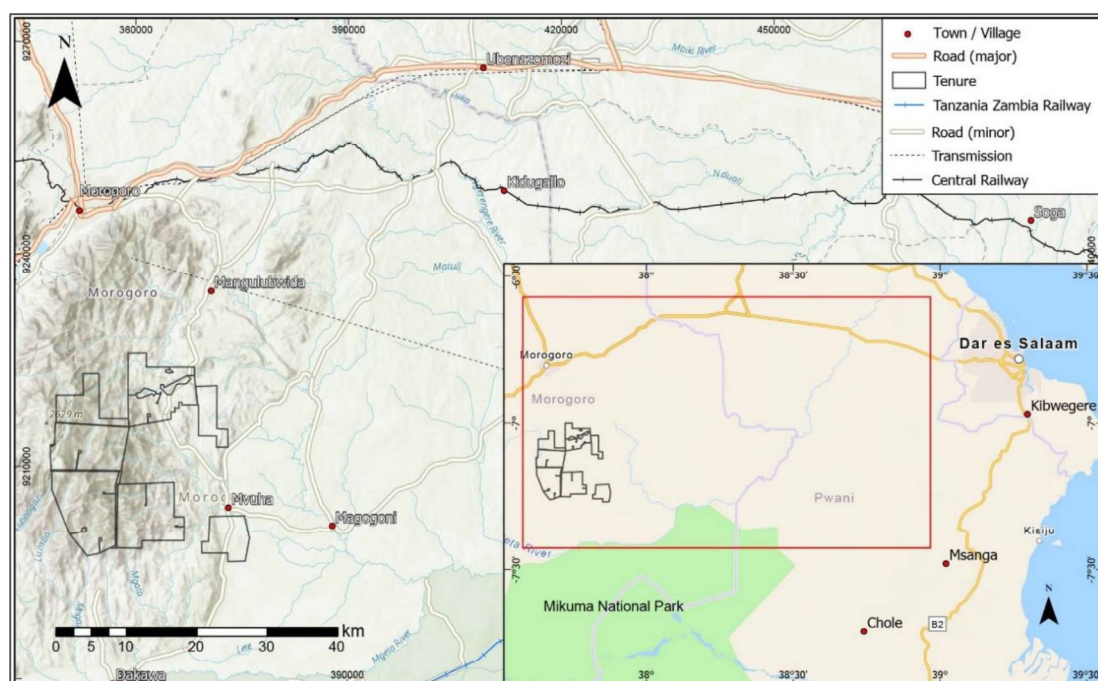
<sup>13</sup> The named party has not consented to the use of their information in this report.

## 3 Morogoro Graphite Project

### 3.1 Location and access

The Morogoro Project is located approximately 25 km south of the regional township of Morogoro in central Tanzania. It is accessible via a major sealed highway from Dar es Salaam, Tanzania's capital, to the Morogoro town covering a distance of approximately 200 km. The project is also 30 km north of a standard and narrow-gauge railway, providing convenient access to Tanzania's major port (Figure 3.1). It is also just 25 km from the existing national power grid and approximately 60 km from the new Julius Nyerere hydro power station, which has a capacity of 2,100 MW.

**Figure 3.1: Project access**



Sources: ESRI<sup>14</sup>, InVert Graphite

Note: January 2025, prepared by Gavin Chan

### 3.2 Physiography and climate

Tanzania shares its borders with Kenya and Uganda to the north; Rwanda, Burundi, and the Democratic Republic of the Congo to the west; and Zambia, Malawi, and Mozambique to the south. Located on Africa's east coast, Tanzania has an Indian Ocean coastline of approximately 1,424 km.

The northeast region of the country is mountainous and densely forested, and is where Mount Kilimanjaro is located. Three of Africa's Great Lakes are partly within Tanzania: Lake Victoria,

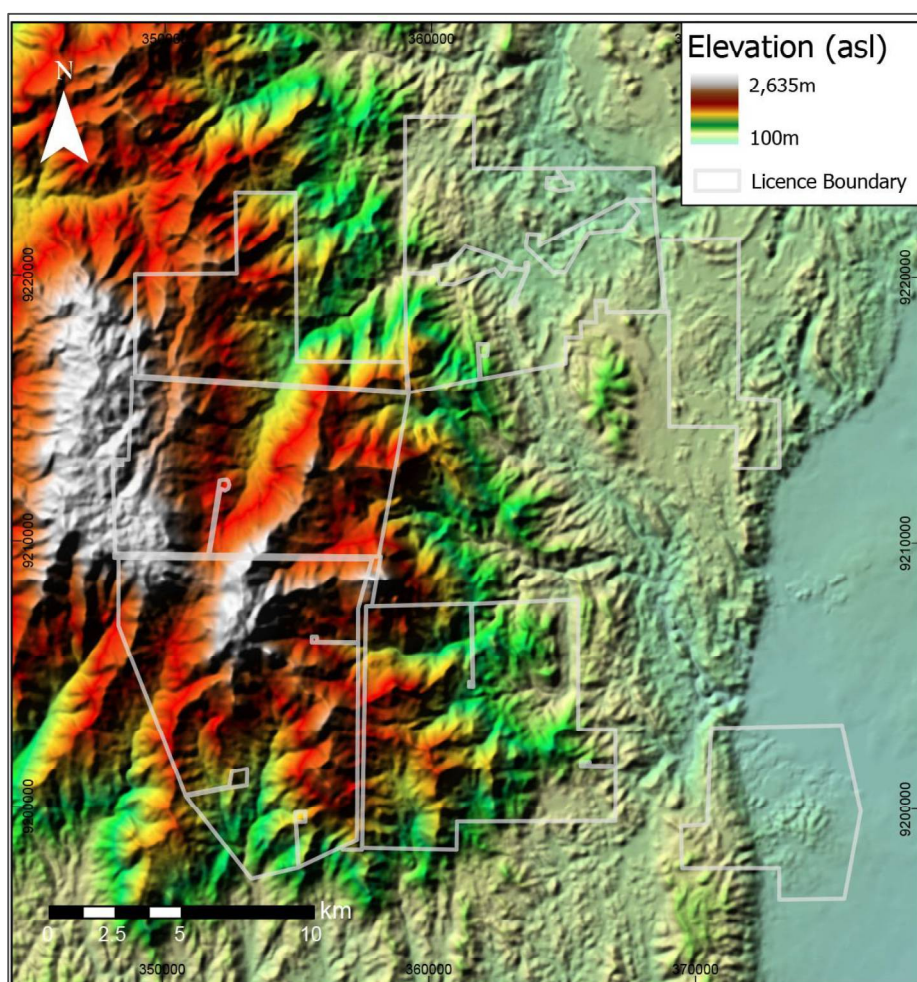
<sup>14</sup> The named party has not consented to the use of their information in this report.

Africa's largest lake, and Lake Tanganyika, the continent's deepest lake, known for its unique fish species, lie to the north and west; Lake Nyasa is situated to the southwest. Central Tanzania features a large plateau with plains and arable land, while the eastern coastal area is hot and humid, with the Zanzibar Archipelago just offshore.

The Morogoro Project area is located in the Uluguru Mountains, approximately 200 km inland from the Indian Ocean. The main ridge of the Uluguru Mountains trends roughly north–south, reaching an elevation of 2,630 m at its highest point. These mountains form part of the Eastern Arc Mountains chain stretching along eastern Africa.

The vegetation in the Uluguru Mountains is highly diverse, ranging from dry lowland coastal forests to transitional rainforests, and includes sub-montane, montane, and upper montane forest types (Figure 3.2).

**Figure 3.2: Topography of the project area**



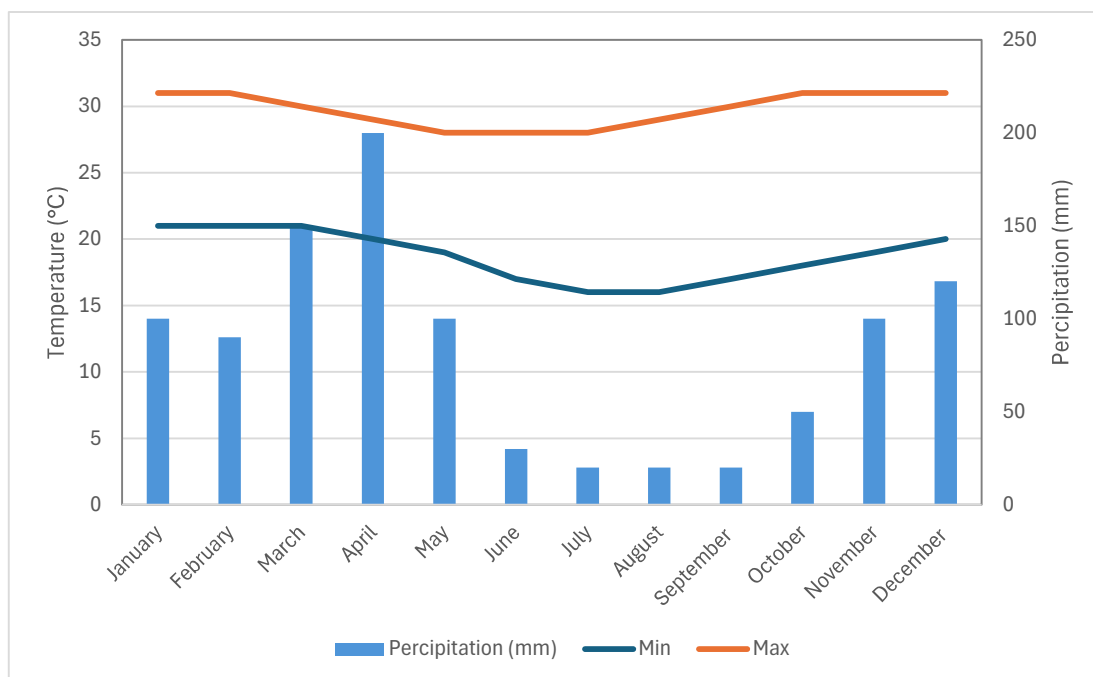
Source: ESRI<sup>15</sup>

Note: January 2025, prepared by Gavin Chan

<sup>15</sup> The named party has not consented to the use of their information in this report.

Morogoro experiences a tropical climate with average temperatures ranging from 16°C to 31°C throughout the year. The warmest months are typically December to March. Rainfall is characterised by two main rainy seasons: from March to May and from October to December. Annual rainfall varies, with monthly averages ranging from about 20 mm to 200 mm (Figure 3.3). The topography and climate enable exploration and development activities to be conducted year-round.

**Figure 3.3: Temperatures and rainfall statistics of Morogoro**



Source: ([www.climateknowledgeportal.worldbank.org](http://www.climateknowledgeportal.worldbank.org), accessed on 15 September 2024<sup>16</sup>)

Note: January 2025, prepared by Gavin Chan

## 3.3 Tenure

### 3.3.1 Tanzania mineral licensing system

Under the Tanzanian constitution, the state holds title to all mineral property and resources, maintaining ultimate control over mineral rights in Tanzania. Only companies incorporated in Tanzania may hold mineral rights, although exploration and mining are open to foreign entities. Royalties are charged on the gross value of minerals. The state mandates a 16% non-dilutable participation in project development through free-carried interest shares in a mining company's capital. Additionally, the state can acquire up to 50% of the mining company's shares, proportional to the total tax expenditures incurred by the state in favour of the company.

<sup>16</sup> The named party has not consented to the use of their information in this report.

All permits granting rights to explore and extract mineral resources are issued by the Minister of Energy and Minerals (MEM), in accordance with the Mining Act, R.E. 2019, Cap of the Laws of Tanzania 123 (Mining Act), and its supplemental amendments detailed in The Mining Regulations of 2018. The Mining Act provides the legal framework governing mining activities in Tanzania.

The Tanzanian MEM is responsible for overseeing the development of the mining industry through its Mineral Division. The Mining Act, along with the *Explosives Act of 1963* and the Mining (Mineral Rights) Regulations, 2018 as amended by the Mining (Mineral Rights) (Revocation of the First Schedule) Regulations, 2018 and the Mining (Mineral Rights) (Amendment) Regulations, 2020 (Mineral Rights Regulations), governs the laws related to mineral prospecting and exploitation, including the granting and renewal of licences, as well as the imposition of royalties, fees, and other charges.

Under the Mining Act, mineral rights encompass various licences, including PLs, Retention Licences (RL), Special Mining Licences (SML), Mining Licences (ML), Processing Licences, Smelting Licences and Refining Licences. The following types of exploration mineral rights can be applied for:

- Prospecting Licence
- Gemstone Prospecting Licence (GPL)
- Primary Prospecting Licence (PPL).

Mining mineral rights include:

- Special Mining Licence (SML)
- Mining Licence (ML)
- Gemstone Mining Licence (GML)
- Primary Mining Licence (PML).

According to section 32 of the Mining Act, a PL is issued for an initial prospecting period not exceeding 4 years. Upon expiry of the initial prospecting period, the first period of renewal of a PL shall not exceed 3 years and the second period of renewal of a PL shall not exceed 2 years. A PL is not renewable after the second period of renewal.

### 3.3.2 Tenure

According to InVert Graphite, Exceptional Graphite Tanzania holds three granted PLs and has submitted applications for five additional PLs. The granted PLs cover approximately 225.26 km<sup>2</sup> while the PL applications cover 161.04 km<sup>2</sup>. The area of the combined granted and applied-for tenements is 386.30 km<sup>2</sup> (Figure 3.4).

SRK was provided with a tenement schedule and received representation from InVert Graphite that the following tenure details are correct. SRK has validated the supplied information against the Tanzania Mining Cadastral Portal (Table 3.1) and no errors were evident. SRK understands the legal standing associated with these tenures is discussed in the Solicitors' Reports contained elsewhere within InVert Graphite's Prospectus.

**Table 3.1: Morogoro tenure status**

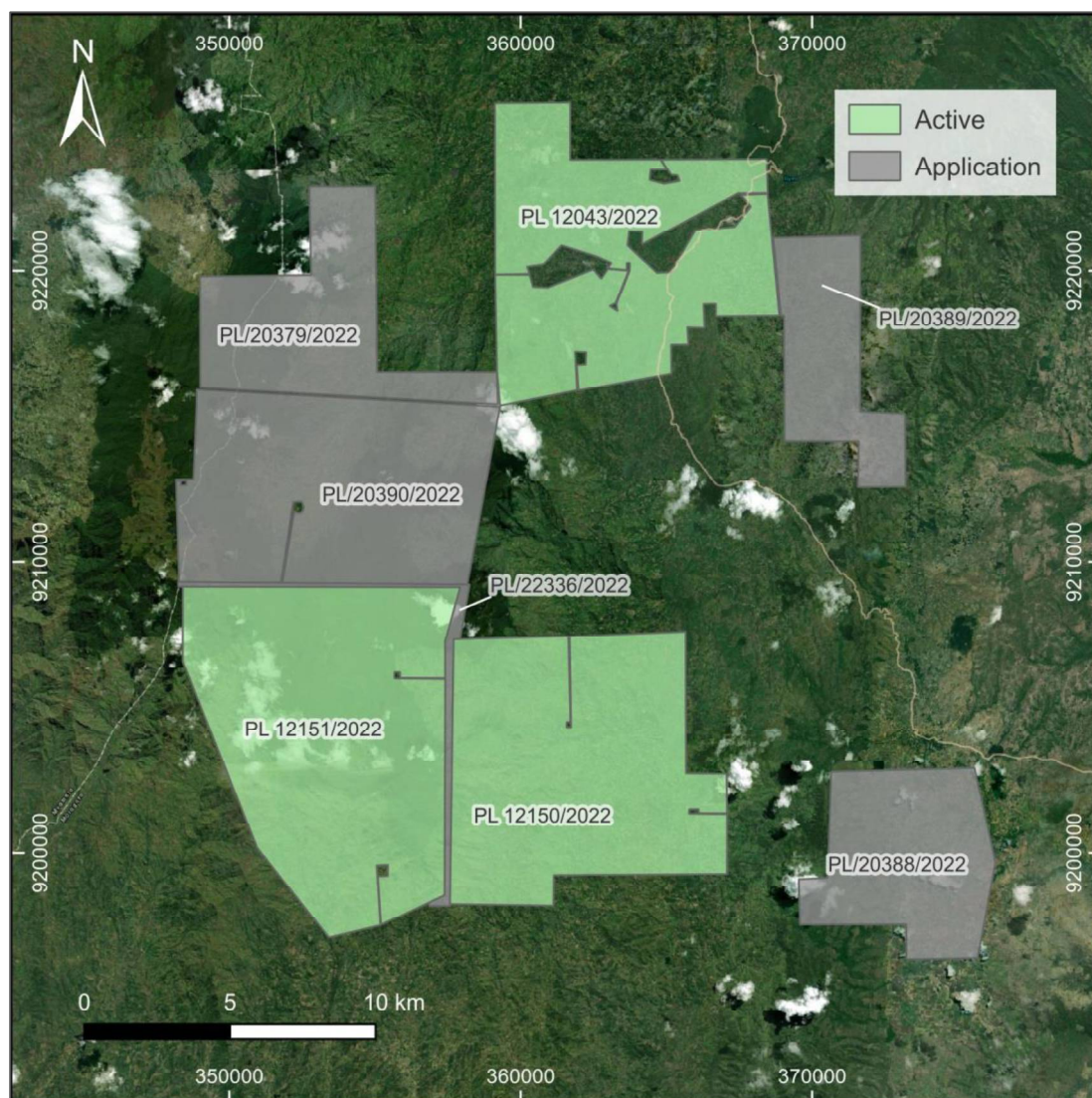
| Tenement      | Project                     | Licence     | Status      | Licence holder/<br>Applicant                  | Granted/<br>applied | Expiry     | Area<br>(km <sup>2</sup> ) |
|---------------|-----------------------------|-------------|-------------|-----------------------------------------------|---------------------|------------|----------------------------|
| PL12043/2022  | Tawa                        | Prospecting | Active      |                                               | 23/09/2022          | 23/09/2026 | 65.06                      |
| PL12150/2022  | Kasanga/<br>Kasanga<br>East | Prospecting | Active      |                                               | 23/12/2022          | 23/12/2026 | 74.09                      |
| PL12151/2022  | Kumba                       | Prospecting | Active      |                                               | 23/12/2022          | 23/12/2026 | 86.12                      |
| PL20379/2022  | Nyingwa/<br>Ngweme          | Prospecting | Application | Exceptional<br>Graphite<br>Tanzania<br>(100%) | 12/05/2022          |            | 35.30                      |
| PL/20389/2022 | Lundi                       | Prospecting | Application |                                               | 12/05/2022          |            | 23.04                      |
| PL/22336/2022 | Mvomero                     | Prospecting | Application |                                               | 18/11/2022          |            | 4.30                       |
| PL/20390/2022 | Nyingwa/<br>Ngweme          | Prospecting | Application |                                               | 12/05/2022          |            | 65.05                      |
| PL/20388/2022 | Mvuha                       | Prospecting | Application |                                               | 12/05/2022          |            | 33.33                      |

Source: Bowmans Tanzania Limited, the tenement solicitors to InVert Graphite for the Morogoro Project, 2025

**Notes:**

- <sup>1</sup> The geographical location of the tenements is shown in Figure 3.4
- <sup>2</sup> SRK has not conducted any legal due diligence regarding the status of the tenements and is not appropriately qualified to do so. SRK understands that these matters are addressed in the Independent Solicitor's Report prepared by Bowmans Tanzania Limited, Section 8 of InVert Graphite's Prospectus.
- <sup>3</sup> Applications for prospecting licences are not subject to challenge according to the Independent Solicitor's Report , prepared by Bowmans Tanzania Limited.
- <sup>4</sup> Details of the licence under application are subject to change.

**Figure 3.4: The Morogoro Project tenements**



Source: InVert Graphite, 2025

Note: January 2025, prepared by Gavin Chan

## 3.4 Geological framework

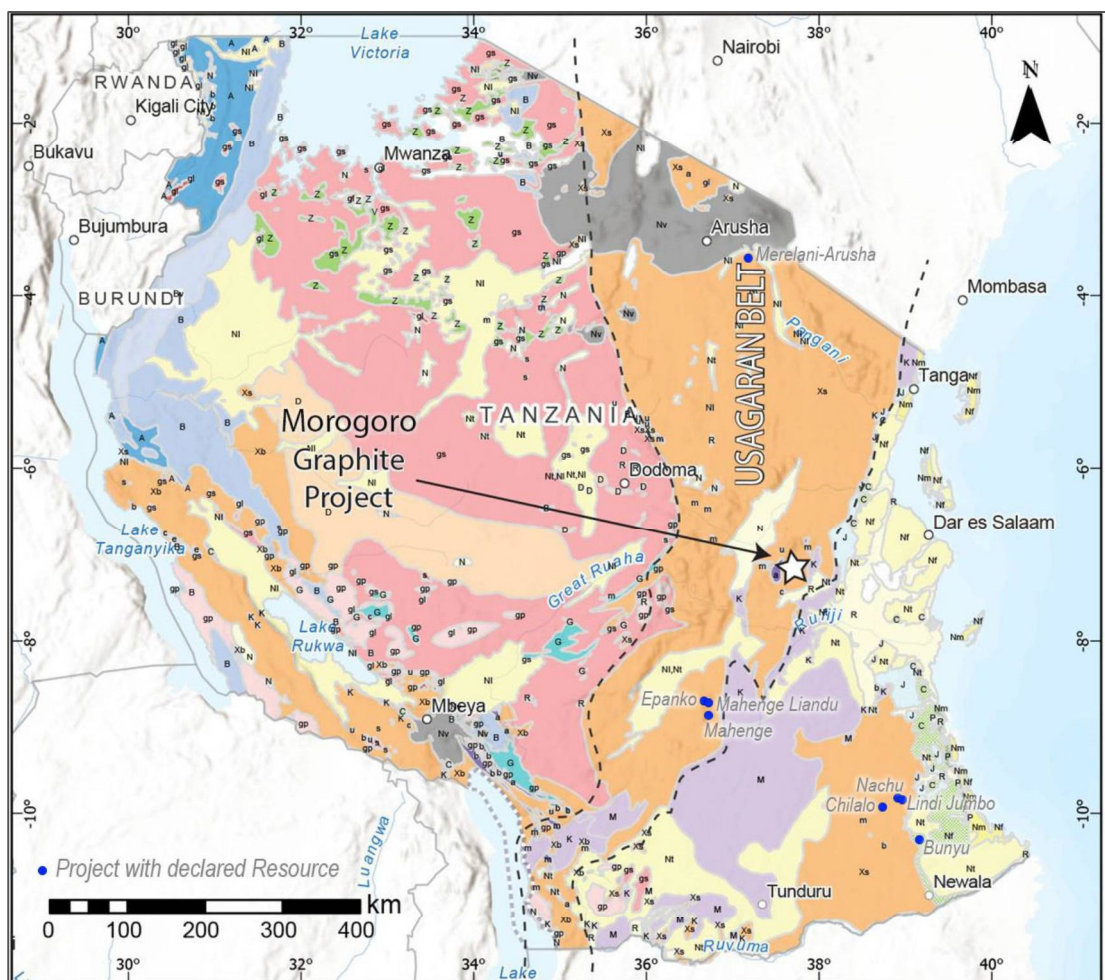
### 3.4.1 Regional geology

Several flake graphite deposits are located within the regionally metamorphosed Paleoproterozoic granite-gneiss and metasedimentary units of the Mozambique Orogenic Belt (MOB) in East Africa. This transcontinental belt, spanning 240–400 km in width extends from Mozambique to Kenya.

In Tanzania, the MOB is referred to as the Usagaran Belt (Figure 3.5) and is characterised by a predominantly north–south trending domain of highly deformed and metamorphosed rocks situated in the central and eastern regions of the country. The rocks in the Usagaran Belt have undergone metamorphism to upper amphibolite to granulite facies and have been structurally deformed, having been folded and refolded along variable orientations.

The stratigraphy of the Usagaran Belt is divided into two parts based on age. The lower member primarily consists of granulites and hornblende and biotite gneisses. The upper member is characterised by magnesium-rich crystalline marble, often associated with graphitic schists and gneisses. The limestone units are occasionally graphitic. Quartzites are common and along with granulites and biotite gneisses of pelitic origin, constitute a significant portion of the regional stratigraphy. Chlorite and kyanite schists are also present.

**Figure 3.5: Regional geological map of Tanzania**



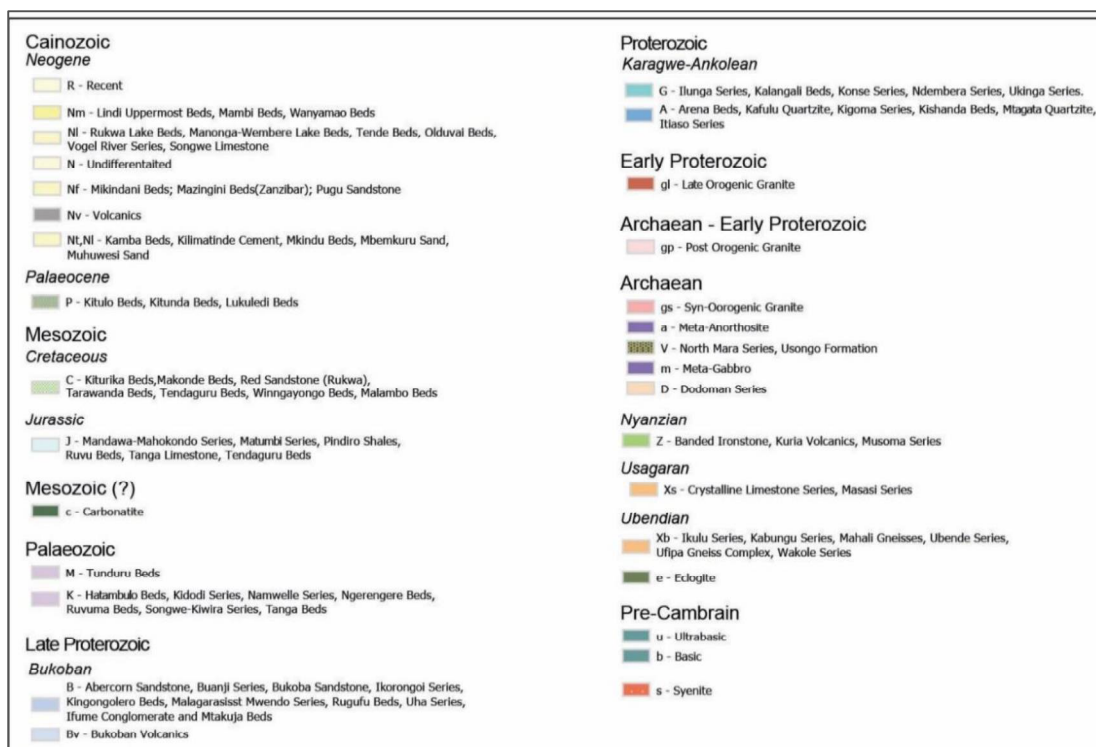
Source: BRGM<sup>17</sup>

Note: January 2025, modified after by Gavin Chan

<sup>17</sup> The named party has not consented to the use of their information in this report.

Figure 3.6 is the corresponding legend to Figure 3.5, modified from the Tanzania 1:2,000,000 scale Geological Map, Bureau de Recherches Geologiques et Miniere (BRGM), 2004<sup>18</sup>.

**Figure 3.6: Legend for the regional geological map**



Source: BRGM<sup>19</sup>

Note: January 2025, modified after by Gavin Chan

### 3.4.2 Mineralisation and local geology

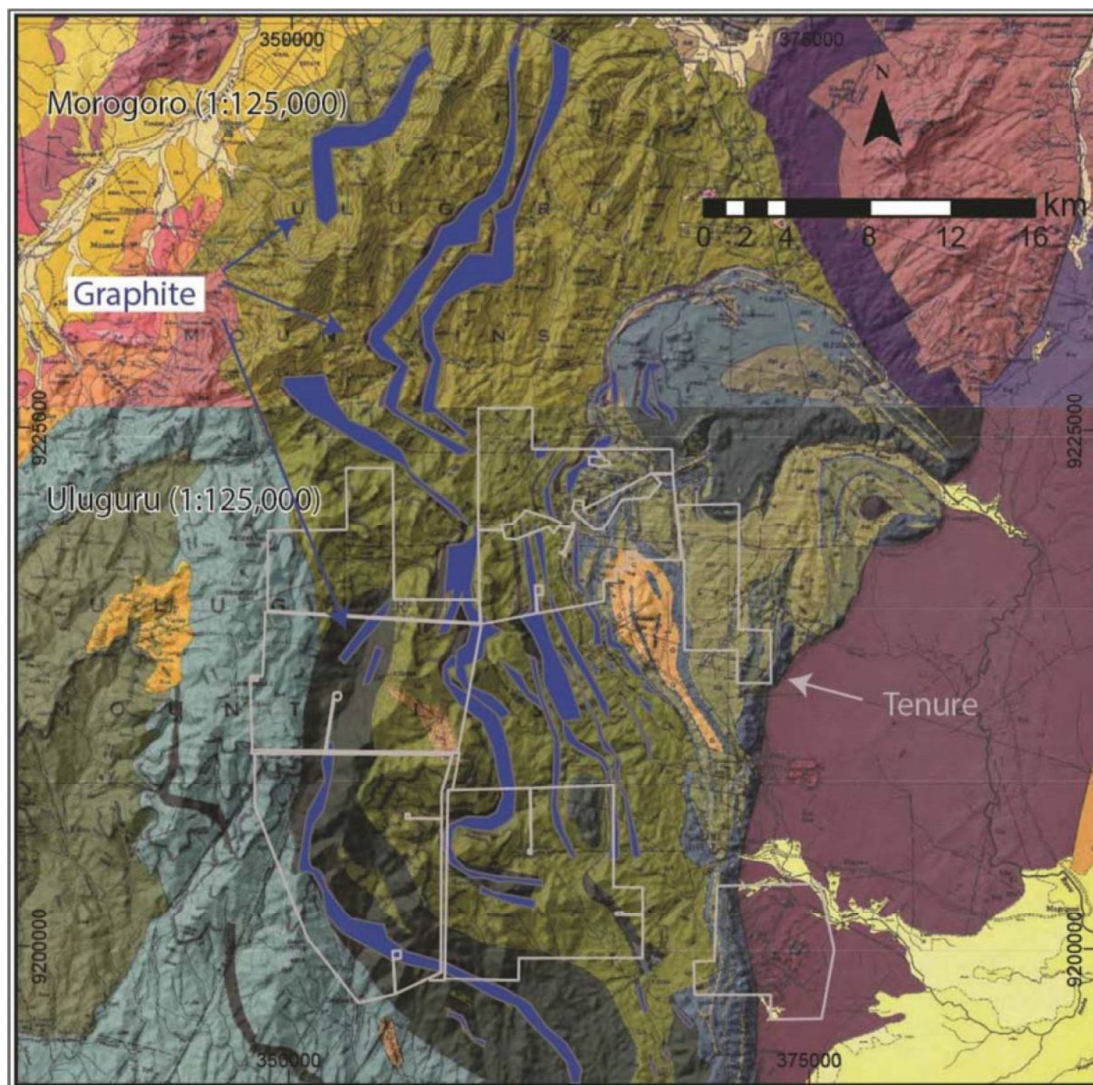
Several graphite deposits are located within the Usagaran Belt including examples of Epanko, Marelani-Arusha, Nachu and Chilalo.

<sup>18</sup> The named party has not consented to the use of their information in this report.

<sup>19</sup> The named party has not consented to the use of their information in this report.

The overall trend of the prospective rock units within the Morogoro Project area is north-northwest to south-southeast with a moderate dip to the northeast. The metasedimentary sequences have experienced polyphase deformation (at least three phases with a final fourth brittle deformation event), which has produced tightly folded refolds, with a dominant northeast–southwest trend, with moderate dips towards the southeast (Figure 3.7).

**Figure 3.7: Geological map of the Morogoro Project area**

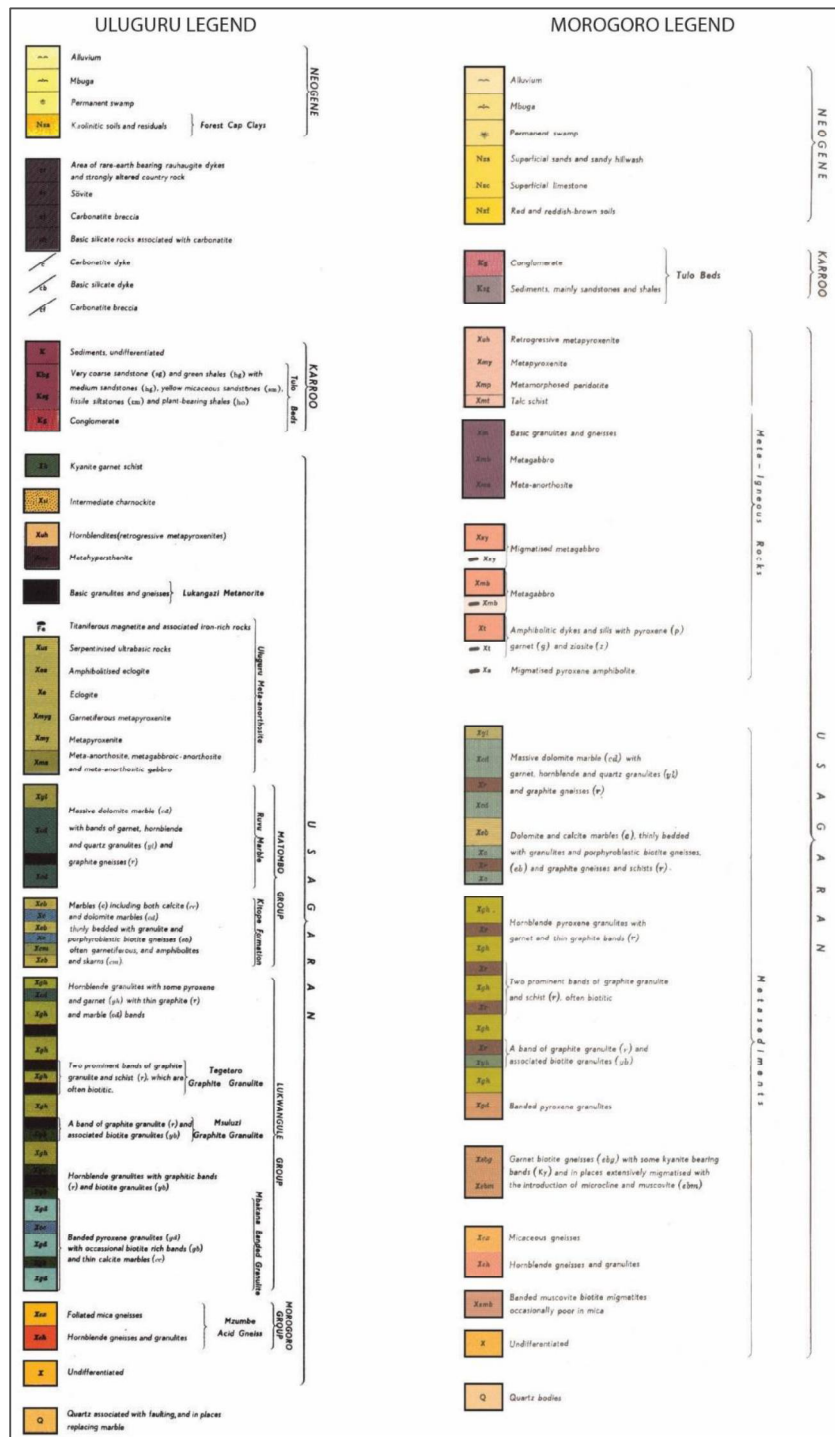


Source: modified after BRMI<sup>20</sup>

Note: Blue – graphitic schist bands; January 2025, modified after by Gavin Chan

<sup>20</sup> The named party has not consented to the use of their information in this report.

Figure 3.8: Local geology legend



Source: BRMI<sup>21</sup>

Note: January 2025, modified after by Gavin Chan

<sup>21</sup> The named party has not consented to the use of their information in this report.

### **SRK comment**

The Morogoro Project is located within the Paleoproterozoic Usagaran Belt, characterised by polyphase deformed graphitic schist intercalated with quartzites and felsic gneisses, along with minor bands of dolomite and felsic granulite. Examples of other known graphite deposits in this belt include EcoGraf Limited's Epanko and Merelani Arusha. It is SRK's opinion that the Morogoro Project lies within a well-known metamorphic belt with significant potential for graphite mineralisation.

### **3.4.3 Previous exploration**

According to the provided information, previous exploration commenced in January 2022. Key activities included regional geological compilation (including digitising the regional 1:200,000 geological map) and verifying the presence of the graphitic schist units via geological mapping and trenching. The aggregated length of these graphitic schist units reportedly extends over 60 km. During the mapping program, several new graphitic schist bands were also identified. Geological mapping was complemented with structural measurements to understand the geometry of the graphitic schist at depth.

Seven prospects were delineated: Kumba, Kasanga, Kasanga East, Tawa, Nyingwa, Ng'weme, and Lundi (Figure 3.9). At the Kasanga and Kumba prospects, previously unknown graphitic schists outcrops were identified. At Kumba, the graphitic schist appears to dip moderately to the northeast direction, while in Kasanga, a complex structure shows folding along a northwest–southeast direction.

In October 2023, 21 grab rock chip samples were collected from surface and submitted to ALS Chemex South Africa for geochemical analysis. These surface samples included five 20 kg samples which were submitted for metallurgical testwork. The analytical results from these rock chip samples ranged from 5.7% to 30.3% TGC, with an average of 12.6% TGC (Table 3.3, Figure 3.9).

**Table 3.2: Sampling location and assay results of the grab samples**

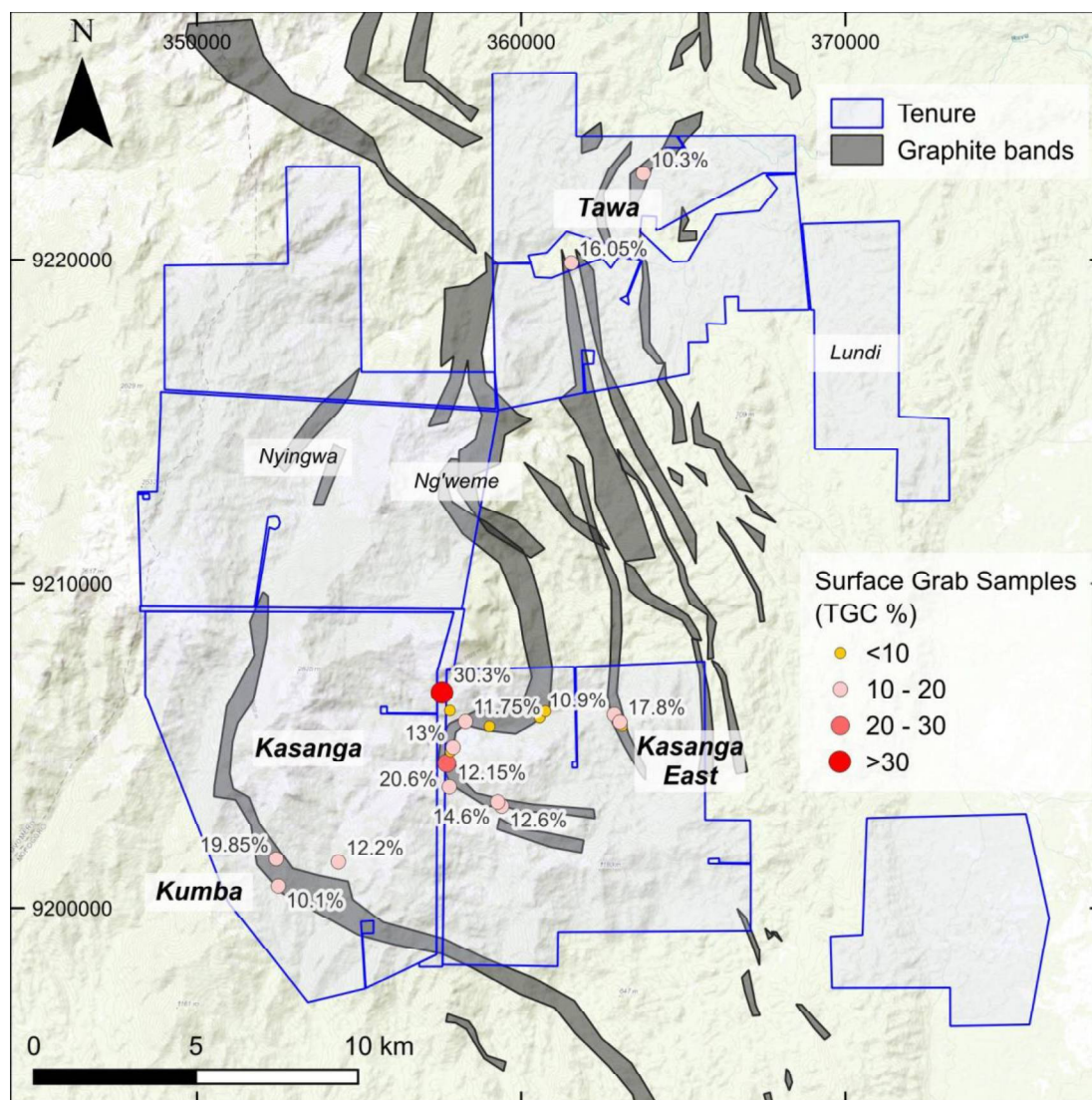
| Project  | Prospect     | Sample ID | Easting   | Northing   | Elevation | TGC (%) |
|----------|--------------|-----------|-----------|------------|-----------|---------|
| Morogoro | Kasanga      | A000002   | 360567    | 9205867    | NA        | 8.76    |
| Morogoro | Kasanga      | A000003   | 360567    | 9205867    | NA        | 7.51    |
| Morogoro | Kasanga      | A000004   | 359020    | 9205595    | NA        | 6.09    |
| Morogoro | Kasanga      | A000005   | 358280    | 9205746    | NA        | 11.75   |
| Morogoro | Kasanga East | A000006   | 362865    | 9205959    | NA        | 10.9    |
| Morogoro | Tawa         | A000007   | 363760    | 9222655    | NA        | 10.3    |
| Morogoro | Tawa         | A000008   | 361540    | 9219900    | NA        | 16.05   |
| Morogoro | Kasanga      | A000009   | 359396.24 | 9203153.28 | 1,259     | 12.6    |
| Morogoro | Kasanga      | A000010   | 359272.02 | 9203276.99 | 1,288     | 14.6    |
| Morogoro | Kasanga      | A000012   | 357700.43 | 9204463.92 | 1,355     | 20.6    |
| Morogoro | Kasanga      | A000013   | 357817.59 | 9204831.36 | 1,287     | 8.66    |
| Morogoro | Kasanga      | A000014   | 357897.06 | 9204961.3  | 1,239     | 13      |
| Morogoro | Kasanga      | A000015   | 357553    | 9206639    | 1,407     | 30.3    |
| Morogoro | Kasanga      | A000016   | 357798    | 9206080    | 1,256     | 9       |
| Morogoro | Kasanga East | A000017   | 363101.31 | 9205608.92 | 715       | 5.77    |
| Morogoro | Kasanga East | A000018   | 363039.37 | 9205727.61 | 754       | 17.8    |
| Morogoro | Kumba        | A000019   | 354356.51 | 9201413.07 | 1,043     | 12.2    |
| Morogoro | Kumba        | A000020   | 352507    | 9200676.21 | 1,085     | 10.1    |
| Morogoro | Kumba        | A000021   | 352441.08 | 9201509.23 | 1,342     | 19.85   |
| Morogoro | Kasanga      | A000022   | 360743    | 9206060    | NA        | 5.87    |
| Morogoro | Kasanga      | A000023   | 357780.78 | 9203740.99 | 1,562     | 12.15   |

Source: InVert Graphite, 2024

Notes: Compiled by SRK 2025, prepared by Gavin Chan

Coordinate system: WGS84/UTM Zone 37S; NA: not available; the locations of samples are shown in Figure 3.9.

**Figure 3.9: Surface sampling results**



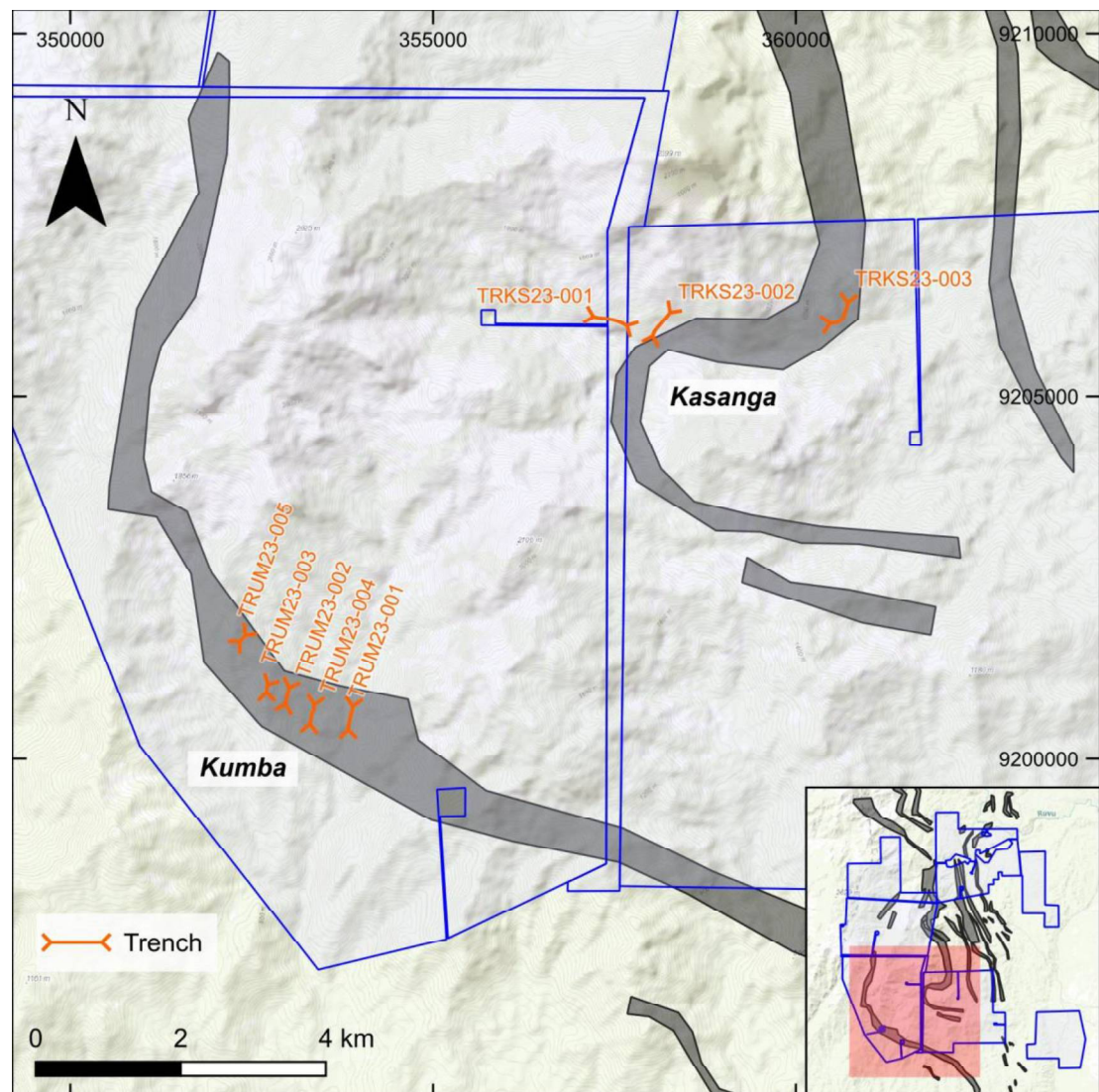
Source: modified after InVert Graphite database

Note: January 2025, prepared by Gavin Chan.

Surface samples with >10% TGC are labelled

In addition to surface geochemical sampling, eight trenches were excavated at the Kumba and Kasanga prospects. These trenches ranged from 120 m to 500 m in length, with a total length of 2,502 m. These trenches achieved maximum depths of only a few metres, generally less than 2 m depth (Figure 3.10 and Figure 3.11). Channel samples were collected at every 2 m interval along each trench, resulting in a total of 1,109 samples. Additional samples, totalling 1,036 kg, were also collected for metallurgical testing purposes at various intervals along the trenches, averaging 7.6 m in length and 31.4 kg in weight (Table 3.3). These collected samples are scheduled for assay and testwork following the acquisition of the project. A summary of the length and number of samples for each trench is provided in Table 3.3.

**Figure 3.10: Trench locations**



Source: modified after InVert Graphite's database,  
Note: January 2025, prepared by Gavin Chan

**Figure 3.11: Trenching in Kumba and Kasanga**



Source: InVert Graphite PowerPoint

**Notes:** Trench sampling at the prospects: (a) Kumba (b) Kasanga; 2024, taken by Hashimu Millanga

**Table 3.3: Trench statistics**

| Prospect     | Trench ID  | Easting | Northing | Length (m)   | Graphite thickness (m) | No. of samples | Met. samples | Met. sample weight (kg) |
|--------------|------------|---------|----------|--------------|------------------------|----------------|--------------|-------------------------|
| Kasanga      | TRKS23-001 | 357671  | 9205979  | 500          | 500                    | 247            | 6            | 183                     |
|              | TRKS23-002 | 358025  | 9205834  | 455          | 411                    | 211            | 5            | 151.2                   |
|              | TRKS23-003 | 360474  | 9206010  | 442          | 412                    | 192            | 5            | 152                     |
| Kumba        | TRUM23-001 | 353831  | 9200403  | 325          | 319                    | 160            | -            | -                       |
|              | TRUM23-002 | 352965  | 9200753  | 240          | 213                    | 106            | 5            | 162                     |
|              | TRUM23-003 | 352704  | 9200913  | 120          | 97.2                   | 56             | 4            | 126                     |
|              | TRUM23-004 | 353303  | 9200479  | 300          | 224                    | 98             | 5            | 169                     |
|              | TRUM23-005 | 352335  | 9201625  | 120          | 77.4                   | 39             | 3            | 93                      |
| <b>Total</b> |            |         |          | <b>2,502</b> | <b>2,253.6</b>         | <b>1,109</b>   | <b>33</b>    | <b>1,036.2</b>          |

Source: InVert Graphite,

**Note:** Compiled by SRK January 2025, prepared by Gavin Chan

These collected samples are scheduled for assay and testwork following the acquisition of the project.

## SRK comment

The graphitic schist bands associated with the Usagaran Belt have undergone polyphase deformation, resulting in intricate fold geometries within the project area. High-grade intervals may accumulate at fold hinges or thin out along fold limbs. In similar deposits, mineralisation geometry is often complex, with folded and refolded patterns offset by late brittle faults. Based on regional mapping and reconnaissance field mapping, it is likely that the graphitic schist bands in the Morogoro Project area exhibit a similar structural complexity.

The average grades of the deposits along the Usagaran Belt range approximately from 5.0% to 10.8% TGC (S&P Market Intelligence, accessed on 20 September 2024<sup>22</sup>). Reconnaissance surface geochemical samples from the Morogoro Project area have returned grades ranging from 5.77% and 30.3% TGC, with an average of 12.6% TGC (Figure 3.9). Five metallurgical samples were collected in the area and have returned head grades ranging from 13.4% to 35.7% TGC, with an average of 20.3% TGC. Preliminary surface sampling indicates a wide range of results but suggests the potential mineralisation offers average grades that are similar to other deposits in the region. Further work is required to assess the variability of grades throughout the project area.

### 3.4.4 Metallurgical testwork

In October 2022, five surface rock chip samples were collected at the Kamba and Kasanga prospects (Table 3.4, Figure 3.12) and submitted to Australian Minmet Metallurgical Laboratories Pty Ltd (AMML) for sighter metallurgical testwork. Each 20 kg sample was homogenised and split into 2 kg test portions. In addition, a master composite (MC) was prepared by combining 6 kg from each of the five samples, that was also homogenised and divided into 2 kg test portions. The samples were ground to P80 of 320 µm to 250 µm.

The results of the two-stage and three-stage cleaner flotation tests on these samples are summarised in Table 3.5 and Table 3.6. The head grades of the samples range from 13.4% to 35.7% TGC, with an average of 20.3% TGC. This sighter testwork indicates an average recovery of 92.1%, with individual recoveries ranging from 88.3% to 95.5%. The concentrates have an average grade of 97.3% TGC, with individual samples ranging from 95.4% to 98.4% TGC. Some size fractions achieved 99% TGC.

**Table 3.4: Sampling locations of the metallurgical samples**

| Sample No. | Prospect      | Easting | Northing |
|------------|---------------|---------|----------|
| A000025    | Kasanga North | 359262  | 9203255  |
| A000026    | Kasanga North | 357725  | 9203812  |
| A000027    | Kasanga South | 357637  | 9206391  |
| A000028    | Kasanga South | 358576  | 9205873  |
| A000029    | Kumba         | 352441  | 9201509  |

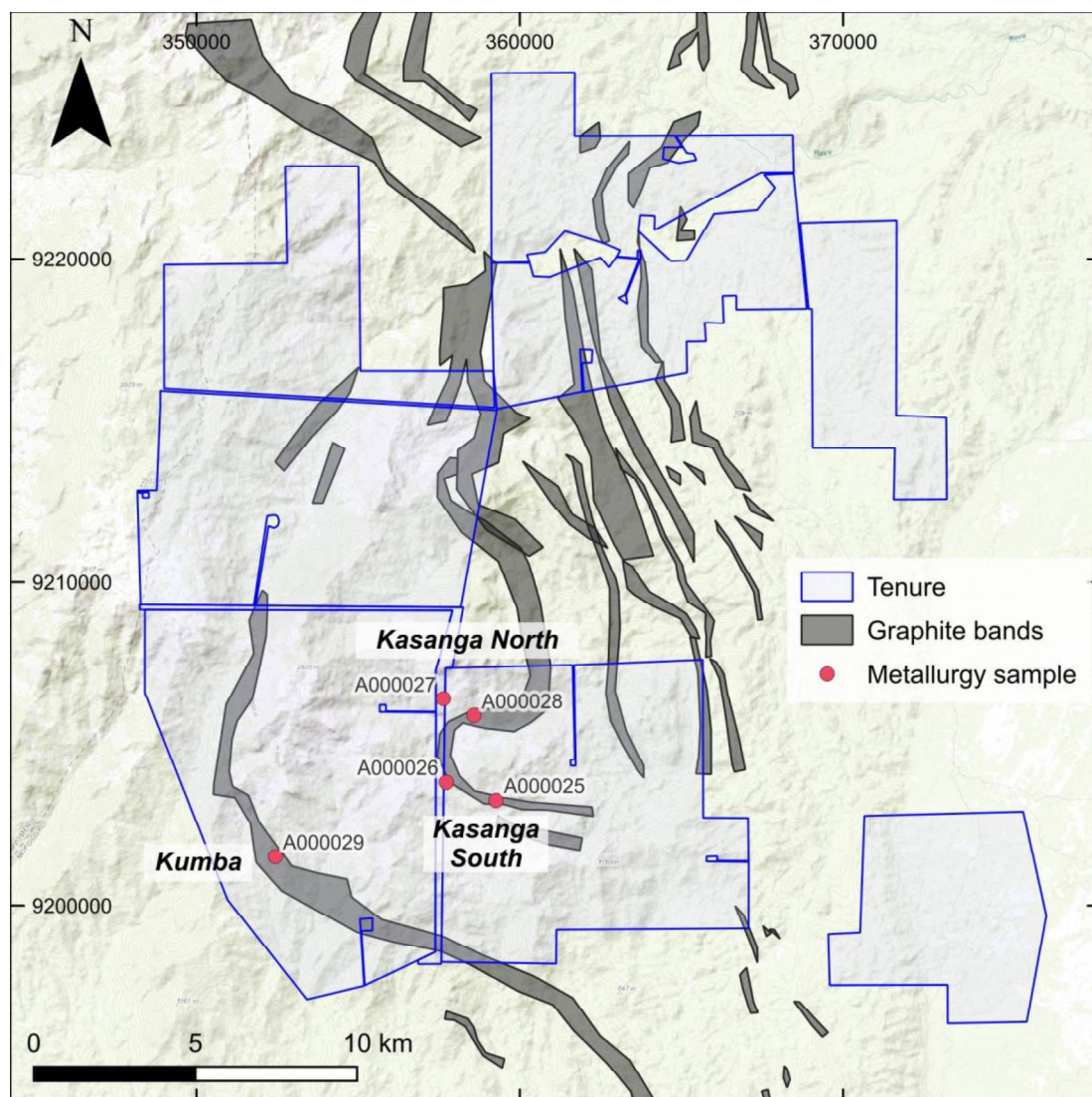
Source: InVert Graphite

Notes: Compiled by SRK January 2025, prepared by Gavin Chan

Coordinate system: WGS 84/UTM Zone 37S

<sup>22</sup> The named party has not consented to the use of their information in this report.

**Figure 3.12: Metallurgical sample location**



Source: modified after InVert Graphite database

Note: January 2025, prepared by Gavin Chan

**Table 3.5: Metallurgical test results**

| Sample number                 |       | A000025 | A000026 | A000027 | A000028 | A000029 |
|-------------------------------|-------|---------|---------|---------|---------|---------|
| Metallurgical sample number   | MC    | 1       | 2       | 3       | 4       | 5       |
| Flotation sample number       | FT3   | FT4     | FT5     | FT6     | FT7     | FT8     |
| Calculated head grade (% TGC) | 20.5% | 16.4%   | 16.9%   | 36.2%   | 13.7%   | 19.3%   |
| Assay head grade (% TGC)      | 20.3% | 16.2%   | 16.5%   | 35.7%   | 13.4%   | 19.2%   |
| Concentrate recovery          | 92.5% | 91.2%   | 94.4%   | 91.2%   | 88.3%   | 95.5%   |
| Concentrate grade (% TGC)     | 97.4% | 96.4%   | 98.4%   | 97.6%   | 95.4%   | 98.3%   |

Source: AMML,

**Note:** Compiled by SRK 2025, prepared by Gavin Chan

**Table 3.6: TGC content of different size fractions**

| Sample number            |                    |                 | A000025 | A000026 | A000027 | A200008 | A000029 |
|--------------------------|--------------------|-----------------|---------|---------|---------|---------|---------|
| Laboratory sample number | MC                 |                 | 1       | 2       | 3       | 4       | 5       |
| Concentrate number       | FT3                |                 | FT4     | FT5     | FT6     | FT7     | FT8     |
| Mesh                     | Size               | Flake size type | (TGC %) |         |         |         |         |
| +35                      | Conc +500 µm       | Extra           | 97.4%   | 94.9%   | 97.3%   | 98.3%   | 96.7%   |
| +50                      | Conc -500, +300 µm | Extra           | 97.2%   | 95.6%   | 97.5%   | 97.9%   | 96.0%   |
| +80                      | Conc -300, +180 µm | Large           | 97.6%   | 96.6%   | 98.5%   | 98.2%   | 96.0%   |
| +140                     | Conc -180, +106 µm | Medium          | 97.7%   | 97.0%   | 99.0%   | 98.3%   | 97.4%   |
| +200                     | Conc -106, +75 µm  | Small           | 97.8%   | 97.0%   | 99.0%   | 98.6%   | 97.7%   |
| +400                     | Conc -75, +38 µm   | Amorphous       | 98.2%   | 96.3%   | 98.8%   | 98.1%   | 97.2%   |
| -400                     | Conc -38 µm        | Amorphous       | 94.1%   | 91.7%   | 95.6%   | 91.9%   | 84.6%   |

Source: AMML

**Note:** Compiled by SRK 2025, prepared by Gavin Chan

**Table 3.7: Concentrate size fractions**

| Mesh | Size (µm)  | Average | Name        |
|------|------------|---------|-------------|
| +35  | +500       | 3%      | Super Jumbo |
| +50  | -500, +300 | 14%     | Jumbo       |
| +80  | -300, +180 | 27%     | Large       |
| +140 | -180, +106 | 26%     | Medium      |
| +200 | -106, +75  | 15%     | Small       |
| +400 | -75, +38   | 7%      | Amorphous   |
| -400 | -38        | 8%      | Amorphous   |

Source: AMML

**Note:** Compiled by SRK 2025, prepared by Gavin Chan

In the flotation concentrate (Table 3.7), the majority (53%) of the flake was found within the -200+300 µm fraction, while the -500+500 µm fraction accounted for 17.2% and the -106+75 µm fraction accounted for 15.1%. The remaining portion was in the -75 µm fraction.

### **SRK comments**

The sighter testwork based on surface samples shows a recovery of 92.1%. The price achieved for graphite concentrate is highly influenced by flake size and TGC content. Sighter testwork indicates that the majority (53%) of the flakes at Morogoro fall within the -200+300 µm fraction (Large and Medium), while the premium product, the -500+500 µm fraction (Super Jumbo and Jumbo), accounted for 17.2%. The -106+75 µm (Small) fraction accounted for 15.1%.

The sighter metallurgical testwork indicates the potential to produce a product using a simple flowsheet involving a two-stage of rougher and three-stage cleaner process. Approximately 70% of the concentrate is above the +140 mesh (Medium, Large, Jumbo and Super Jumbo), with an average recovery of 92.1% and grade of 98.3% TGC. Further metallurgical testwork on representative samples is recommended to establish an optimised flowsheet, aiming to produce a higher-grade product while preserving the desired flake size.

## **3.5 Prospectivity and exploration program**

### **3.5.1 Prospects**

To date, seven prospects have been identified within the Morogoro Project area, with Kasanga (North and South) and Kumba located in the southern portion of the tenure being the primary prospects (Figure 3.9). Initial mapping and surface geological sampling have returned encouraging results, with all samples returning assays of greater than 5% TGC (Figure 3.9).

#### **Kasanga**

Reconnaissance field work since 2022 in Kasanga North has revealed a previously unmapped graphitic schist outcrop, which is considered to represent a suitable host unit to known graphite mineralisation in the area. Surface samples results ranged from 5.9% to 30.0% TGC. A surface sample from the outcrop returned a grade of 30% TGC, the highest among all samples collected from the Morogoro Project area. Sighter metallurgical testwork on two samples returned positive results, with one sample yielding 36% TGC and a concentrate grade of 97.6% TGC. In the Kasanga South area, two metallurgical samples were also tested, returning a head grade of 16.9% TGC and a concentrate grade of 98.4% TGC (Table 3.6).

Three trenches, totalling 1,397 m in length have also been excavated at Kasanga, exposing 1,323 m of graphitic schist bands. A total of 650 two-metre channel samples were collected along these trenches, but their results remained pending at the time of reporting (Figure 3.10 and Table 3.3). In addition, 16 metallurgy samples were collected with a combined weight of 486.2 kg. These collected samples are scheduled for assay and testwork following the acquisition of the project.

## **Kumba**

Surface sample results ranged from 10.1% to 19.1% TGC. A metallurgical sample derived from a surface sample returned a head grade of 19.3% TGC and a concentrate grade of 98.3% TGC (Table 3.5). Five trenches, with a total length of 1,105 m have also been excavated at the Kumba prospect, exposing 930.6 m of graphitic schist bands. A total of 459 two-metre channel samples were collected for analysis (Figure 3.10 and Table 3.3). In addition, 17 metallurgy samples, with a combined weight of 550 kg were collected. These collected samples are planned for further analysis following the acquisition of the project.

## **Tawa**

Two surface grab samples were collected at the Tawa prospect and returned grades of 10% TGC and 16% TGC respectively (Figure 3.9).

## **SRK comments**

Exploration results to date have identified several promising prospects within the Morogoro Project area. By October 2023, a total of 2,502 m had been excavated across eight trenches (five in Kumba and three in Kasanga). A total of 1,109 samples were collected. These collected samples are scheduled for assay and testwork following the acquisition of the project. Additionally, 1,036.2 kg of metallurgical samples have been gathered from 33 individual trench intervals for further processing testwork. Thirty-six rock samples collected from surface have also been collected in Kumba and Kasanga. These collected samples are scheduled for assay following the acquisition of the project.

The graphitic schist units are decametre-wide, with bands at Kumba dipping moderately to the northeast. Geological mapping has confirmed the presence of existing graphitic schist bands and discovered several new outcrops. Surface sampling has yielded encouraging results, ranging from 5.77% to 30.3% TGC, with an average grade of 12.6% TGC.

Preliminary surface sampling indicates significant potential mineralisation, highlighting the prospective nature of the project area.

### **3.5.2 Proposed exploration work**

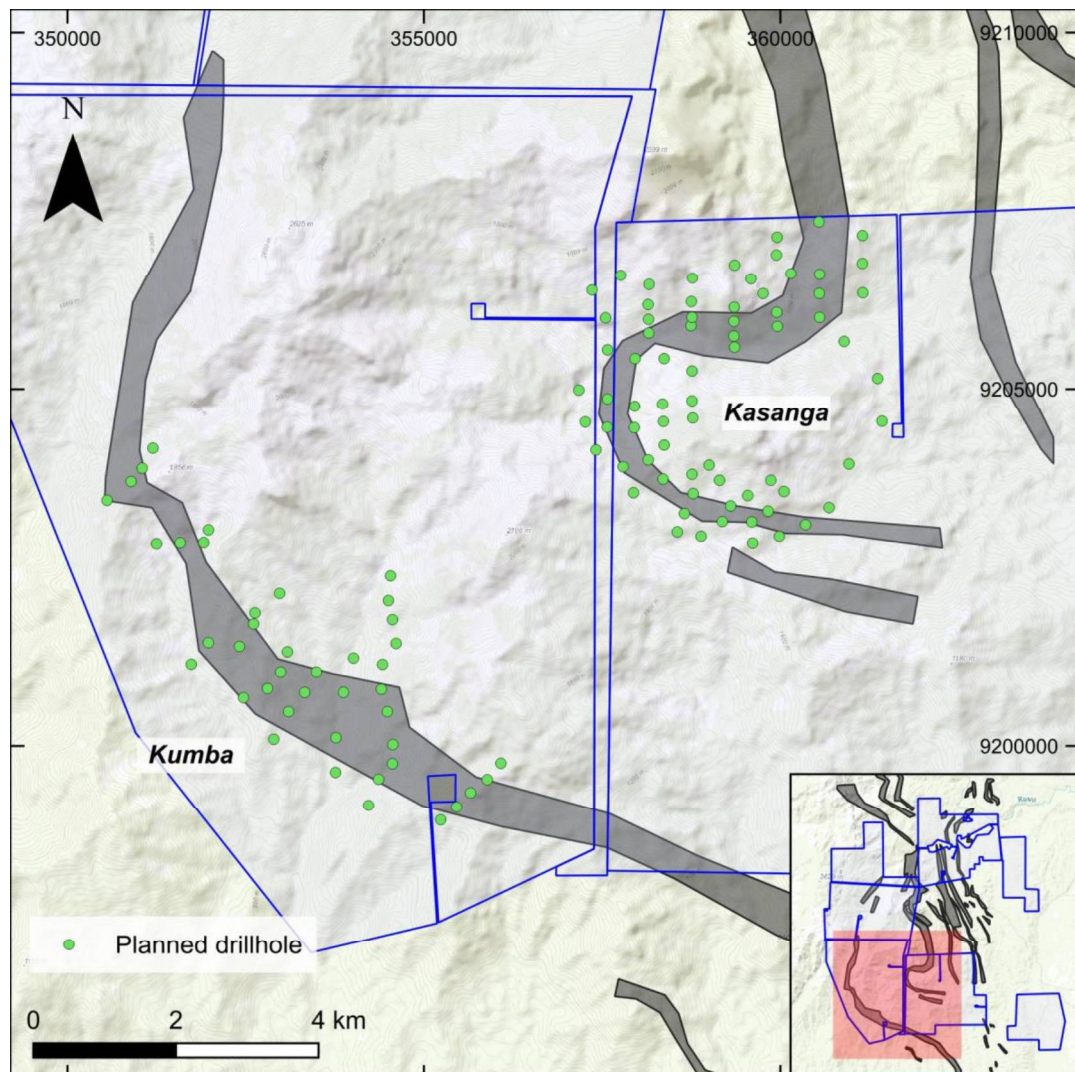
InVert Graphite proposes to carry out a comprehensive exploration program, including mapping, trenching, drilling, electromagnetic geophysical surveys, metallurgical testwork and an initiation of an environmental baseline survey. The focus of the proposed drilling program is primarily centred on the Kumba and Kasanga prospects, with plans for 42 holes at Kumba and 72 holes at Kasanga. Each hole is expected to extend to 120 m in length, totalling approximately 15,000 m (Figure 3.13). These holes are designed to target the areas where the widest graphitic schist has been geologically mapped.

SRK has been provided with the Company's 2-year exploration budget, totalling approximately A\$2.15 M (based on a minimum subscription) and A\$2.34 M (at maximum subscription) (Table 3.8). The objective of the proposed program is to focus on the identified key prospects at Kumba and Kasanga as well as complete further assessment of the other regional prospects. The key cost centres include access and tenure, drilling, geophysical surveys and metallurgical

testwork. The identified prospects will be tested by diamond drilling, coupled with geophysical surveying with the target of defining a maiden Mineral Resource within the 2-year budget period. Further metallurgical testwork will also be conducted to better characterise the metallurgical, chemical and physical properties of the rocks. A battery anode material suitability testwork study is also being considered.

The estimated drilling cost amounts to A\$1.63 M. While details of the planned geophysical surveys are not yet available, electromagnetic, resistivity or induced polarisation surveys are typical methods for identifying sub-cropping graphitic units. These methods are suitable for exploring the extent of sub-cropped graphitic schist at depth. The proposed budget is considered appropriate given the project's current development status.

**Figure 3.13: Proposed drilling program at Kumba and Kasanga**



Source: InVert Graphite

Note: January 2025, prepared by Gavin Chan

**Table 3.8: Exploration budget (thousand A\$)**

| Activities                    | Minimum subscription |                |                | Maximum subscription |                |                |
|-------------------------------|----------------------|----------------|----------------|----------------------|----------------|----------------|
|                               | Year 1               | Year 2         | Total          | Year 1               | Year 2         | Total          |
| Access and tenure             | \$40                 | \$40           | \$80           | \$40                 | \$40           | \$80           |
| Drilling                      | \$800                | \$825          | \$1,625        | \$800                | \$833          | \$1,633        |
| Geophysical surveys           | \$55                 | \$20           | \$75           | \$55                 | \$20           | \$75           |
| Metallurgical testwork/others | \$150                | \$150          | \$300          | \$150                | \$150          | \$300          |
| Battery capability testwork   | -                    | \$70           | \$70           | -                    | \$250          | \$250          |
| <b>Total</b>                  | <b>\$1,045</b>       | <b>\$1,105</b> | <b>\$2,150</b> | <b>\$1,045</b>       | <b>\$1,293</b> | <b>\$2,337</b> |

Source: InVert Graphite

**Note:** Compiled by SRK 2025, prepared by Gavin Chan

## 4 Rare earth elements

### 4.1 Introduction

Within the periodic table, REEs comprise a group of 17 elements, including 15 lanthanides – ranging from lanthanum (La) to lutetium (Lu) – as well as yttrium (Y) and scandium (Sc).

REEs are typically divided into two groups: light REEs (LREEs), which include lanthanum (La) to europium (Eu) and heavy REEs (HREEs), which include gadolinium (Gd) to lutetium (Lu) and yttrium (Y). Scandium is not classified into either group. HREEs are less common and generally more expensive to process. Praseodymium (Pr), neodymium (Nd), terbium (Tb) and dysprosium (Dy) are crucial for producing high-power magnets and are often referred to as magnet-related REE (MREE) in the industry.

REEs are incompatible elements as they tend to concentrate in the residual melt during the formation of igneous rocks. Unlike other elements, REEs are more likely to be excluded from solidifying minerals, remaining in the liquid phase. This leads to their enrichment in the residual melt and the formation of REE-rich mineral deposits. LREEs are generally more incompatible than HREEs.

Table 4.1 shows these REE and their typical applications.

**Table 4.1: Rare earth elements and their application**

| Group | SI symbol | Element             | Atomic number | Application                                                         |
|-------|-----------|---------------------|---------------|---------------------------------------------------------------------|
| LREE  | La        | Lanthanum           | 57            | Batteries, catalysts for petroleum refining                         |
|       | Ce        | Cerium              | 58            | Autocatalysis, chemical catalyst, glass polishing, metal alloys     |
|       | <i>Pr</i> | <i>Praseodymium</i> | <i>59</i>     | <i>High power magnets, yellow ceramic pigment</i>                   |
|       | <i>Nd</i> | <i>Neodymium</i>    | <i>60</i>     | <i>High power magnets</i>                                           |
|       | Pm        | Promethium          | 61            | Beta radiation source                                               |
|       | Sm        | Samarium            | 62            | High temperature magnets                                            |
|       | Eu        | Europium            | 63            | Fluorescent lighting                                                |
| HREE  | Gd        | Gadolinium          | 64            | Magnetic resonance imaging contrast agent, nuclear reactor rods     |
|       | <i>Tb</i> | <i>Terbium</i>      | <i>65</i>     | <i>Phosphors for lighting; high power, high temperature magnets</i> |
|       | <i>Dy</i> | <i>Dysprosium</i>   | <i>66</i>     | <i>High power, high temperature magnets, lasers</i>                 |
|       | Ho        | Holmium             | 67            | Highest power magnets in existence                                  |
|       | Er        | Erbium              | 68            | Lasers, glass colourant                                             |
|       | Tm        | Thulium             | 69            | Ceramic magnetic materials which are still under development        |
|       | Yb        | Ytterbium           | 70            | Fibre optic technology, solar panels                                |
|       | Lu        | Lutetium            | 71            | Positron emission tomography scanners                               |
|       | Y         | Yttrium             | 39            | Phosphors, ceramics, metal alloys                                   |

Sources: Hoshino et al. (2016); SRK, 2025

**Note:** Scandium is not included. REEs used in magnet production are shown in italics. Dated January 2025, prepared by Gavin Chan.

## 4.2 Rare earth elements – applications and markets

REEs are considered strategic minerals and critical minerals by many governments. REEs offer diverse applications across various industries, including automotive, energy and renewables, and glass. In the automotive sector, REEs are extensively used in permanent magnets for both conventional and electric vehicles, powering high-performance motors, actuators, speakers, hard drives and sensors. In the energy and renewables industry, elements like La and Ce are vital in fluid catalytic cracking unit catalysts, enhancing the conversion of feedstock into valuable products such as gasoline. Rare earth permanent magnets are widely employed in offshore wind turbines. Additionally, REE oxides are crucial in the global glass industry, enabling specific functionalities and are used for glass polishing to achieve a rapid and superior finish.

In 2023, China dominated global REE production, accounting for 68% of the market share. The United States' Mountain Pass project followed (13%), Myanmar contributed 11%, and Australia's Mt Lynas project accounted for 5% of global production. The remaining 3% was derived from various other projects worldwide, including those in Thailand, India and Malaysia (USGS, 2024). Over recent decades, China has accounted for over 90% of global REE production. During this timeframe, China has imposed quotas on REE production and exports sporadically. To reduce reliance on China's REE production, several countries have recently offered incentives for mineral exploration and the construction of processing plants outside of China. Since the 2020s, REE exploration budgets have increased and the number of projects has surged. Many newly identified REE deposits are attributed to ionic adsorption clay REE projects in Australia, South America, Southeast Asia and Africa, but require the commercialisation of emerging processing technologies.

In 2023, Australia was ranked as the sixth largest country globally in terms of defined REE resources. Australia is reported to host 3.3 Mt of Mineral Resource in accordance with the JORC Code. China, Vietnam and Brazil are the top three countries in terms of REE endowment, with substantial resources respectively (USGS, 2024<sup>23</sup>).

In 2023, the largest market for REEs by volume was magnet production, followed by glass and catalysts. Magnets also dominated in market value, capturing over 80% of the share. In terms of volume, cerium, lanthanum, and neodymium were the top three REEs. However, when considering market value, praseodymium, neodymium, terbium and dysprosium – collectively known as magnet MREEs – accounted for over 95% of the market. These elements are crucial for the energy transition and are major drivers of global REE basket prices (S&P Market Intelligence, accessed on 20 September 2024<sup>24</sup>).

## 4.3 Australian rare earth elements

In Australia, REEs are hosted within various rock types, including igneous, sedimentary, and metamorphic rocks, across different geological settings. High REE concentrations are present in heavy mineral sands, carbonatite intrusion, and pegmatite related deposits. The ages of the host rocks range from Archean pegmatites in Western Australia to the late Cenozoic for residual lateritic and heavy mineral sand deposits in eastern Australia

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<sup>23</sup> The named party has not consented to the use of their information in this report.

<sup>24</sup> The named party has not consented to the use of their information in this report.