

OZZ RESOURCES LIMITED
ACN 643 844 544

SHORT FORM PROSPECTUS – LOYALTY OPTIONS

For an offer of:

- (a) non-renounceable loyalty issue of one (1) Loyalty Option for every three (3) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.005 per Loyalty Option to raise up to \$75,228 (**Loyalty Offer**);
 - (b) 2,900,000 Options to CPS Capital Group Pty Ltd (**CPS Offer**); and
 - (c) 750,000 Shares to CPS Capital Group Pty Ltd (**CPS Share Offer**),
- (together, the **Offers**).

The Loyalty Offer is fully underwritten by CPS Capital Group Pty Ltd (AFSL 294848) (**Underwriter**). Refer to Annexure A for details regarding the terms of the underwriting.

IMPORTANT NOTICE

This Prospectus is important and requires your immediate attention. You should read this Prospectus in its entirety and consult your professional adviser in respect of the contents of this Prospectus.

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type but refers to another document lodged with the ASIC, the information of which is deemed to be incorporated in this Prospectus.

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1. TIMETABLE

Action	Date*
Announcement of Loyalty Offer	13 September 2021
Lodgement of Prospectus with the ASIC	22 September 2021
Lodgement of Prospectus and Appendix 3B with ASX	22 September 2021
Ex date	27 September 2021
Record Date for determining Entitlements	28 September 2021
Offer opens (Announcement that prospectus has sent out to Shareholders)	1 October 2021
Issue of Shares to CPS	4 October 2021
Last day to extend the Closing Date (prior to noon AEDT)	13 October 2021
Closing Date for applications in accordance with the Offer as at 5:00pm*	18 October 2021
Securities quoted on a deferred settlement basis	19 October 2021
ASX and Underwriter notified of under subscriptions	21 October 2021
Underwriter subscribes for Shortfall under terms of Underwriting	22 October 2021
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Options (prior to noon AEDT)	25 October 2021

* The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date.

2. IMPORTANT NOTES

This Prospectus is dated 22 September 2021 and was lodged with the ASIC on that date. The ASIC, ASX and their responsible officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

Applications for Options offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form.

2.1 Short form prospectus

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means this Prospectus alone does not contain all the information that is generally required to satisfy the disclosure requirements of the Corporations Act. Rather, it incorporates all other necessary information by reference to information contained in documents which have been lodged with ASIC on certain dates.

This Prospectus incorporates the disclosure document lodged by the Company with ASIC on 7 May 2021, a supplementary prospectus dated 28 May 2021 and its second supplementary prospectus dated 15 June 2021 for an initial public offering of the Company's securities on the ASX (**May Prospectus**). The May Prospectus related to the offer of up to 25,000,000 Shares at an issue price of \$0.20 per Share to raise \$5,000,000.

In referring to the May Prospectus, the Company:

- (a) identifies the May Prospectus as being relevant to the issue of Loyalty Options under this Prospectus and containing information that will assist investors and their professional advisers in making an informed assessment of:
 - (i) the rights and liabilities attaching to the Loyalty Options and the underlying Shares;
 - (ii) the capacity of the Company to issue the underlying Shares; and
 - (iii) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company;
- (b) refers Shareholders and their professional advisers or analysts to the section of this Prospectus which summarises the information in the May Prospectus deemed to be incorporated in this Prospectus;
- (c) informs Shareholders and their professional advisers or analysts that, prior to the Closing Date, they are able to obtain, free of charge, a copy of the May Prospectus and a copy of this Prospectus by contacting the Company during normal business hours or by downloading a copy from the Company web site; and

- (d) advises that the information in the May Prospectus will be primarily of interest to Shareholders and their professional advisers or analysts.

2.2 Risk factors

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 6 of the May Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

2.3 No Investment Advice

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

2.4 Forward-looking statements

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

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

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

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

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

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 7 of this Prospectus.

3. DETAILS OF THE OFFERS

3.1 The Loyalty Offer

The purpose of the Loyalty Offer is to recognise the invaluable support the Company has received from its Shareholders in establishing the Company as a listed entity. The Loyalty Offer is an opportunity for Shareholders to further participate in the development of the Company.

The Loyalty Offer is being made as a non-renounceable entitlement issue of one (1) Loyalty Option for every three (3) Shares held by Shareholders registered at the Record Date at an issue price of \$0.005 per Loyalty Option. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of 15,045,625 Loyalty Options will be issued pursuant to the Loyalty Offer to raise up to \$75,228. If all Loyalty Options issued under the Loyalty Offer are exercised (exercisable at \$0.25 on or before the date 3 years from their issue), the Company will receive approximately \$3,760,000.

As at the date of this Prospectus the Company has 21,436,875 Options on issue, of which all may be exercised prior to the Record Date in order to participate in the Loyalty Offer. Please refer to section 9.15 of the May Prospectus for information on the exercise price and expiry date of the Options currently on issue.

3.2 CPS Offer

This Prospectus includes an offer of 2,900,000 Options to CPS (**CPS Options**) at an issue price of \$0.00001 per CPS Option. Each CPS Option will be issued on the same terms and conditions as the Loyalty Options. Only CPS may accept the Options in relation to the CPS Offer by using the relevant Application Form. Only nominal funds will be raised from the CPS Offer as the CPS Options are being issued as consideration for the lead manager and underwriter services provided by CPS.

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

3.3 CPS Share Offer

CPS has agreed to provide ad hoc corporate advisory services to the Company for a period of 12 months. The Company has agreed, pursuant to the Lead Manager Mandate, to issue CPS 750,000 Shares in lieu of corporate advisory fees payable to CPS for these services. These Shares will be issued under this Prospectus in accordance with the timetable set out above.

3.4 The Offers

All of the Options offered under this Prospectus will be issued on the terms and conditions set out in section 6.1 of this Prospectus.

All of the Shares issued upon the future exercise of the Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 9.14 of the May Prospectus for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in section 4.1 of this Prospectus.

3.5 Minimum subscription

There is no minimum subscription for the Offers.

3.6 Acceptance

Your acceptance of the Loyalty Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Loyalty Offer as follows:

- (a) accept your **full** Entitlement; or
- (b) accept **part** of your Entitlement; or
- (c) if you do not wish to accept all of your Entitlement, you are not obliged to do anything.

3.7 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Ozz Resources Limited" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 4:00 pm WST on the Closing Date.

3.8 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) you must take up, as a minimum, your Entitlement in full.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 4:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

Any application monies received for more than your final allocation of Loyalty Options (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

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

3.9 Underwriting

The Loyalty Offer is fully underwritten by CPS. CPS will be paid an underwriting fee of 6% of the total gross proceeds of the Loyalty Offer by way of underwriting fee.

Please refer to Section 3.11 for further details regarding the Company's relationship with CPS.

3.10 Dilutionary effect

Shareholders should note that if they do not participate in the Loyalty Offer, their holdings, upon the future exercise of the Options offered under the Offer (provided no existing Options are exercised and performance rights vest), are likely to be diluted by approximately 25% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders is set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Loyalty Offer	Holdings if Loyalty Offer not taken Up	% post Offer
Shareholder 1	7,000,000	15.51%	2,333,333	7,000,000	11.63%
Shareholder 2	2,500,000	5.54%	833,333	2,500,000	4.15%
Shareholder 3	1,000,000	2.22%	333,333	1,000,000	1.66%
Shareholder 4	500,000	1.11%	166,667	500,000	0.83%
Shareholder 5	100,000	0.22%	33,333	100,000	0.17%

Notes:

1. This table assumes that all Options issued under the Offer are exercised
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed to CPS as underwriter. In the event all Entitlements are not accepted, CPS will, as underwriter, purchase all Entitlements not accepted by Shareholders.

3.11 Lead Manager and underwriter

CPS Capital Group Pty Ltd (AFSL 294848) have been appointed as Lead Manager and Underwriter to the Loyalty Offer. The Company has entered into a Lead Manager Mandate with CPS (**Lead Manager**) the material terms of which are summarised in Section 7.2.

CPS has also agreed to fully underwrite the Loyalty Offer. Refer to Annexure A for details of the terms of the underwriting.

3.12 ASX listing

Application for Official Quotation of the Options offered pursuant to this Prospectus within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Options and will repay all application monies for the Options within the time prescribed under the Corporations Act, without interest.

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

3.13 Issue

Options issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Where the number of Options issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

Pending the issue of the Options or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

The Company's decision on the number of Options to be allocated to an applicant will be final.

Holding statements for Shares issued under the Options will be mailed as soon as practicable after the issue of the Shares.

3.14 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Options or otherwise permit an offering of the Options the subject of this Prospectus in any jurisdiction outside Australia. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Options will not be issued to Shareholders with a registered address which is outside Australia.

Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. If you are outside Australia it is your responsibility to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

3.15 Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3.16 Enquiries

Any questions concerning the Loyalty Offer should be directed to Stuart Usher, Company Secretary, on +61(0)499 900 044

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Loyalty Offer

The purpose of the Offer is to reward the loyalty of Company shareholders and will result in the raising of up to \$75,228.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%
1.	Expenses of the Offer ¹	24,470	33%
2.	Working capital	50,758	67%
	Total	75,228	100%

Notes:

1. Refer to section 7.6 of this Prospectus for further details relating to the estimated expenses of the Offer.

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

4.2 Effect of the Loyalty Offer

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

- (a) increase the cash reserves by approximately \$50,758 after deducting the estimated expenses of the Offer immediately after completion of the Offer; and
- (b) increase the number of Options on issue from 21,436,875 as at the date of this Prospectus to 39,382,500 Options.

4.3 Pro-forma balance sheet

The unaudited pro forma balance sheet as at 30 June 2021 shown below has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Options offered under the Prospectus are issued.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

		Ozz Resources Limited	Pro forma Adjustments	Pro forma balance
	Notes	Unaudited 30 June 2021		Unaudited 30 June 2021
		\$	\$	\$
Current assets				
Cash & cash equivalents	1	5,013,272	50,787	5,064,059
Trade & other receivables		68,816	-	68,816
Total current assets		5,082,088	50,787	5,132,875
Non-Current assets				
Plant and equipment		49,390	-	49,390
Total non-current assets		49,390	-	49,390
TOTAL ASSETS		5,131,478	50,787	5,182,265
Current liabilities				
Trade & other payables		531,582	-	531,582
Borrowings		130,968	-	130,968
Total current liabilities		662,550	-	662,550
TOTAL LIABILITIES		662,550	-	662,550
NET ASSETS		4,468,928	50,787	4,519,715
EQUITY				
Issued capital	2a	6,432,149	(24,470)	6,407,679
Reserves	2b	1,032,529	75,257	1,107,786
Accumulated losses		(2,995,750)	-	(2,995,750)
TOTAL EQUITY		4,468,928	50,787	4,519,715

1. Funds raised of \$75,257 (including CPS options issue of \$29) less expenses of the Offers of \$24,470.
- 2a. Issue of 750,000 CPS Shares (priced at last closing price of 18.5 cents per share) which are deemed expenses of the offer plus all other expenses of the offer.

2b. Options issued under the Loyalty Offer priced at \$0.005 per option to raise \$75,228 and the CPS Options to raise \$29 via the issue of 2,900,000 options at \$0.00001 per option.

4.4 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Options offered under the Prospectus are issued, is set out below.

Shares

	Number
Shares currently on issue	45,136,875
Shares offered pursuant to the Offers	Nil
Shares to be issued to the Underwriter ¹	750,000
Total Shares on issue after completion of the Offers	45,886,875

Note:

1 Please refer to Section 7.2 for further details regarding these Shares.

Options

	Number
Options currently on issue ¹	21,436,875
Loyalty Options offered ^{2,3}	15,045,652
Options issued to Lead Manager ²	2,900,000
Total Options on issue after completion of the Offers	39,382,527

Notes:

- Comprising of:
 - 16,036,875 unquoted Options exercisable at \$0.25 each on or before 5 July 2023;
 - 2,800,000 unquoted Options exercisable at \$0.25 each on or before 5 July 2024; and
 - 2,600,000 unquoted Options exercisable at \$0.25 each on or before 5 July 2025,
 full terms of the Options on issue are set out in section 9.15 of the May Prospectus.
- Options exercisable at \$0.25 each on or before the date that is three years from their issue, and having an issue price of \$0.00001. Full terms and conditions of these Options are set out in Section 6.1 and the Underwriting Agreement is summarised in Annexure A. The Company will apply for quotation of these Options.
- The full terms and conditions of the Loyalty Options are set out in Section 6.

5. INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS

5.1 May Prospectus

This Prospectus is a short form prospectus issued in accordance with section 712 of the Corporations Act. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type. Rather, the Prospectus incorporates, by reference, information contained in the May Prospectus and pursuant to which 25,000,000 Shares were issued.

5.2 Included information

The May Prospectus contains all information that Shareholders require in relation to the Offers and the May Prospectus in its entirety is deemed to be incorporated in this Prospectus. The material provisions of the May Prospectus are summarised below in Section 5.3 and will primarily be of interest to Shareholders and their professional advisers or analysts.

The May Prospectus will be made generally available by being posted on the Company's website (www.ozzresources.com.au). In addition, the Company will make a copy of the May Prospectus available to Shareholders free of charge if so requested.

5.3 Summary of Information Deemed to be Incorporated

In accordance with section 712 of the Corporations Act, set out below is a summary of the information contained in the May Prospectus that is deemed to be incorporated in this Prospectus. The headings and page numbers referred to below are references to the May Prospectus.

- (a) **Chairman's Letter (page 2):** A summary of the corporate strategy and exploration business of the Company.
- (b) **Investment Overview (pages 3 – 13):** An overview of the Company, its Directors, its asset portfolio and prospects.
- (c) **Company and Project Overview (pages 14 - 25):** This section provides an overview and discussion of the Company's mineral exploration portfolio and proposed exploration program for the Company's Projects.
- (d) **Material Contracts (pages 25 – 33):** This section summarises the agreements which may have a material effect on the business of the Company.
- (e) **Use of Funds (pages 34 – 35):** this section summarises the Company's intended use of all funds raised under the May Prospectus. Funds raised under this Prospectus will be used as set out in Section 4.1.
- (f) **Substantial Shareholders (page 36):** this section sets out the substantial shareholders of the Company.
- (g) **Risk Factors (Pages 38-43):** This section lists a number of risks that may have a material effect on the financial position and performance of the Company and the value of its securities, as well as the Company's exploration and development activities and an ability to fund those activities. This section includes (1) Company specific risks, being contractual risks, grant of tenement applications, exploration risk, title and tenure, failure to satisfy expenditure commitments, rehabilitation of tenements, environmental risk, authorisation to develop the mine, resource estimate, metallurgy, native title and aboriginal heritage, land access, limited history, future capital requirements, new project and acquisitions, safety; and (2) General risks

being Investment speculative, COVID-19, competition, economic risk, change in legislation and government regulation.

- (h) Financial Information and Independent Limited Assurance Report (pages 44 – 55 and Annexure C): Prepared by Bentleys Audit & Corporate (WA) Pty Ltd, these sections contain historical and pro-forma financial information for the purposes of the offer of Shares under the May Prospectus.
- (i) **Directors and Key Personnel (pages 56 - 60):** This section provides profiles of the Board of Directors.
- (j) **Rights Attaching to Shares (pages 64 – 66):** this section outlines and summarises rights and liabilities attaching to the Shares.
- (k) **Terms and Conditions of Options (pages 66 – 67):** this section outlines and summarises rights and liabilities attaching to the Company's on issue as at the date of this Prospectus.
- (l) **Additional Information (pages 71 - 72):** Provides a range of information for investors that was required to be disclosed in the May Prospectus, including:
 - (i) Continuous disclosure obligations
 - (ii) Taxation;
 - (iii) Rights attaching to Shares;
 - (iv) Interests of Experts and Advisors named in the May Prospectus; and
 - (v) Consents.
- (m) **Independent Geologist's Report (Annexure A):** Written by Burnt Shirt Pty Ltd, the report provides detail of the geology, exploration history, exploration potential and the proposed exploration program and budget for the Company's Projects.
- (n) **Solicitor's Report on Tenements - Australia (Annexure B):** Prepared by House Legal Pty Ltd, the report details the Company's interest in the mining tenements described in the May Prospectus. Among other things, the report details the company's interests in the tenements, the status of the tenements and all native title claims relevant to them.

6. RIGHTS AND LIABILITIES ATTACHING TO OPTIONS

6.1 Loyalty Options and Options Pursuant to CPS offer

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (l), the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**)

(c) **Expiry Date**

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

(d) **Notice of Exercise**

The Options may be exercised by notice in writing to the Company (Notice of Exercise) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

(e) **Shares issued on exercise**

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

(f) **Options to be quoted**

Application will be made by the Company to ASX for official quotation of the Options.

(g) **Quotation of Shares on exercise**

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.

(h) **Timing of issue of shares**

After an Option is validly exercised, the Company must as soon as possible following receipt of the Notice of Exercise and receipt of cleared funds equal to the sum payable on the exercise of the Option:

(i) issue the Share;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) do all such acts, matters and things to obtain the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Options.

(i) **Ranking of Shares**

Shares issued on exercise of an Option will rank equally with the then issued Shares.

(j) **Participation in new issues**

Without exercising the Options, the option holder will have no right or entitlement to participate in new issues of Shares offered to the Shareholders.

(k) **Change of exercise price or the number of underlying Shares**

The Options do not confer the right to a change in Exercise Price or a change in the number of underlying Shares over which the Options can be exercised.

(l) **Option terms on the reorganisation of capital**

If the issued capital of the Company is reconstructed, the option terms must be amended to the extent necessary to comply with the Corporations Act and the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

6.2 Shares

The Shares issued upon exercise of the Options will be fully paid ordinary shares in the Company. Full details of the rights and liabilities attaching to Shares are set out in Section 9.14 of the May Prospectus.

7. ADDITIONAL INFORMATION

7.1 Litigation

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

7.2 Underwriting Agreement

A summary of the terms of the Underwriting Agreements is set out in Annexure A.

7.3 Lead Manager Mandate

In consideration for their services as lead manager and underwriter, the Company has agreed to pay CPS the following fees:

- (a) an underwriting fee of 6% of the total gross proceeds of the Loyalty Offer;
- (b) the CPS Options; and
- (c) the issue of 750,000 Shares for corporate advisory services, as required on an ad hoc basis, for a period of 12 months. These Shares will be issued by the Company to CPS in accordance with the timetable set out at the commencement of this Prospectus.

In addition, the Company will reimburse the Lead Manager for reasonable expenses incurred in performing their duties.

Further details of the arrangements with CPS are set out in Section 5.12(e) of the May Prospectus.

7.4 Interests of experts and advisers

A full disclosure of the interests of experts and advisers of and to the Company for the issue of the May Prospectus is set out in the May Prospectus in particular sections 10.3 and 10.5 of the May Prospectus "Interests of Experts and Advisers" and "Named Parties." Other than as set out below or elsewhere in this Prospectus, that information and disclosure remains current.

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:

- (i) its formation or promotion; or
- (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

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

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$3,414 (including GST and disbursements) for legal services provided to the Company.

CPS Capital Group Pty Ltd has acted as the lead manager and underwriter to the Company in relation to the Loyalty Offer. The Company estimates it will pay CPS Capital Group Pty Ltd \$4,500 (excluding GST and disbursements) and issue them with 2,900,000 CPS Options for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, CPS Capital Group Pty Ltd has been paid fees totalling \$216,844 (excluding GST and disbursements) for corporate advisory and capital raising services provided to the Company.

7.5 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section;
- (c) CPS Capital Group Pty Ltd has given its written consent to being named as Lead Manager and Underwriter to the Company in this Prospectus. CPS Capital Group Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC;
- (d) Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC;
- (e) Hall Chadwick (WA) Pty Ltd (formerly Bentleys) has given its written consent to the incorporation of and reference to the Financial Information and

Independent Limited Assurance Report in the May Prospectus and the reference to that report in this Prospectus. Hall Chadwick (WA) Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC;

- (f) Burnt Shirt Pty Ltd has given its written consent to the incorporation of and reference to the Independent Geologist's Report in the May Prospectus and the reference to that report in this Prospectus. Burnt Shirt Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC; and
- (g) House Legal Pty Ltd has given its written consent to the incorporation of and reference to the Solicitor's Report on Tenements in the May Prospectus and the reference to that report in this Prospectus. House Legal Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

7.6 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offers are estimated to be approximately \$24,470 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	1,250
Lead manager and underwriting fees	4,514
Legal fees – Australia	10,000
Printing and distribution	5,000
Miscellaneous	500
Total	24,470

7.7 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 6141 3500 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at <https://www.ozzresources.com.au>.

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

7.8 Financial forecasts

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

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

The Company will not be issuing option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

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

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

7.10 Privacy Act

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

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

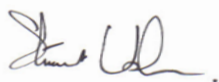
You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the settlement rules of the securities clearing house which operates CHES. You should note that if you do not provide the information required on the application for Options, the Company may not be able to accept or process your application.

8. DIRECTORS' AUTHORISATION

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

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



Stuart Usher
Company Secretary
For and on behalf of
OZZ RESOURCES LIMITED

9. GLOSSARY

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

Applicant means a Shareholder who applies for Options pursuant to the Loyalty Offer.

ASIC means the Australian Securities and Investments Commission.

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

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means OZZ Resources Limited (ACN 643 844 544).

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

CPS means CPS Capital Group Pty Ltd (AFSL 294848).

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

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

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

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

Loyalty Option means an option to acquire a Share on the terms and conditions set out in section 6.1 of this Prospectus.

May Prospectus has the meaning as defined in Section 2.1 of this Prospectus.

Offers means the offers of Loyalty Options, CPS Options and Shares the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share, including a Loyalty Option as the context requires.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

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

Section means a section of this Prospectus.

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

Shareholder means a holder of a Share.

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

ANNEXURE A – SUMMARY OF UNDERWRITING AGREEMENT

The key terms of the Underwriting Agreement pursuant to which the Company has appointed CPS Capital Group Pty Ltd (ACN 73 088 055 636) (AFSL 294848) (**Underwriter**) to underwrite the Loyalty Offer are as follows:

(a) **Engagement**

The Underwriter agrees to underwrite the Loyalty Offer (15,045,625 New Options) (the **Underwritten Securities**).

The Underwriter may appoint sub-underwriters to sub-underwrite the Underwritten Securities at its sole discretion.

In addition, the Underwriter and the Company on a mutually agreed basis can nominate and determine who is to receive shortfall.

(b) **Fees**

The Company agrees to pay the Underwriter an underwriting fee of 6% (plus any applicable GST) of the total gross proceeds raised under the Loyalty Offer.

The Company also agrees to issue to the Underwriter 2,900,000 Options on the same terms as the Options to be issued under the Loyalty Offer for providing these services.

The Underwriter must pay all fees and commissions due to sub-underwriters to the offers.

The Company also agrees to pay and will indemnify and keep indemnified the Underwriter against, and in relation to, all costs and expenses of and incidental to the offers, including but not limited to:

- (i) the disbursements of the Underwriter (including legal fees); and
- (ii) all reasonable marketing and promotional expenditure related to the offers.

The Underwriter must obtain prior approval of the Company before incurring any expenses and disbursements in excess of \$5,000.

(c) **Termination Events**

The obligation of the Underwriter to underwrite the offers is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement (without cost or liability to it) if:

- (i) **(Indices fall)**: any of the following indexes closes on any 2 consecutive trading days before the Shortfall Notice Deadline Date 10% or more below its respective level as at the close of business on the Business Day prior to the Execution Date:
 - (A) Dow Jones;
 - (B) S&P 500;
 - (C) Nasdaq;
 - (D) Russell 2000;
 - (E) FTSE;

- (F) Nikkei; or
- (G) Shanghai SE Comp.
- (ii) **(Offer Document)**: the Company does not lodge the offer document for the offers with ASIC on the agreed lodgement date or the offer document or the offers are withdrawn by the Company;
- (iii) **(No Listing Approval)**: the Company fails to lodge an Appendix 3B in relation to the Underwritten Options with ASX within 7 days of the Lodgement Date;
- (iv) **(Restriction on issue)**: the Company is prevented from issuing the Underwritten Options within the time required by this Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (v) **(Takeovers Panel)**: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt. 6.10 of the Corporations Act, which in the Underwriter's reasonable opinion has a Material Adverse Effect;
- (vi) **(Authorization)**: any authorization which is material to anything referred to in the Offer Document is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter acting reasonably;
- (vii) **(Indictable offence)**: a director or senior manager of a Relevant Company is charged with an indictable offence, which in the reasonable opinion of the Underwriter has or is likely to have a Material Adverse Effect on the Offer; or
- (viii) **(Termination Events)**: upon the occurrence of any of the following events:
 - (A) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of Egypt, Australia, New Zealand, Indonesia, Japan, Russia, Iran, Israel, the United Kingdom, the United States of America, India, Pakistan, the People's Republic of China, or any member of the European Union, other than hostilities involving Libya, Afghanistan, Iraq, Syria, or Lebanon, and the Underwriter believes (on reasonable grounds) that the outbreak or escalation is likely to result in any of the indexes stipulated in (i) above falling by the percentage contemplated by (i).
 - (B) **(Default)**: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
 - (C) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
 - (D) **(Contravention of constitution or Act)**: a contravention by the Company or any of its subsidiaries of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (E) **(Adverse change)**: an event occurs which gives rise to a Material Adverse Effect in relation to the Company's assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company;

- (F) **(Error in Due Diligence Results):**) : it transpires that any of the Due Diligence Results or any part of the Verification Material was false, misleading or deceptive or that there was an omission from them that is materially adverse from the point of view of an investor;
- (G) **(Significant change):** a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (H) **(Public statements):** without the prior approval of the Underwriter a public statement is made by the Company in relation to the offers;
- (I) **(Misleading information):** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the offers or the affairs of the Company or any of its subsidiaries is or becomes misleading or deceptive or likely to mislead or deceive;
- (J) **(Official Quotation qualified):** other than has been disclosed to the underwriter and/ or in the offer document, the official quotation is qualified or conditional
- (K) **(Change in Act or policy):** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (L) **(Prescribed Occurrence):** a prescribed occurrence occurs as specified in the Underwriting Agreement;
- (M) **(Suspension of debt payments):** the Company suspends payment of its debts generally;
- (N) **(Event of Insolvency):** an Event of Insolvency occurs in respect of a Relevant Company
- (O) **(Judgment against a Relevant Company):** a judgment in an amount exceeding \$50,000 is obtained against the Company or any of its subsidiaries and is not set aside or satisfied within 7 days;
- (P) **(Litigation):** litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against any Relevant Company, other than any claims foreshadowed in the Offer Document;
- (Q) **(Board and senior management composition):** there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter;
- (R) **(Change in shareholdings):** there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer or a matter disclosed in the Offer Document) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;

- (S) **(Timetable)**: there is a delay in any specified date in the Timetable which is greater than 5 Business Days;
- (T) **(Force Majeure)**: a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (U) **(Certain resolutions passed)**: the Company or any of its subsidiaries passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (V) **(Capital Structure)**: any Relevant Company alters its capital structure in any manner not contemplated by the Offer Document;
- (W) **(Breach of Material Contracts)**: any of the material contracts of the Company is terminated or substantially modified;
- (X) **(Investigation)**: ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Offer or the Offer Document, or publicly foreshadows that it may do so; or
- (Y) **(Market Conditions)**: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The *Termination Events* listed from paragraph (viii)(A) above do not entitle the Underwriter to exercise its rights to terminate unless in the reasonable opinion of the Underwriter reached in good faith, it has or is likely to have, or those events together have, or could reasonably be expected to have, a Material Adverse Effect or could give rise to a liability of the Underwriter under the Corporations Act.

The Underwriting Agreement contains indemnities, representations and warranties and undertakings by the Company to the Underwriter.