



PROSPECTUS

Morella Corporation Limited ACN 093 391 774

A non-renounceable pro rata entitlement offer to Eligible Shareholders of approximately 123,576,552 New Shares at an issue price of \$0.036 per New Share on the basis of one (1) New Share for every two (2) Existing Shares held, together with one (1) attaching New Option for every (2) New Shares subscribed for, to raise up to approximately \$4,448,756 before issue costs (**Offer**).

An offer to Eligible Shareholders and third party investors to subscribe for the New Shares comprising the Shortfall to the Offer at \$0.036 per New Share (**Shortfall Offer**).

The Offer and Shortfall Offer are not underwritten.

Only Shareholders registered as at the Record Date may participate in the Offer.

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth). If you are an Eligible Shareholder, this is an important document that requires your immediate attention. It should be read in its entirety with the relevant Application Form. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. An investment in the New Securities offered under this Prospectus is highly speculative.

This Prospectus is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This Prospectus is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the *US Securities Act of 1933*, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Important Notices

This Prospectus is dated 5 August 2024 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction specific prospectus for an offer of 'continuously quoted securities' (as defined in the Corporations Act). It has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering or 'full form' prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a 'disclosing entity' for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers.

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Website – Electronic Prospectus

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

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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.

Other than as otherwise stated in this Prospectus, no document or information included on our website is incorporated by reference into this Prospectus.

Foreign jurisdictions

This Prospectus is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue.

By applying for New Securities, including by submitting an Entitlement and Acceptance Form or making a payment using BPAY® an Applicant represents and warrants that there has been no breach of such laws.

The distribution of this Prospectus and accompanying Entitlement and Acceptance Forms (including electronic copies) outside Australia, New Zealand and Singapore may be restricted by law and persons who come into possession of these documents should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company

disclaims all liability to such persons. Please refer to Section 8.5 for further information.

Risk factors

Potential investors should be aware that subscribing for securities in the Company involves a number of risks. The key risk factors are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in quoted securities not specifically referred to, may affect the value of the Company's securities in the future. An investment in the Company should be considered speculative. Investors should consider these risk factors in light of personal circumstances and should consider consulting their professional advisers before deciding whether to apply for New Securities pursuant to this Prospectus.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including the ASX website at www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offer. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company or subscribe for New Securities.

The Company has not authorised any person to give any information or make any representation in connection with an Offer which is not contained in this Prospectus. Any such extraneous information or representation may not be relied upon as having been authorised by the Company in connection with this Prospectus.

Statements of past performance

Past performance and pro-forma financial information included in this Prospectus is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition. Investors should note that past performance, including past Share price performance, of the Company cannot be relied upon as an indicator of (and provides no guidance as to) the Company's future performance including future Share price performance. The historical information included in this Prospectus is, or is based on, information that has previously been released to the market.

Investors should also be aware that certain financial data included in this Prospectus may be 'non-IFRS financial information' under Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC. The Company believes this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of the Company. The non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS

financial information and ratios (if any) included in this Prospectus.

Target Market Determination

In accordance with the delegation and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of New Options under this Prospectus. The Company will only distribute the Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (www.morellacorp.com).

By making an Application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Forward-looking statements

This Prospectus may contain forward-looking statements based on current expectations about future acts, events and circumstances, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These forward-looking statements are subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, except during an offer period and otherwise as required by law, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

Applications

Applications for New Securities offered by this Prospectus can only be made on an original Application Form accompanying this Prospectus. Please read the instructions in this Prospectus and on the accompanying Application Form regarding the acceptance of an Offer.

By returning an Application Form, lodging an Application Form with a stockbroker or otherwise arranging for payment of New Securities in accordance with the instructions on the Application Form, an Applicant acknowledges that they have received and read this Prospectus, acted in accordance with the terms of the Offer to which the Application Form relates and agree to all of the terms and conditions as detailed in this Prospectus.

No cooling-off period

No cooling off rights apply to Applications submitted under the Offer.

Disclaimer of representations

No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus.

Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Privacy

Please read the privacy information located in Section 8.13 of this Prospectus. By submitting an Entitlement and Acceptance Form, you consent to the matters outlined in that section.

Definitions

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary.

Enquiries

Before making a decision about investing in the Offer, you should seek advice from your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to determine whether it meets your objectives, financial situation and needs.

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker, or legal, financial or other professional adviser without delay. Should you have any questions about the Offer or how to accept the Entitlement, please call the Company Secretary, John Lewis, on +61(0) 429 596 535.

If you have misplaced your Entitlement and Acceptance Form and would like a replacement form, please call the applicable number below. Alternatively, if you have the Securityholder Reference Number or Holder Identification Number for your holding(s), you can download a replacement form from the Share Registry's secure website at:

<https://events.miracle.com/1mc-offer>

If you have any questions, please call the Company Secretary, John Lewis, on +61(0) 429 596 535 at any time between 8.30am and 5.00pm (WST) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.

Website

To view annual reports, shareholder and other information about the Company, announcements, background information on the Company's operations and historical information, visit the Company's website at www.morellacorp.com.

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1. TIMETABLE TO THE OFFER

Event	Date
Announcement of the Offer	Monday, 5 August 2024
Lodgement of this Prospectus	Monday, 5 August 2024
Record date to determine Entitlement (Record Date)	Thursday, 8 August 2024
Prospectus with Entitlement and Acceptance Form dispatched	Tuesday, 13 August 2024
Offer opens	Tuesday, 13 August 2024
Last date to extend Offer	Monday, 19 August 2024
Closing date for acceptances under the Offer	5.00pm (WST) on Thursday, 22 August 2024
Issue of New Securities under the Offer	Thursday, 29 August 2024
Normal trading of New Shares expected to commence	Friday, 30 August 2024
Last date to issue Shortfall Securities (see Section 8.4)	Friday, 22 November 2024

Note: These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act and the ASX Listing Rules, to vary the above dates. In particular, the Company reserves the right to extend the closing date of the Offer, to accept late applications either generally or in particular cases or to withdraw the Offer without prior notice. The commencement of quotation of New Shares is subject to confirmation from ASX.

2. KEY OFFER TERMS

	Full Subscription
Shares currently on issue ¹	247,153,103
Total Options currently on issue ²	Nil
New Shares offered under this Prospectus, on a one (1) for two (2) basis	123,576,552
New Options offered on a one (1) for two (2) basis	61,788,276
Issue price per New Share	\$0.036
Amount raised under this Prospectus (before costs)	\$4,448,756

Notes:

1. This figure assumes that no further Shares are issued prior to the Record Date.
2. The Company has no other securities on issue. Please see Section 5.4 for further information.

3. MANAGING DIRECTOR'S LETTER

Dear Shareholder,

On behalf of the Board of Morella Corporation Limited (ACN 093 391 774) (**Morella** or the **Company**), I am pleased to extend this opportunity to you to participate in the Company's one (1) for two (2) non-renounceable entitlement offer at a price of \$0.036 per New Share to raise approximately \$4,448,756 (**Offer**) and be part of the next phases in the Company's business growth.

Eligible Shareholders will also receive one (1) free-attaching unquoted option (**New Option**) for every two (2) New Shares subscribed for, exercisable at \$0.072 per New Option and expiring on 31 August 2026.

The Company has recently undertaken an unmarketable parcel share sale facility and completed a consolidation of the Company's shares on a 1 for 25 basis and our view is now firmly forward as we rebuild value in Morella.

Operationally, we have developed a very clear strategy supported by our strengths and proven history in project origination, development and operation. Our strategy is based on the following key fundamentals:

- Hardrock minerals and lithium brine exploration and development;
- Strategic, Tier 1 locations for exploration, development and operations;
- Alignment with US and EU regulations and initiatives; and
- Leveraging technology to advance projects in a sustainable and environmentally conscious manner.

Our two key focus areas – the Mallina, Tabba Tabba and Mt Edon Lithium Projects in Western Australia and the Fish Lake Valley and North Big Smoky Lithium Projects in west-central Nevada, US – fit the criteria of our strategy and we are excited to be in a position to develop and advance both projects.

Funds raised via this Offer together with existing cash reserves will be directed towards physical on ground mineral exploration coupled with the evaluation of other technical opportunities in order to fast track project development.

With this Prospectus you will also find your Application Form which details your Entitlement and provides instructions on how to participate in the Offer. You may also apply for Shortfall Securities on the terms set out within the Prospectus.

The Directors intend to participate in the Offer. In addition, the Directors reserve the right to apply for Shortfall Securities under the Shortfall Offer, subject to obtaining shareholder approval.

On behalf of the Directors, I invite you to consider this opportunity and thank you for your continued support.

Yours sincerely,

James Brown
Managing Director
Morella Corporation Limited

4. INVESTMENT OVERVIEW AND KEY RISKS

This information is a selective overview only. Prospective investors should read the Prospectus in full before deciding to invest in New Shares.

Question	Response	Where to find more information												
What is the Offer?	A non-renounceable Offer to subscribe for one (1) New Share for every two (2) Existing Shares held on the Record Date at an issue price of \$0.036 per New Share with one (1) free-attaching New Option for every two (2) New Shares subscribed for. The Offer seeks to issue up to 123,576,552 New Shares and 61,788,276 New Options to raise up to approximately \$4,448,756 (before costs) if fully subscribed.	Section 8												
Am I an Eligible Shareholder?	The Offer is made to Eligible Shareholders, being Shareholders who: (a) are the registered holder of Shares as at 5.00pm (WST) on the Record Date; and (b) have a registered address in Australia, New Zealand or Singapore.	Section 8.3												
What is my Entitlement?	Your Entitlement is the right granted to you under the Offer to subscribe for one (1) New Share at the Offer Price for every two (2) Existing Shares you hold as at the Record Date with one (1) free-attaching New Option for every two (2) New Shares subscribed for. Your Entitlement will be noted on your personalised Entitlement and Acceptance Form.													
What can I do with my Entitlement?	As an Eligible Shareholder, you may do any one of the following: (a) take up all or part of your Entitlement; (b) take up all of your Entitlement and apply for Shortfall Securities; or (c) do nothing, in which case your Entitlement will lapse and your Entitlement will become Shortfall Securities and your Shareholding will be diluted if New Shares are issued under the Offer.	Section 7												
What happens if I am an Ineligible Shareholder?	The Company will not be extending the Offer to Ineligible Shareholders.													
How will the proceeds of the Offer be used?	The Company will use funds raised under the Offer (together with existing cash on hand) as follows: <table border="1"> <thead> <tr> <th>Use of funds</th><th>Full Subscription</th><th>% of funds raised</th></tr> </thead> <tbody> <tr> <td>Tenement Exploration</td><td>\$1,661,546</td><td>34%</td></tr> <tr> <td>Administration</td><td>\$474,107</td><td>10%</td></tr> <tr> <td>General working capital</td><td>\$2,657,036</td><td>54%</td></tr> </tbody> </table>	Use of funds	Full Subscription	% of funds raised	Tenement Exploration	\$1,661,546	34%	Administration	\$474,107	10%	General working capital	\$2,657,036	54%	Section 5.2
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Question	Response	Where to find more information						
	<table border="1" data-bbox="528 275 1161 394"> <tr> <td>Costs of the Offer</td><td>\$83,442</td><td>2%</td></tr> <tr> <td>Total</td><td>\$4,876,131</td><td>100%</td></tr> </table> This table is a statement of the proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the Company's decisions. The Company reserves the right to vary the way funds are applied. There is no minimum subscription condition for any Offer to proceed. In the event the Company does not achieve Full Subscription, the Company will scale back on other Projects and overheads, at the Directors' discretion. A further breakdown of the use of funds is set out in Section 5.2.	Costs of the Offer	\$83,442	2%	Total	\$4,876,131	100%	
Costs of the Offer	\$83,442	2%						
Total	\$4,876,131	100%						
What are the key risks of a subscription under the Offer?	An investment in the Company has risks that you should consider before making a decision to invest. Please carefully consider these risks and the information contained in other sections of this Prospectus before deciding whether or not to apply for New Securities. These risks include: Native title and access risks <i>Western Australia</i> The mining licences in which the Company holds, or intends to acquire, may extend over areas in which legitimate native title rights of indigenous people exist. The ability of the Company to gain access to some or all of the mining licences and to conduct exploration development and mining operations remains subject to native title rights and the terms of registered native title agreements. <i>Nevada</i> Land access is critical for exploration and/or exploitation to proceed. It requires both access to the mineral rights and access to the surface rights. Minerals rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary licences and permits to conduct exploration or evaluation activities outside of the mining licences. Offer risk If ASX does not admit the New Shares to Official Quotation before the expiration of three months after the date of issue of this Prospectus, or such period as	Section 6						

Question	Response	Where to find more information
	varied by ASIC, the Company will not allot or issue any Shares and will repay all Application Monies for the Shares within the time prescribed under the Corporations Act, without interest. Liquidity risk There is no guarantee that an active market in the Shares will develop or that the price of the Shares will increase. There may be relatively few buyers or sellers of Shares on the ASX at any particular time, which will adversely affect the liquidity of Shares on ASX. The price at which the Shares trade on ASX after listing may be higher or lower than the Offer Price and could be subject to fluctuations in response to variations in operating performance and general operations and business, as well as external operating factors which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors. Fluctuations in commodity prices The price of lithium and other minerals fluctuates widely and is affected by numerous factors beyond the control of the Company such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market value of lithium could cause the continued development of, and eventually the commercial production from, the Company's Projects and the Company's other properties to be rendered uneconomic. Depending on the price of lithium the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even if commercial quantities of lithium are produced, a profitable market will exist for it. Potential acquisitions As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects. Exploration and evaluation risks Mineral exploration and development are inherently high-risk undertakings. The mining licences of the Company are at various stages of exploration. The success of the Company depends upon the delineation of economically mineable reserves and resources, the Company having access to sufficient	

Question	Response	Where to find more information
	development capital, securing and maintaining title to its mining licences and obtaining all required approvals for its activities. Ability to exploit successful discoveries It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploration would involve obtaining the necessary licences or clearances from the relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploration may require participation of other companies whose interests and objectives may not align or be the same as the Company's. Development risks and costs Possible future development of mining operations at any of the Company's Projects is dependent on a number of factors and avoiding various risks including, but not limited to, failure to acquire and/or delineate economically recoverable ore bodies, unfavourable geological conditions, failing to receive the necessary approvals from all relevant authorities and parties, failure to withstand legal challenges to federal and state agency permit approvals, unseasonal weather patterns, excessive seasonal weather patterns, fire, flooding, unanticipated challenges related to background conditions or area soil or water quality, access and utilities, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, unexpected shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, risk of access to the required level of funding and contracting risk from third parties providing essential services. Environmental risks Exploration and mining activities on mining licences are subject to laws and regulations regarding environmental impact matters and the discharge or emission of wastes and materials to the environment. As with most exploration projects, the Company's activities are expected to have an impact on the environment, particularly during advanced exploration and future mining activities. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Inherent mining risks The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risks, including	

Question	Response	Where to find more information
	environmental hazards; industrial accidents; metallurgical and other processing problems; unusual or unexpected rock formations; structure cave-in or slides; flooding; fires and interruption due to inclement or hazardous weather conditions. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury or death, environmental damage, delays in mining, increased production costs, monetary losses and possible legal liability. General economic conditions General economic conditions, introduction of tax reform, new legislation, movements in interest rates, inflation and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. Reliance on key management personnel The responsibility of overseeing the day-to-day operations and the strategic management of the Company and its controlled entities depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these senior management, key personnel or employees cease their involvement or employment with the Company or its controlled entities. Future capital requirements The Company may seek to raise additional funds in the future for working capital and in order to finance its projected capital expenditure at the Projects, potentially by raising debt and/or equity. However, if funding is not raised or is insufficient the Company may need to raise additional equity. Any additional equity financing may be dilutive to Shareholders, and debt financing (including lease financing of equipment), if available, may involve restrictions on financing and operating activities. Interest rate volatility From time to time, the Company may borrow money and accordingly will be subject to interest rates which may be fixed or floating. A change in interest rates would be expected to result in a change in the interest rate to the Company and, hence, may affect its profit. Market risks There are general risks associated with an investment and the share market. The price of the Company's securities on the ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance. These factors may include movements on international stock markets, interest rates and	

Question	Response	Where to find more information
	exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation and royalties, war, global hostilities and acts of terrorism. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. Force majeure The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics, pandemics or quarantine restrictions. Investment speculative The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above may, in the future, materially affect the financial performance of the Company and the value of the New Securities offered under this Prospectus. Therefore, the New Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities. Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Securities pursuant to this Prospectus. Infectious diseases The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19 or other infectious diseases. Further measures to limit the transmission of the virus or other infectious diseases implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations and could interrupt the Company carrying out its contractual obligations, cause disruptions to supply chains or interrupt the Company's ability to access capital. Conflicts in Ukraine and the Middle East General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage subversive activities, security operations, labour unrest, civil	

Question	Response	Where to find more information
	disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities as well as on its ability to fund those activities. Specifically, it should be noted that the current evolving conflicts in Ukraine and the Middle East are impacting global macroeconomics and markets generally. The nature and extent of the effect of these conflicts on the performance of the Company and the value of its Shares remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflicts in Ukraine and the Middle East and overall impacts on global macroeconomics. Given both situations are continually evolving, the outcomes and consequences are inevitably uncertain.	
Is the Offer underwritten?	No.	
What will be the effect of the Offer on the control of the Company?	The effect of the Offer on control of the Company will vary with the level of Entitlements taken up by Eligible Shareholders and the number of Shortfall Securities placed in the Shortfall Offer. The Company will cap the extent to which a Shareholder may take up Shortfall Securities issued under the Shortfall Offer such that there will be no Shareholder whose interest would exceed 19.9% as a result of the Offer except to the extent permitted by law.	Section 5.6
What is the effect of the Offer on the Company?	The maximum number of New Shares and New Options that will be issued under the Offer is 123,576,552 New Shares and 61,788,276 New Shares, representing 33% of the issued share capital and 100% of the issued options of the Company post the offer.	Section 5.4
Can I apply for New Securities in excess of my Entitlement?	Yes, you can apply for New Shares and New Options in excess of your Entitlement (Shortfall Securities).	Section 8.4
How do I apply for New Securities and Shortfall Securities under the Offer?	Applications for New Securities and Shortfall Securities can be made by Eligible Shareholders by making a payment by BPAY® or EFT in the amount of Entitlement and Shortfall Securities applied for. Applications can be download from the offer website: https://events.miraqle.com/1mc-offer.	Section 7.2
How will the Shortfall Securities be allocated?	Eligible Shareholders can apply for Shortfall Securities. The Directors reserve the right to place any Shortfall Securities at their discretion within 3 months of the	Section 8.4

Question	Response	Where to find more information
	Closing Date under the same terms and conditions of the Offer.	
How do I accept the Offer?	If you are within Australia, New Zealand or Singapore and you have an account with an Australian financial institution that supports BPAY® payments, you should pay your Application Monies via BPAY®. EFT is available as a secondary payment method. Applications can be downloaded from the offer website: https://events.miraqle.com/1mc-offer .	Section 7.6
Is the Offer subject to Shareholder approval?	No, shareholder approval is not required for the Offer.	
How can I obtain further advice?	Contact the Company Secretary, John Lewis, on +61(0) 429 596 535 at any time between 8.30am and 5.00pm (WST) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.	

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Introduction

The Company is seeking to raise up to approximately \$4,448,756 (before issue costs) under the Offer at a price of \$0.036 per New Share on the basis of one (1) New Share for every two (2) Existing Shares held as at the Record Date.

Eligible Shareholders will also receive one (1) free-attaching unquoted option (**New Option**) for every two (2) New Shares subscribed for, exercisable at \$0.072 per New Option and expiring on 31 August 2026.

Shareholders may, in addition to subscribing for their full Entitlement, apply for Shortfall Securities at the Offer Price.

5.2 Purpose of the Offer

The Directors intend to apply the proceeds from the Offer (together with existing cash on hand) as follows:

Use of funds	Full Subscription	% of funds raised
Tenement exploration	\$1,661,546	34%
Administration	\$474,107	10%
General working capital	\$2,657,036	54%
Costs of the Offer	\$83,442	2%
Total	\$4,876,131	100%

Notes:

1. This table is a statement of the proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the Company's decisions. The Company reserves the right to vary the way funds are applied.
2. There is no minimum subscription condition for any Offer to proceed. In the event the Company does not achieve Full Subscription, the Company will scale back on other projects and overheads, at the Directors' discretion.
3. General working capital is intended to accelerate and/or extend/continue the above initiatives as required, and other corporate administration and operating costs (including directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs).
4. See Section 10.6 for further details relating to the estimated expenses of the Offer.

5.3 Statement of financial position

Set out in Section 13 is the pro-forma balance sheet that has been derived from the Company's unaudited consolidated management accounts as at 30 June 2024, and on the basis of the following assumptions:

- (a) take up of the Offer where the Full Subscription is raised;
- (b) the payment of cash costs related to the Offer estimated to be \$83,442 for Full Subscription;
- (c) no further Shares are issued other than all New Shares offered under this Prospectus; and
- (d) there are no impairments to the value of the assets of the Company as reflected in the pro-forma balance sheet and the Company's 30 June 2024 audited financial statements (once available).

The pro-forma statement of financial position 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 set out in Section 13. The 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. The pro-forma statement is indicative only and is not intended to be a statement of the Company's current or future financial position.

5.4 Effect of the Offer on the Company's securities

Assuming that no further Shares are issued prior to the Record Date, at the close of the Offer the capital structure of the Company will be:

Shares	Number	%
Existing Shares	247,153,103	67%
New Shares offered under this Prospectus	123,576,552	33%
Total Shares	370,729,655	100%

Assuming that no Options are issued prior to the Record Date, at the close of the Offer the number of Options on issue will be:

Options	Number	%
Existing Options	Nil	0
New Options offered under this Prospectus on a one (1) for two (2) basis	61,788,276	100
Total Options	61,788,276	100%

Note:

1. The Company has no Options on issue as at the date of this Prospectus.

5.5 Details of substantial holders

The Company is of the view, after taking into account publicly available information as at the date of this Prospectus, that the following persons which (together with their associates) have a Relevant Interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Allan Charles Buckler (Calida Holding Pty Ltd as trustee for the ACB Family A/C and Shazo Holdings Pty Ltd)	31,444,267	12.72%
Mr Maxwell Terry Smith	18,396,264	7.44%
Shanshan Forever International Co Limited	18,054,450	7.30%

In the event all Entitlements are accepted in full there will be no change to the Relevant Interests of the above. However, the holdings of the above substantial shareholders and the holdings of other Shareholders may change as a result of participation in the Offer.

5.6 Effect of the Offer on the control of the Company

(a) General

The maximum number of New Shares which will be issued pursuant to the Offer is approximately 123,576,552. This equates to approximately 50% of all the issued Shares in the Company as at the date of this Prospectus and approximately 33% of all issued Shares following completion of the Offer.

The potential effect that the Offer could have on the control of the Company, and the consequences of that effect, will depend upon a number of factors, including demand from Shareholders for their Entitlements and demand (from Shareholders and third parties) under the Shortfall Offer.

If all of the Eligible Shareholders under the Offer accept their Entitlements in full or applications are received for all of the Shares forming part of the Shortfall Offer, then the Offer will not have any effect on the control of the Company.

As at the date of this Prospectus, the Company has 247,153,103 Shares on issue. As noted above:

- (i) Allan Charles Buckler (together with his associates) has a relevant interest in 12.72% of the Company and, to the extent he participates in the Offer, will not subscribe for New Shares that would result in him having an increased voting power except to the extent permitted by law.

The table below sets out the impact on Allan Charles Buckler (together with his associates) should he fully participate in the Offer. The potential effect of the New Shares under the Entitlement Offer will have on the voting power of Allan Charles Buckler is as described below. The actual effect on control will depend on the level of subscriptions by Eligible Shareholders pursuant to the Entitlement Offer and the Shortfall Offer.

Number of total Shares before the Offer	% of total Shares after the Offer			
	100% subscribed	75% subscribed	50% subscribed	0% subscribed
31,444,267	12.72%	13.88%	14.27%	17.94%

Notes:

1. This table assumes that other than under the Offer, no further Shares are issued to Allan Charles Buckler (or his associates).
2. Excludes any Shortfall Securities that Mr Buckler may apply for in addition to his Entitlement, which is subject to shareholder approval.

- (ii) Maxwell Terry Smith (together with his associates) has a relevant interest in 7.44% of the Company and, to the extent he participates in the Offer, will not subscribe for New Shares that would result in him having an increased voting power except to the extent permitted by law.

The table below sets out the impact on Maxwell Terry Smith (together with his associates) should he fully participate in the Offer. The potential effect that the issue of the New Shares under the Entitlement Offer will have on the voting power of Maxwell Terry Smith is as described below. The actual effect on control will depend on the level of subscription by Eligible Shareholders pursuant to the

Number of total Shares before the Offer	% of total Shares after the Offer			
	100% subscribed	75% subscribed	50% subscribed	0% subscribed
18,396,264	7.44%	8.12%	8.93%	10.76%

Notes:

1. This table assumes that other than under the Offer, no further Shares are issued to Maxwell Terry Smith (or his associates).
2. The level of take up in this table assumes that all Eligible Shareholders accept their Entitlements at the different levels shown (e.g. a "50% take up" assumes all Eligible Shareholders accept 50% of their Entitlements).

- (iii) Shanshan Forever International Co Limited (together with its associates) has a relevant interest in 7.30% of the Company and, to the extent it participates in the Offer, will not subscribe for New Shares that would result in it having an increased voting power except to the extent permitted by law.

The table below sets out the impact on Shanshan Forever International Co Limited (together with its associates) if it fully participate in the Offer. The potential effect that the issue of the New Shares under the Entitlement Offer will have on the voting power of Maxwell Terry Smith is as described below. The actual effect on control will

depend on the level of subscription by Eligible Shareholders pursuant to the Entitlement Offer and Shortfall Offer.

Number of total Shares before the Offer	% of total Shares after the Offer			
	100% subscribed	75% subscribed	50% subscribed	0% subscribed
18,054,450	7.30%	7.97%	8.77%	10.57%

Notes:

1. This table assumes that other than under the Offer, no further Shares are issued to Shanshan Forever International Co Limited (or its associates).
2. The level of take up in this table assumes that all Eligible Shareholders accept their Entitlements at the different levels shown (e.g. a "50% take up" assumes all Eligible Shareholders accept 50% of their Entitlements).

(b) Mitigating control effects

It is a general rule under section 606 of the Corporations Act that a person cannot acquire a Relevant Interest in issued voting shares in a company if because of the transaction in relation to securities, a person's Voting Power in the company increases from 20% or below to more than 20% or from a starting point that is above 20% and below 90%. The latter does not apply as there is no shareholder with a current Relevant Interest above 20%.

In order to mitigate the potential control effects of the Offer, the Company has included a Shortfall Offer pursuant to Section 8.4 of this Prospectus and a shortfall allocation strategy.

If there is a shortfall, then Shortfall Securities may be allocated to any Eligible Shareholders, at the absolute discretion of the Directors.

Shortfall Securities will not be offered or issued to any Applicant if, in the view of the Directors, to do so would increase that Applicant's voting power in the Company above 19.9% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

The Company has not appointed a nominee in accordance with section 615 of the Corporations Act, as no person will acquire a relevant interest in 20% or more of the Company's Shares as a result of the Offer. For further information please refer to Section 5.6.

5.7 Dilution

Shareholders who do not participate in the Offer will have their holding percentages diluted. Following is a table which sets out the dilutionary effect of the Offer on the diluting shareholder, assuming no other Shares are issued or Options exercised:

Holder	Holding at Record Date		Entitlement	Holding following the Offer if no Entitlement taken up and others participate fully	
	Number	%		Number	%
1	1,000,000	0.40%	500,000	1,000,000	0.27%
2	2,000,000	0.81%	1,000,000	2,000,000	0.54%
3	3,000,000	1.21%	1,500,000	3,000,000	0.81%
4	4,000,000	1.62%	2,000,000	4,000,000	1.08%

Note:

1. Subject to rounding.

6. RISK FACTORS

An investment in the Company is not risk free and investors should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for New Securities. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Securities.

The Company's principal activity is mineral exploration and development and companies in this industry are subject to many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical. Following are the risk factors which the Company believes are most important in the context of the Company's business.

The following list is not intended to be an exhaustive list of the risk factors relating to an investment in the Company and other risk factors may apply.

Before deciding to invest in the Company, potential investors should:

- (a) read the entire Prospectus;
- (b) consider the assumptions underlying any forward-looking statements;
- (c) review these factors in light of their personal circumstances; and
- (d) seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

6.1 General Risks

The New Securities offered under this Prospectus are considered speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus, and to consult their professional advisers, before deciding whether to apply for New Securities pursuant to this Prospectus.

There are specific risks which relate directly to the business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Company Specific Risks

(a) Land access and tenure

Western Australia

Mining and exploration tenements are subject to periodic renewal. The licences which the Company holds and may apply for are subject to the *Mining Act 1978* (WA) and the regulations made under that Act.

The maintaining of exploration licenses, obtaining renewals, or getting additional exploration or mining licenses granted, often depends on the Company being successful in obtaining the required statutory approvals for its proposed activities and that the licences, concessions, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions (such as increased expenditure and work commitments) will not be imposed in connection with any such renewals. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or the performance of the Company.

Nevada

Interests in mining claims and permits in Nevada are governed by the mining laws of the state and the United States of America (US). These interests include unpatented mining claims located and maintained under the US Mining Law of 1972.

Each mining claim and permit is subject to various conditions which must be complied with, including a federal annual mining claim maintenance fee in respect of unpatented mining claims.

The Company will follow the mandated processes under the relevant Nevada and US legislation to ensure continuity of its mining tenure and planned activities. However, the Company could lose title to, or its interest in, the mining tenements (or any additional mining claims, permits or other interests acquired by the Company in the future) if the conditions attaching to the claim or permit are not satisfied.

(b) **Native title and access risk**

Western Australia

The mining licences in which the Company holds, or intends to acquire, an interest extend over areas in which legitimate native title rights of indigenous people exist.

The ability of the Company to gain access to some or all of the Tenements and to conduct exploration development and mining operations remains subject to native title rights and the terms of registered native title agreements.

The right to negotiate process under native title matters can result in significant delays to the implementation of any project or stall it. Negotiated native title agreements may adversely impact on the economics of projects depending on the nature of any commercial terms agreed. The grant of any future tenure to the Company over areas that are covered by registered native title claims or determinations will require engagement with the relevant claimants or native title holders (as relevant) in accordance with the *Native Title Act 1993* (Cth).

Nevada

Land access is critical for exploration and/or exploitation to proceed. It requires both access to the mineral rights and access to the surface rights. Minerals rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary licences and permits to conduct exploration or evaluation activities outside of the mining licences.

(c) **Aboriginal Heritage – Western Australia**

In relation to the Company's Projects or any mining licences that the Company may in the future acquire an interest in in Western Australia, there may be areas of indigenous significance and Aboriginal heritage sites of considerable cultural value both to the local indigenous communities and the broader community generally.

These heritage sites require the Company to comply with the *Aboriginal Heritage Act 1972* (WA) in respect of any ground disturbing activities. Prior to commencing significant ground disturbing activities, including mining, the Company will need to consult with local traditional owners regarding the likely impact that the proposed activities may have on such areas.

There is no guarantee that the Company will be able to deal with the above issues in a satisfactory or timely manner and accordingly such issues may increase the proposed time periods for the conduct of the Company's proposed activities and also limit the Company's ability to conduct its proposed activities including ultimately commencing mining operations.

(d) **Contractual risks**

The ability of the Company to achieve its objectives will depend on the performance by the counterparties to any agreements that the Company is currently party to or may enter into. If any counterparty defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy. Legal action can be costly and ultimately may not be resolved on appropriate terms, if at all. Furthermore, certain contracts to which the Company is a party may be governed by laws of jurisdictions outside Australia. There is a risk that the Company may not be able to seek the legal redress that it could expect under Australian law and generally there can be no guarantee that a legal remedy will ultimately be granted on the appropriate terms.

(e) **Offer risk**

If ASX does not admit the New Shares to Official Quotation before the expiration of three months after the date of issue of this Prospectus, or such period as varied by ASIC, the Company will not allot or issue any Shares and will repay all Application Monies for the Shares within the time prescribed under the Corporations Act, without interest.

(f) **Liquidity risk**

There is no guarantee that an active market in the Shares will develop or that the price of the Shares will increase. There may be relatively few buyers or sellers of Shares on the ASX at any particular time, which will adversely affect the liquidity of Shares on ASX.

The price at which the Shares trade on ASX after listing may be higher or lower than the Offer Price and could be subject to fluctuations in response to variations in operating performance and general operations and business, as well as external operating factors which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.

(g) **Fluctuations in commodity prices**

The price of lithium and other minerals fluctuates widely and is affected by numerous factors beyond the control of the Company such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market value of lithium could cause the continued development of, and eventually the commercial production from, the Company's Projects and the Company's other properties to be rendered uneconomic. Depending on the price of lithium the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even if commercial quantities of lithium are produced, a profitable market will exist for it.

In addition to adversely affecting the reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

(h) **Limited exploration on the Projects**

Although there have been various phases of exploration across the mining licences that comprise the Company's Projects, the prospects on which the Company are focusing are in the early stages of exploration and do not contain any resources that are consistent with the current JORC Code guidelines. Further evaluation of data and exploration is required to determine whether any historical mineralisation estimates within the licences may be upgraded to be consistent with the current JORC Code guidelines.

(i) **International operations**

International sales and operations are subject to a number of risks, including:

- (i) potential difficulties in enforcing agreements (including joint venture agreements) and collecting receivables through foreign local systems;
- (ii) potential difficulties in protecting intellectual property;
- (iii) increases in costs for transportation and shipping; and
- (iv) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.

These factors (or others) could materially and adversely affect the Company's business, results of operations and financial condition.

(j) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.

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

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

6.3 Mining Industry Risks

(a) **Exploration and evaluation risks**

Mineral exploration and development are inherently high-risk undertakings. The mining licences of the Company are at various stages of exploration.

The success of the Company depends upon the delineation of economically mineable reserves and resources, the Company having access to sufficient development capital, securing and maintaining title to its mining licences and obtaining all required approvals for its activities.

Exploration on the Company's existing exploration and mining licences may not be as successful resulting in a reduction of the value of those licences, diminution in the cash reserves of the Company and possible relinquishment of the exploration and mining licences.

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

(b) **Resource estimates**

Estimating the quantity and quality of Mineral Resources is an inherently uncertain process and any Mineral Resources stated in this Prospectus and any Mineral Resources or Ore Reserves that the Company states in the future are and will be estimates and may not prove to be an accurate indication of the quantity and/or grade of mineralisation that the Company has identified or that it will be able to extract, process and sell.

Mineral Resource estimates (including any contained in this Prospectus) are expressions of judgement based on knowledge, experience and industry practice. Mineral Resource estimates are necessarily imprecise and depend to some extent on interpretations and geological assumptions, the application of sampling techniques, estimates of commodity prices, cost assumptions, and statistical inferences which may ultimately prove to have been unreliable.

Mineral Resource estimates are often regularly revised based on actual production experience or new information and are therefore expected to change. Furthermore, should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, the Company's Mineral Resource estimates may have to be adjusted and mining plans, processing and infrastructure may have to be altered in a way that might adversely affect the Company's operations. Moreover, a decline in the price of Lithium, increases in production costs, decreases in recovery rates or changes in applicable laws and regulations, including environment, permitting, title or tax regulations, that are adverse to the Company, may mean the volumes of mineralisation that the Company can feasibly extract may be significantly lower than the Mineral Resource estimates indicated in this Prospectus.

If it is determined that mining of certain of the Company's Mineral Resources or any Ore Reserves derived from them have become uneconomic, this may ultimately lead to a reduction in the quantity of the Company's aggregate Mineral Resources being mined, or result in the Company deciding not to proceed with the projects.

If the Company's actual Mineral Resources are less than previous estimates, its prospects, value, business, results of operations and financial condition may be materially adversely affected.

(c) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as:

- (i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (ii) developing an economic process route to produce a metal and/or concentrate; and
- (iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of a project.

(d) **Ability to exploit successful discoveries**

It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploration would involve obtaining the necessary licences or clearances from the relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploration may require participation of other companies whose interests and objectives may not align or be the same as the Company's.

(e) **Development risks and costs**

Possible future development of mining operations at any of the Company's Projects is dependent on a number of factors and avoiding various risks including, but not limited to, failure to acquire and/or delineate economically recoverable ore bodies, unfavourable geological conditions, failing to receive the necessary approvals from all relevant authorities and parties, failure to withstand legal challenges to federal and state agency permit approvals, unseasonal weather patterns, excessive seasonal weather patterns, fire, flooding, unanticipated challenges related to background conditions or area soil or water quality, access and utilities, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, unexpected shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, risk of access to the required level of funding and contracting risk from third parties providing essential services.

In addition, the exploration and pre-development federal and state approvals prior to construction of any proposed development may exceed the expected timeframe or cost for a variety of reasons out of the Company's control, including but not limited to federal and state agency approvals being subject to administrative and judicial appeals. Any delays to project development could adversely affect the Company's operations and financial results and may require the Company to raise further funds to complete resource delineation, project development and commence operations.

(f) **Operating risks**

There can be no assurance that the Company's intended goals will lead to successful exploration, mining and/or production operations. Further, no assurance can be given that the Company will be able to initiate or sustain minerals production, or that future operations will achieve commercial viability.

When additional exploration is undertaken and if a JORC compliant resource or reserve is not defined, then it may have a negative impact on the Company.

Future operations of the Company may be affected by various factors including:

- (i) geological and hydrogeological conditions;
- (ii) limitations on activities due to seasonal weather patterns and monsoon activity;
- (iii) delays associated with the obtaining of permits and approvals to undertake exploration activity;
- (iv) delays associated with obtaining or failure to negotiate native title, heritage or aboriginal access agreements and delays associated with compliance with heritage laws and regulations;
- (v) unanticipated operational and technical difficulties encountered in survey, drilling and production activities;
- (vi) electrical and/or mechanical failure of operating plant and equipment, industrial and environmental accidents, industrial disputes and other force majeure events;
- (vii) equipment failure, fires, spills or industrial and environmental accidents;
- (viii) unavailability of aircraft or equipment to undertake airborne surveys and other geological and geophysical investigations;
- (ix) risk that exploration, appraisal, development, plant or operating costs prove to be greater than expected or that the proposed timing of exploration, development or production may not be achieved;
- (x) failure to achieve exploration success;
- (xi) the supply and cost of skilled labour;
- (xii) unexpected shortages or increases in the costs of consumables, diesel fuel, spare parts, plant and equipment; and
- (xiii) prevention and restriction of access by reason of political unrest, outbreak of hostilities and inability to obtain consents or approvals.

No assurances can be given that the Company's operations will achieve commercial viability through successful exploration and/or mining.

(g) **Environmental risks**

Exploration and mining activities on mining licences are subject to laws and regulations regarding environmental impact matters and the discharge or emission of wastes and materials to the environment. As with most exploration projects, the Company's activities are expected to have an impact on the environment, particularly during advanced exploration and future mining activities. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

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

The disposal of mining and process waste and mine water discharge and air emissions discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous, which could delay the Company's activities and make its operations more expensive.

(h) **Occupational health and safety**

The exploration and mining industry is subject to increasing occupational health and safety responsibility and liability. The Company may become liable for past and current conduct which violates such laws and regulations, which may be amended by the relevant authorities. Penalties for breaching health and safety laws can be significant and victims of workplace

accidents may also commence civil proceedings against the Company. These events may not be insured or may be uninsurable.

Changes to health and safety laws and regulations may also increase compliance costs for the Company, which would negatively impact the financial results of the Company.

(i) **Government regulation**

The mining, processing, development and mineral exploration activities of the Company are subject to various federal and state laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use authorisations, water use protection of water quality, sensitive, threatened and endangered species and cultural resources and other matters. Although the Company's activities are and will be currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new statutes, regulations, executive orders, agency directives or policies or judicial decisions will not be adopted or that existing statutes, regulations or policies will not be applied in a manner which could limit exploration efforts or preclude or curtail future development or production. Amendments to current laws and regulations governing exploration and operations or more stringent implementation thereof could have a substantial adverse impact on the Company's ability to further delineate and develop the resource.

(j) **Inherent mining risks**

The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risks, including environmental hazards; industrial accidents; metallurgical and other processing problems; unusual or unexpected rock formations; structure cave-in or slides; flooding; fires and interruption due to inclement or hazardous weather conditions. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury or death, environmental damage, delays in mining, increased production costs, monetary losses and possible legal liability.

Whether income will result from projects undergoing exploration and development programs depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices affect successful project development.

(k) **Climate risks**

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

- (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 air quality emissions and/or 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 endeavor to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences;
- (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; and
- (iii) climate change has been a key factor in increasing the risk and extent of wildfires. Wildfire risk depends on a number of factors, including temperature, soil moisture, and the presence of trees, shrubs, and other potential fuel. In addition to damaging properties, wildfire can also cut off access to utilities, emergency services, impact evacuation routes, and may impact the overall economic well-being of an area. Wildfires can also impact access to the affected areas and delay planned exploration programs.

(l) **Risk of adverse publicity**

The Projects which the Company aims to develop involve exploration and ore processing within the relevant local communities. Any failure to adequately manage community expectations with respect to compensation for land access, artisanal mining activity, employment opportunities, impact on local business and any other expectations may lead to local dissatisfaction. The political and social pressures resulting from local dissatisfaction and adverse publicity could lead to delays in approval of, and increased expenses in the Company's proposed exploration programme.

6.4 General risks

(a) **General economic conditions**

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

(b) **Reliance on key management personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company and its controlled entities depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these senior management, key personnel or employees cease their involvement or employment with the Company or its controlled entities.

(c) **Future capital requirements**

The Company may seek to raise additional funds in the future for working capital and in order to finance its projected capital expenditure at the Projects, potentially by raising debt and/or equity. However, if funding is not raised or is insufficient the Company may need to raise additional equity. Any additional equity financing may be dilutive to Shareholders, and debt financing (including lease financing of equipment), if available, may involve restrictions on financing and operating activities.

There is no assurance that the Company will be able to obtain or access additional funding when required, or that the terms associated with that funding will be acceptable to the Company.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities, financial condition and its ability to continue as a going concern or its ability to pay its debts as and when they fall due. Also, no guarantee or assurance can be given as to whether the Company's Projects can be developed to the stage where the Company will generate positive cashflow or the timing of this development.

(d) **Management risks**

There is a risk that management of the Company will not be able to implement the Company's growth strategy after completion of the Offer. The capacity of the management to properly implement and manage the strategic direction of the Company may affect the Company's financial performance.

(e) **Competition risks**

The industry in which the Company will be involved is subject to global competition. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's Projects and business.

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) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) commodity price fluctuations;
- (v) changes in investor sentiment toward particular market sectors;
- (vi) the demand for, and supply of, capital; and
- (vii) terrorism and 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 nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(f) **Insurance and uninsured risks**

The Company, where economically feasible, may insure its operations in accordance with industry practice. However, even if insurance is taken out, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered, or fully covered, by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance of all risks associated with mineral exploration and production is not always available and, where available, the costs can be prohibitive.

(g) **Interest rate volatility**

From time to time, the Company may borrow money and accordingly will be subject to interest rates which may be fixed or floating. A change in interest rates would be expected to result in a change in the interest rate to the Company and, hence, may affect its profit.

(h) **Market risks**

There are general risks associated with an investment and the share market. The price of the Company's securities on the ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance. These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation and royalties, war, global hostilities and acts of terrorism.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company

(i) **Access to services**

Given the high levels of activity in the resources industry currently, the Company may potentially face delays in procuring services to undertake exploration and related activities at its key Projects. These services include but are not limited to access to drill rigs and drilling crew.

(j) **Litigation risks**

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

(k) **Taxation in respect of securities**

The acquisition and disposal of securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the

Company are urged to obtain independent financial advice about the consequences of acquiring securities from a taxation and duty point of view and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation and duty consequences of applying for New Securities under this Prospectus.

The application of and changes in relevant taxation laws (including income tax, goods and services taxes (or equivalent) and stamp duties), or changes in the way taxation laws are interpreted, may impact the Company's and/or its subsidiaries' tax/duty liabilities and financial performance or the tax/duty treatment of a shareholder's investment. An interpretation or application of tax laws or regulations by a relevant tax authority that is contrary to the Company's view of those laws may increase the amount of tax/duty paid or payable by the Company or its subsidiaries. Both the level and basis of tax may change. Any changes to the current rate of company income tax and/or any changes in tax rules and tax arrangements may have an adverse impact on the Company's financial performance, may increase the amount of tax paid or payable by the Company or its subsidiaries, may also impact shareholder returns and could also have an adverse impact on the level of dividend franking/conduit foreign income and shareholder returns.

(l) Cyber risks and security breaches

The Company stores data in its own systems and networks and also with a variety of third-party service providers. A malicious attack on the Company's systems, processes or people, from external or internal sources, could put the integrity and privacy of data and business systems at risk. It could also put its users' premises at risk and could lead to unauthorised disclosure of data.

(m) Force majeure

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

(n) Investment speculative

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

Therefore, the New Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

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

(o) Limited exploration on the Projects

Although there have been various phases of exploration across the tenements that comprise the Projects held by the Company, the prospects on which the Company are focusing are in the early stages of exploration and do not contain any resources that are consistent with the current JORC Code guidelines. Further evaluation of data and exploration is required to determine whether any historical mineralisation estimates within the licences may be upgraded to be consistent with the current JORC Code guidelines.

(p) Exploration and evaluation risks

The mineral licenses of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration activities conducted on these exploration licenses, or any other licenses that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

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

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

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

(q) **Ability to exploit successful discoveries**

It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploration would involve obtaining the necessary licences or clearances from the relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploration may require participation of other companies whose interests and objectives may not align or be the same as the Company's.

(r) **Counterparty risks**

As in any contractual relationship, the ability of the Company to maintain its interests in the Projects is dependent upon the Company's ability to comply with its obligations, and each of the joint venture partners complying with its contractual obligations under the respective joint venture agreements. If a joint venture partner defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy which may be costly and ultimately may not be granted on appropriate terms, if at all.

(s) **Development risks and costs**

If the Company makes a decision to proceed with developing the Projects to the production stage, the process of developing and constructing the mine will be subject to additional risks, including those set out in this section.

While the Company would make a decision to proceed to production only after completing feasibility studies, which will be prepared with a higher level of detailed investigation and therefore a higher degree of assumed accuracy than the work completed to date, there will remain a risk that economic and technical estimates and assumptions will prove to be inaccurate, and unforeseen factors will result in outcomes that are materially less favourable than those estimated or assumed in the feasibility study.

There are many uncertainties that are inherent in developing a mining project, including:

- (i) the availability of capital to finance feasibility studies, construction and development activities;
- (ii) the timing and cost of constructing mining and processing facilities and related infrastructure;
- (iii) the availability and cost of skilled labour, power, water and transport; and
- (iv) the need to obtain necessary governmental permits and the timing of those permits.

As with any mining project, the Company may experience unexpected problems and delays during development, construction and mine start-up. Even if mining commences, there is a risk that the geology of the mines will be more complex than the Company's geological investigations have indicated, and that the ore extracted will be lower grade or have different

metallurgy than anticipated, which may increase mining costs, increase processing costs or result in lower recoveries.

(t) **Operating risks**

The Company may be subject to the risks involved in the establishment of a new mining operation if the Company decides to develop its mineral assets. There is no assurance that can be given to the level of viability that the Company's operations may achieve. Lower than expected productivity and technical difficulties and late delivery of materials and equipment could have an adverse impact on any future construction and commissioning schedules. No assurance can be given that the intended production schedules will be met or that the estimated operating cash costs and development costs will be accurate.

Further, the operations of the Company, if production commences, may have to be shut down or may otherwise be disrupted by a variety of risks and hazards which are beyond the control of the Company, including environmental hazards, industrial accidents, technical failures, labour disputes, weather conditions, fire, explosions and other accidents at the mine, processing plant or related facilities beyond the control of the Company. The occurrence of any of the risks and hazards could also result in damage to, or destruction of, amongst other things, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently maintains insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all, or that any coverage it obtains will be adequate and available to cover any such claims).

(u) **Infectious diseases**

The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19 or other infectious diseases. Further measures to limit the transmission of the virus or other infectious diseases implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations and could interrupt the Company carrying out its contractual obligations, cause disruptions to supply chains or interrupt the Company's ability to access capital.

(v) **Conflicts in Ukraine and the Middle East**

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

Specifically, it should be noted that the current evolving conflicts in Ukraine and the Middle East are impacting global macroeconomics and markets generally. The nature and extent of the effect of these conflicts on the performance of the Company and the value of its Shares remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflicts in Ukraine and the Middle East and overall impacts on global macroeconomics. Given both situations are continually evolving, the outcomes and consequences are inevitably uncertain.

6.5 Other risks

Other risk factors include those normally found in conducting business, including litigation through breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel and other matters that may interfere with the Company's business or trade.

7. ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS UNDER THE OFFER

7.1 What you may do

The number of New Securities to which you are entitled to subscribe for is shown on the accompanying Application Form.

As an Eligible Shareholder, you may:

- (a) subscribe for all or part of your Entitlement (see Section 7.2);
- (b) subscribe for all of your Entitlement and apply for Shortfall Securities (see Section 7.3);
- (c) take up part of your Entitlement and allow the balance to lapse (see Section 7.4); or
- (d) allow all or part of your Entitlement to lapse (see Section 7.5).

7.2 Subscribe for all or part of your Entitlement

Applicants should read this Prospectus in its entirety in order to make an informed decision on the prospects of the Company and the rights attaching to the New Shares and attaching New Options offered by this Prospectus before deciding to apply for New Shares and New Options. If you do not understand this Prospectus, you should consult your stockbroker, accountant or other professional adviser in order to satisfy yourself as to the contents of this Prospectus.

If you wish to subscribe for all or part of your Entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. The Entitlement and Acceptance Form sets out the number of New Shares and attaching New Options you are entitled to subscribe for.

The Entitlement and Acceptance Form does not need to be returned if paying by BPAY®.

7.3 Subscribe for all of your Entitlement and apply for Shortfall Securities

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Securities regardless of the size of their present holding by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. See Section 8.4 for details of the manner in which Shortfall Securities will be allocated.

If you are paying by BPAY® or EFT, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY® or EFT must ensure that payment is received by no later than **5.00pm (WST) on Thursday, 22 August 2024**.

Any refund of Application Monies will be returned to Applicants as soon as practicable following the issue of all Shortfall Shares (except where the amount is less than AUD\$2.00, in which case the Company will retain it).

The Entitlement and Acceptance Form does not need to be returned if paying by BPAY®.

7.4 Take up part of your Entitlement and allow the balance to lapse

Please make a payment for the number of securities for which you wish to apply (being less than as specified on the Entitlement and Acceptance Form).

Cash will not be accepted and no receipts will be issued.

If you do not accept all of your Entitlement, then the balance of your Entitlement will lapse and the New Shares and New Options that are not subscribed for will form part of the Shortfall.

The Entitlement and Acceptance Form does not need to be returned if paying by BPAY®.

7.5 Allow all or part of your Entitlement to lapse

If you are an Eligible Shareholder and do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you take no action, your Entitlement will lapse. You will receive no benefit or New Securities and your Entitlement will become Shortfall Securities.

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement.

The Entitlement and Acceptance Form does not need to be returned if paying by BPAY®.

7.6 Payment methods

BPAY®

If you are within Australia, New Zealand or Singapore and you have an account with an Australian financial institution that supports BPAY® payments, you are encouraged to pay your Application Monies via BPAY®.

Applicants can obtain their BPAY® payment details [here](#) on or after the Opening Date and follow the instructions on the online Application Form (which, for the purposes of a BPAY® payment, includes the Biller Code and your unique Customer Reference Number (CRN)).

You should be aware that you will only be able to make a payment via BPAY® if you are the holder of an account with an Australian financial institution which supports BPAY® transactions. When completing your BPAY®, please make sure you use the specific Biller Code and your unique CRN or unique payment reference provided on the online Application Form. If you do not use the correct CRN your Application will not be recognised as valid. It is your responsibility to ensure that payments are received by 5.00pm (WST) on the Closing Date. Your bank, credit union or building society may impose a limit on the amount which you can transact on BPAY®, and policies with respect to processing BPAY® transactions may vary between banks, credit unions or building societies. The Company accepts no responsibility for any failure to receive Application Monies or payments by BPAY® before the Closing Date arising as a result of, among other things, processing of payments by financial institutions.

The Entitlement and Acceptance Form does not need to be returned if payment is made by BPAY®.

EFT

EFT is available as a secondary payment method.

Refer to your personalised instructions on your Entitlement and Acceptance Form available [here](#) or contact the Company Secretary. Shareholders must ensure that payment is received by no later than 5.00pm (WST) on the Closing Date and will need to complete and return the Entitlement and Acceptance Form to capitalmarkets@linkmarketservices.com.au.

The Company reserves the right to close the Offer early.

7.7 Entitlement and Acceptance Form is binding

Receipt of a completed and lodged Entitlement and Acceptance Form together with an Application by BPAY® or EFT, constitutes a binding offer to acquire New Securities on the terms and conditions set out in this Prospectus and once lodged, cannot be withdrawn.

By making a payment, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) acknowledge that you have fully read and understood both this Prospectus (particularly the risks set out in Section 6) and your Entitlement and Acceptance Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Prospectus and the Entitlement and Acceptance Form;
- (b) agree to be bound by the terms of the Offer;
- (c) authorise the Company to register you as the holder(s) of New Securities issued to you;
- (d) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (e) declare that you were the registered holder(s) at the Record Date of the Shares indicated on the Entitlement and Acceptance Form as being held by you on the Record Date;
- (f) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (g) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the

Company's share registry upon using the contact details set out in the Entitlement and Acceptance Form;

- (h) declare that you are the current registered holder of Shares and are an Australian, New Zealand or Singaporean resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- (i) agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Offer and of your holding of Shares on the Record Date;
- (j) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Securities are suitable for you given your investment objectives, financial situation or particular needs;
- (k) acknowledge that the New Securities have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia, New Zealand or Singapore and accordingly, the New Securities may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act;
- (l) acknowledge that the Entitlement and Acceptance Form does not need to be signed to be a valid application. An Application will be deemed to have been accepted by the Company upon the issue of the New Securities; and
- (m) understand that if the Entitlement and Acceptance Form is not completed correctly or if the accompanying payment of the Application Monies is for the wrong amount, it may still be treated as a valid application for New Securities. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final. However, an Applicant will not be treated as having applied for more New Securities than is indicated by the amount of the Application Monies received by the Company.

8. DETAILS OF THE OFFER

8.1 Shares offered for subscription

The Company is undertaking a non-renounceable pro rata offer to Eligible Shareholders on the basis of one (1) New Share for every two (2) Existing Shares held as at the Record Date at a price of \$0.036 per New Share, with one (1) New Option for every two (2) New Shares subscribed for to raise up to approximately \$4,448,756 before issue costs. Fractional entitlements will be rounded down to the nearest whole number.

The Offer is only open to Eligible Shareholders. The Company reserves the right to reject any application that it believes comes from a person who is not an Eligible Shareholder.

Details of how to apply for New Securities are set out at Section 7.

All New Shares offered under this Prospectus will rank equally with Existing Shares. The rights and liabilities of the New Shares offered under this Prospectus are summarised in Section 9.1. The rights and liabilities of the New Options offered under this Prospectus are summarised in Section 9.2.

8.2 Acceptances

The Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer Period or close the Offer early.

Instructions for accepting your Entitlement are set out in Section 7 and on the Entitlement and Acceptance Form which accompanies this Prospectus.

8.3 Entitlement to Offer

The Offer is made to Eligible Shareholders, who are those Shareholders that:

- (a) are the registered holder of Shares as at 5.00pm (WST) on the Record Date; and
- (b) have a registered address in Australia, New Zealand or Singapore.

8.4 Shortfall Offer

Any New Securities not applied for under the Offer (including those of Ineligible Shareholders) will become Shortfall Securities (**Shortfall Offer**).

The Shortfall Offer is, to the extent it is made in Australia, made under this Prospectus. To the extent the Shortfall Offer is made outside Australia, the Shortfall Offer is made without disclosure, a prospectus, lodgement, filing or registration, or other requirements of any applicable securities law, and only in circumstances where it is lawful to do so (such as to institutional or sophisticated investors).

Eligible Shareholders (and other parties who are not Shareholders of the Company) may apply for Shortfall Securities by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. Other investors who are not Eligible Shareholders may apply for Shortfall Securities using the Shortfall Application Form attached to this Prospectus. Persons outside Australia doing so represent to the Company that they can apply for Shortfall Securities in circumstances which do not require the offer for Shortfall Securities or this Prospectus to be registered.

It is possible that there may be no Shortfall Securities available for issue.

The Directors have reserved the right at their absolute unfettered discretion and subject to the Corporations Act and Listing Rules, to:

- (a) to issue Shortfall Securities to Eligible Shareholders and to any other parties who may apply for Shortfall Securities (regardless of whether they are Shareholders) having regard to the following factors:
 - (i) the need to first recognise the ongoing support of existing Shareholders of the Company, in particular long-term and cornerstone investors;
 - (ii) where the directors consider it is in the best interest of the Company to allocate any portion of the Shortfall Securities to a particular applicant or to particular applicants in order to maximise total funds raised;
 - (iii) ensuring an appropriate shareholder base for the Company;
 - (iv) minimising the control impacts of the Offer on the Company, and

- (b) to reject any application for Shortfall Securities or to issue a lesser number of Shortfall Securities than that applied for.

No Shortfall Securities will be issued to an applicant under this Prospectus if the issue of Shortfall Securities would contravene the takeover prohibition in section 606 of the Corporations Act.

It is an express term of the Shortfall Offer that applicants for Shortfall Securities will be bound to accept a lesser number of Shortfall Securities allocated to them than applied for. If a lesser number is allocated, excess application money will be refunded without interest as soon as practicable after the closing date of the Shortfall Offer being 22 November 2024 (except where the amount is less than AUD\$2.00, in which case the Company will retain it).

In addition, the Directors reserve the right to apply for Shortfall Securities under the Shortfall Offer, subject to obtaining shareholder approval.

8.5 Applicants outside of Australia

(a) General

This Prospectus does not constitute an offer of New Securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer.

It is the responsibility of any Applicant who is resident outside Australia to ensure compliance with all laws of any country relevant to their Application, and any such Applicant should consult their professional adviser as to whether any government or other consents are required, or whether any formalities need to be observed to enable them to apply for and be issued New Securities. Return of a duly completed Entitlement and Acceptance Form will constitute a representation and warranty by an Applicant that there has not been any breach of such regulations.

The Company has not taken any action to register or qualify the New Securities or an Offer, or otherwise to permit a public offering of the New Securities, in any jurisdiction outside Australia.

(b) New Zealand resident Eligible Shareholders

The New Securities offered under the Offer pursuant to this Prospectus are not being offered or sold to the public within New Zealand other than to Eligible Shareholders with registered addresses in New Zealand and to whom the Offer is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand) and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021*.

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand).

This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

(c) Other overseas resident Shareholders

Each 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. In particular, this document may not be distributed to any person, and the Shares may not be offer or sold, in any country outside Australia and New Zealand except to the extent permitted below.

Singapore

This Prospectus and any other materials relating to the Offer have not been, and will not be, lodged or registered in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the Offer, or invitation for subscription or purchase, of the New Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

The Offer is not made with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

8.6 Treatment of Ineligible Shareholders and sale of Ineligible Shareholders' Entitlement

Given the small number of Ineligible Shareholders and the cost of complying with applicable regulations outside Australia, New Zealand and Singapore, the Company has decided that it would be unreasonable to extend the Offer to Ineligible Shareholders. The Prospectus will not be sent to those Shareholders.

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. No action has been taken to register or qualify the New Securities or the Offer or otherwise to permit an offering of the New Securities in any jurisdiction other than as set out in this section.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia, New Zealand and Singapore (other than to Eligible Shareholders).

8.7 Beneficial holders, nominees, trustees and custodians

The foreign selling restrictions under the Offer summarised in Section 8.5 of this Prospectus apply to the underlying beneficial holder. Nominees, trustees and custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder. Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how they should proceed. Shareholders who hold Shares on behalf of persons whose registered address is not in Australia, New Zealand and Singapore are responsible for ensuring that applying for New Securities does not breach securities laws in the relevant overseas jurisdictions.

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

8.8 Allotment and application money

New Securities will be issued only after all application money has been received and ASX has granted permission for the New Shares to be quoted. It is expected that New Shares will be issued on 29 August 2024 and normal trading of the New Shares on ASX is expected to commence on 30 August 2024.

All Application Monies will be deposited into a separate bank account of the Company and held in trust for Applicants until the New Securities are issued or Application Monies returned. Any interest that accrues will be retained by the Company and will not be paid to Applicants.

8.9 Quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the New Shares offered by this Prospectus on ASX. The Company makes no guarantee that any such application for quotation will be successful.

If ASX does not grant permission for the quotation of the New Shares offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as modified by ASIC, none of

the New Shares offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all Application Monies without interest.

A decision by ASX to grant official quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the New Shares.

Quotation, if granted, of the New Shares offered by this Prospectus will commence as soon as practicable after statements of holdings of the New Shares are dispatched.

8.10 Market prices of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the New Shares being offered under this Prospectus, during the 3 months immediately preceding the lodgement of this Prospectus with the ASIC, and the last market sale price on the date before the lodgement date of this Prospectus, are set out below. The Company currently does not have any listed Options on issue.

Existing Shares (ASX: 1MC)	3-month high	3-month low	Last market sale price ¹
Price (\$)	\$0.075	\$0.043	\$0.044
Date	Various dates including from 24 April 2024 to 10 May 2024	Various dates including 22, 23, 25 and 26 July 2024	2 August 2024

Note:

1. This is the last market sale price per Share prior to the lodgement of this Prospectus on 5 August 2024.

8.11 CHESS

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). CHESS is operated by ASX Settlement Pty Ltd (ASPL), a wholly owned subsidiary of ASX.

Under CHESS, the Company does not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company, including New Shares issued under this Prospectus. If an investor is broker sponsored, ASPL will send a CHESS statement.

The CHESS statement will set out the number of New Securities issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

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

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

8.12 Taxation and duty implications

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of the Company conducting the Offer or Shareholders applying for New Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders in the Offer. Shareholders should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Offer.

No brokerage or stamp duty is payable by Applicants in respect of Applications for New Securities under this Prospectus.

8.13 Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related body corporates, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

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

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

8.14 Enquiries

Any queries regarding the Offer or Entitlement and Acceptance Form should be directed to the Company Secretary, John Lewis, on +61 (0) 429 596 535.

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.

9. RIGHTS AND LIABILITIES ATTACHING TO NEW SECURITIES

9.1 Rights and liability attaching to New Shares

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

(a) General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

(b) Voting Rights

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

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

(c) Dividend Rights

Subject to the rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which will be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

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

Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit, under which participants may elect in respect of all or part of their Shares to receive a dividend or to forego a dividend from the Company and receive some other form of distribution or entitlement (including securities) from the Company or another body corporate or a trust.

(d) Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

(e) Shareholder Liability

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

(f) **Transfer of Shares**

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

(g) **Variation of Rights**

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

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

(h) **Alteration of Constitution**

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

9.2 **Rights and liability attaching to New Options**

The terms and conditions of the New Options are as follows:

- (a) Each New Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company at an exercise price of \$0.072 (**Exercise Price**).
- (b) The New Options are exercisable at any time on or before 5.00pm Western Standard Time 31 August 2026 (**Expiry Date**). Any New Options not exercised by the Expiry Date shall lapse.
- (c) New Options may not be exercised if the effect of such exercise and subsequent allotment of the Shares would be to create a holding of less than a marketable parcel of Shares unless the allottee is already a shareholder of the Company at the time of exercise.
- (d) Exercise of the New Option is effected by completing a notice of exercise of option (**Notice of Exercise**) and delivering it to the registered office of the Company together with payment of \$0.072 per New Option exercised.
- (e) A Notice of Exercise is only effective when the Company has received the full amount of the Exercise Price in cash or cleared funds (**Exercise Date**).
- (f) The New Options are freely transferable, subject to any offer for sale of the New Options complying with section 707 of the Corporations Act (if applicable).
- (g) The Company will not apply for Official Quotation of the New Options.
- (h) All Shares issued upon exercise of the New Options and payment of the Exercise Price will rank equally in all respects with the Company's then existing Shares.
- (i) If the Shares of the Company are quoted on ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any New Options within 10 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.
- (j) There are no participating rights or entitlements inherent in the New Options and the holder will not be entitled to participate in new entitlement issues of capital offered to shareholders during the currency of the New Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, Optionholders are given such period required by the Listing Rules of ASX to give Optionholders the opportunity to exercise their New Options prior to the date for determining entitlements to participate in any such issue.
- (k) If from time to time before the expiry of the New Options the Company makes an issue of shares to the holders of ordinary shares by way of capitalisation of profits or reserves (a "bonus issue") other than in lieu of a dividend payment, then upon exercise of a New Option

the Optionholder will be entitled to have issued to it (in addition to the shares which it is otherwise entitled to have issued to it upon such exercise) additional shares in the Company. The number of additional shares is the number of shares which would have been issued to it under that bonus issue (bonus shares) if on the date on which entitlements were calculated it had been registered as the holder of the number of shares which it would have been registered as holder if immediately before that date it had exercised its New Options. The bonus shares will be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the bonus issue and upon issue will rank pari passu in all respects with the other shares allotted upon exercise of the New Options.

- (l) The period during which the New Options may be exercised cannot be extended.
- (m) In the event of any reconstruction, including a consolidation, subdivision, reduction or return of the issued capital of the Company prior to the Expiry Date, the number of New Options which each holder is entitled to or the Exercise Price of the Options or both will be reconstructed as appropriate in a manner which is in accordance with the Listing Rules and will not result in any benefits being conferred on Optionholders which are not conferred on shareholders, subject to such provision with respect to the rounding of entitlements as may be sanctioned by the meeting of shareholders approving the reconstruction of capital, but in all other respects the terms of exercise of the New Options will remain unchanged. The rights of an Optionholder may be changed to comply with the Listing rules applying to a reorganisation of capital at the time of the reconstruction.
- (n) If there is a pro-rata issue (except a bonus issue) to the holders of the ordinary Shares, the exercise price of New Options may be reduced according to the following formula:

$$O' = O - \frac{E[P-(S+D)]}{N + 1}$$

Where

O' = the new exercise price of New Options.

O = the old exercise price of New Options.

E = the number of ordinary Shares into which one New Option is exercisable.

P = the average market price per ordinary Share (weighted by reference to volume) of the ordinary Shares during the 5 (five) trading days ending on the day before the ex-rights or ex-entitlements date.

S = the subscription price for an ordinary Share under the pro-rata issue.

D = the dividend due but not yet paid on the ordinary Shares (except those to be issued under the pro-rata issue).

N = the number of ordinary Shares with rights or entitlements that must be held to receive a right to one new ordinary Share.

- (o) Other than as referred to above, a New Option does not confer the right to a change in Exercise Price, or a change to the number of underlying securities over which it can be exercised.

10. ADDITIONAL INFORMATION

10.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the Official List during the 12 months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus or an offer of options to acquire securities of that nature. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the period from lodgement of the Company's annual financial statements of the Company for the financial year ended 30 June 2023 to the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

The Company confirms that, to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in this Prospectus, there is no information:

- (a) that has been excluded from a continuous disclosure notice in accordance with the Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to New Shares and New Options.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial statements of the Company for the financial year ended 30 June 2023 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;
 - (ii) any half-year financial report lodged with ASIC by the Company after the lodgement of that annual report and before the lodgement of this Prospectus; and

- (iii) any continuous disclosure notices given by the Company after the lodgement of the financial statements referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be obtained free of charge from the Company's registered office during normal office hours or from www.asx.com.au.

The Company has lodged the following announcements with ASX since the lodgement of the annual financial report for the financial year ended 30 June 2023:

Date	Description of ASX Announcement
31/07/2024	Quarterly Activities/ Appendix 5B Cash Flow Report
10/07/2024	Completion of Consolidation of Capital
27/06/2024	Updated Interpretation for Fish Lake Valley
20/06/2024	Effective Date of Share Consolidation
17/06/2024	Results of Extraordinary General Meeting
7/06/2024	Drilling commences at Tabba Tabba East Lithium Project
16/05/2024	Notice of Extraordinary General Meeting/Proxy Form
13/05/2024	Consolidation of Shares & Unmarketable Parcel Share Sale
13/05/2024	Consolidation/Split - 1MC
30/04/2024	Quarterly Activities/Appendix 5B Cash Flow Report
11/03/2024	Half Yearly Report and Accounts
31/01/2024	Quarterly Activities/Appendix 5B Cash Flow Report
12/01/2024	Positive Results for Fish Lake Valley Project
5/12/2023	Change of Director's Interest Notices - All Directors
5/12/2023	Cleansing Notice
5/12/2023	Application for quotation of securities - 1MC
5/12/2023	Drilling at Mallina identifies mineralised spodumene
24/11/2023	Annual General Meeting Results
22/11/2023	Successful Soil Program at West Wodgina Lithium Project
20/11/2023	Tabba Tabba East Soil Sampling Results
2/11/2023	Cleansing Notice
2/11/2023	Application for quotation of securities - 1MC
31/10/2023	Quarterly Activities Report & 5B Cashflow September 2023
23/10/2023	Notice of 2023 Annual General Meeting/Proxy Form
19/10/2023	Executive Incentive Share Package
12/09/2023	Drilling Commenced at Mallina Lithium Project
11/09/2023	Morella - Appendix 4G
11/09/2023	Morella - Corporate Governance Statement
11/09/2023	Morella Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours or from www.asx.com.au.

10.2 Electronic Prospectus

Pursuant to Regulatory Guide 107, ASIC wishes to encourage the distribution of an electronic prospectus and electronic application form, subject to compliance with certain requirements.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the

Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at www.morellacorp.com.

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.

10.3 Directors' interests

Other than as set out above or elsewhere in this Prospectus, no Director holds at the date of this Prospectus, or held at any time during the last 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (d) to a Director or proposed Director or to any firm which any such Director is a partner, to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director or to any firm which any such Director is a partner, in connection with the formation or promotion of the Company or the Offer.

As at the date of this Prospectus the Directors have an interest in securities of the Company as set out below.

Director	Shares ¹	Options
James Brown	6,204,827	-
Allan Buckler	31,444,267	-
Dan O'Neill	2,040,328	-
Beng Teik Kuan	2,346,360	-

Notes:

- 1. Excludes any Entitlements under this Prospectus.
- 2. Excludes any Shortfall Securities that the Directors may apply for in addition to their Entitlements, which is subject to shareholder approval.

The Board intends to participate in the Offer. In addition, the Directors reserve the right to apply for Shortfall Securities under the Shortfall Offer, subject to obtaining Shareholder approval.

The Constitution provides that the Directors may be paid for their services as Directors. Non-executive directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the non-executive directors and in default of agreement then in equal shares.

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity as a Director of the Company.

The Directors' total remuneration for the 2023 and 2024 financial years, together with the anticipated remuneration of the Directors for the current financial year are set out in the table below:

Director	Remuneration for FY2023	Remuneration for FY2024	Current financial year
James Brown	\$2,034,477	\$688,862	\$51,411
Allan Buckler	\$400,241	\$81,439	-
Dan O'Neill	\$407,801	\$88,999	-
Beng Teik Kuan	\$407,841	\$88,999	-

Notes:

- Figures for FY2023 include share-based compensation expense for each of the Non-executive Directors of \$328,241 and \$1,367,671 for the Managing Director, Mr James Brown.
- Figures for FY2024 include share-based compensation expense for each of the Non-executive Directors of \$9,439 and \$62, 924 for the Managing Director, Mr James Brown.

10.4 Interests of promoters and named persons

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

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

Allion Partners Pty Ltd has acted as solicitor to the Offer. In respect of this work, the Company will pay approximately \$25,000 exclusive of GST. Subsequent fees will be paid in accordance with normal hourly rates. Allion Partners has been paid \$89,641 (exclusive of GST) for the provision of professional services to the Company in the 2 years prior to the date of this Prospectus.

10.5 Consents

Each of the persons referred to in this section:

- has given and has not, before the date of lodgement of this Prospectus with ASIC withdrawn their written consent:
 - to be named in the Prospectus in the form and context which it is named; and
 - where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- has not caused or authorised the issue of this Prospectus;
- has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below;
- to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role
Allion Partners Pty Ltd	Solicitors to the Offer

10.6 Expenses of the Offer

The total (cash) expenses of the Offer (assuming Full Subscription and no further New Shares are issued) are estimated to be up to \$83,442 consisting of the following:

Costs	\$
Legal fees	25,000
ASX	15,236
ASIC lodgement fee	3,206
Share Registry	35,000
Printing, postage and other expenses	5,000
Total	83,442

10.7 Litigation

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

11. DIRECTORS' STATEMENT

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board by:

A handwritten signature in dark ink, appearing to read 'James Brown', is written over a light blue rectangular background.

James Brown

**Managing Director
Morella Corporation Limited**

12. GLOSSARY

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

\$, A\$ or Dollars means Australian dollars unless otherwise stated.

Applicant means a person who submits a valid Application Form pursuant to this Prospectus.

Application means a valid application made on an Application Form to subscribe for New Securities pursuant to this Prospectus.

Application Form means an Entitlement and Acceptance Form and Shortfall Application Form, or any one or more of those forms as the case may be.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

Board means the board of Directors.

Business Day means Monday to Friday inclusive, except any day that ASX declares is not a business day.

CHESS means Clearing House Electronic Subregister System.

Closing Date means the date set out in Section 1, being 5.00pm (WST) on Thursday, 22 August 2024.

Company means Morella Corporation Limited ACN 093 391 774.

Constitution means the constitution of the Company.

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

CRN means Customer Reference Number.

Director means a director of the Company.

Eligible Shareholders means a Shareholder as at the Record Date with a registered address in Australia, New Zealand or Singapore.

Entitlement or Right means a Shareholder's entitlement to subscribe for New Securities offered under the Offer.

Entitlement and Acceptance Form means the personalised entitlement and acceptance form attached to this Prospectus.

Existing Share means a Share issued as at 5.00pm (WST) on the Record Date.

Full Subscription means approximately \$4,448,756, before costs.

Ineligible Shareholder means a Shareholder at the Record Date who is not an Eligible Shareholder.

JORC Code means the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" by the Joint Ore Reserves Committee.

Listing Rules means the listing rules of the ASX.

Mineral Resource has the meaning given in the JORC Code.

New Securities means the Securities offered under the Offer contained in this Prospectus.

New Shares means Shares offered pursuant to this Prospectus under the Offer.

Offer means the non-renounceable pro rata Offer to Eligible Shareholders of approximately 123,576,552 New Shares at an issue price of \$0.036 per New Share on the basis of one (1) New Share for every two (2) Existing Shares held, together with one (1) attaching New Option for every two (2) New Shares subscribed for, to raise up to approximately \$4,448,756 before issue costs and includes the Shortfall Offer.

Offer Price means the issue price per New Share being \$0.036.

Offer Period means the period that the Offer is open, being the period between the Opening Date and the Closing Date.

Official List means the official list of the ASX.

Official Quotation means quotation of securities on the Official List of the ASX.

Opening Date means the date set out in Section 1, being Tuesday, 13 August 2024.

Option means an option to subscribe for a Share on certain terms.

Ore Reserve has the meaning given in the JORC Code.

Projects means the Mallina, Tabba Tabba and Mt Edon Lithium Projects in Western Australia and the Fish Lake Valley and North Big Smoky Lithium Projects in west-central Nevada, United States.

Prospectus means this Prospectus and includes the electronic prospectus.

Record Date means the date set out in Section 1.

Relevant Interest has the meaning as set out in the Corporation Act.

Section means a section of this Prospectus.

Securities means has the meaning given to that term in section 761A of the Corporations Act and includes a Share and an Option.

Share means a fully paid ordinary share in the Company.

Shareholder means the registered holder of Shares in the Company.

Share Registry means MUFG Pension and Market Services, as set out in the Corporate Directory.

Shortfall Application Form means the shortfall application form attached to this Prospectus.

Shortfall Offer has the meaning given in Section 8.4.

Shortfall Securities means New Securities offered under the Offer for which valid Applications have not been received and accepted by the Closing Date.

US means the United States.

US Person has the meaning given to that term in Regulation S under the US Securities Act.

US Securities Act means the *United States Securities Act of 1933*, as amended.

Voting Power has the meaning as set out in the Corporations Act.

WST means Australian Western Standard Time.

13. PRO-FORMA STATEMENT OF FINANCIAL POSITION

A pro-forma balance sheet based upon the Company's unaudited consolidated management accounts as at 30 June 2024 is set out below. It has been prepared on the basis of accounting policies normally adopted by the Company and reflects the changes the Offer has on its financial position. It sets out the financial position in the event of the Full Subscription under the Offer.

Pro-Forma Balance Sheet as at 30 June 2024

	Balance as per Accounts	Proforma Adjustments	Balance
Current assets			
Cash and cash equivalents	427,375	4,365,314	4,792,689
Trade and other receivables	251,043	-	251,043
Held to maturity investments	62,822	-	62,822
Current Tax Prepaid	96,831	-	96,831
Available for sale Financial Assets	934,650	-	934,650
Derivative financial instruments	445,934	-	445,934
Other current assets	217,550	-	217,550
	0		
Total current assets	2,436,206	4,365,314	6,801,689
Non current assets			
Property, plant and equipment	106,754	-	106,754
Exploration and evaluation	10,649,560	-	10,649,560
ROU Assets	14,096	-	14,096
Total non current assets	10,770,410	-	10,770,410
Total assets	13,206,616	4,365,314	17,571,930
Current liabilities			
Trade and other payables	362,940		362,940
Interest bearing liabilities	99,096		99,096
Short term provisions	753,587		753,587
Lease Liability - Current	14,121		14,121
Total current liabilities	1,229,745		1,229,745
Non current liabilities			
Interest bearing liabilities	3,420,928		3,420,928
Total non current liabilities	3,420,928		3,420,928
Total liabilities	4,650,673		4,650,673
Net assets	8,555,942	4,365,314	12,921,256
Equity			
Contributed equity	316,267,317	4,365,314	320,632,631
Change in Fair Value - Market valuation	841,491		841,491
Foreign Currency Translation Reserve	(7,390,080)		(7,390,080)
Accumulated (losses)	(301,586,931)		(301,586,931)
Parent interest	8,131,796		12,048,354
Minority equity interest	424,146		424,146
Total equity	8,555,942	4,365,314	12,921,256

Notes:

1. Assumes Full Subscription for the Offer.
2. The payment of cash costs related to the Offer estimated to be \$83,442 for Full Subscription.
3. Assumes no further Shares are issued other than all New Shares offered under this Prospectus.
4. Assumes there are no impairments to the value of the assets of the Company as reflected in the above pro-forma balance sheet and the Company's 30 June 2024 audited financial statements (once available).

14. CORPORATE DIRECTORY

Directors

James Brown, Managing Director
Allan Buckler, Non-Executive Director
Dennis O'Neill, Non-Executive Director
Beng Teik Kuan, Non-Executive Director

Chief Executive Officer

James Brown

Company Secretary

John Lewis

Solicitors to the Offer

Allion Partners Pty Ltd
200 St Georges Terrace
Perth WA 6000

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Suite 5, 680 Murray Street
West Perth WA 6005
Telephone: (+61) 429 596 535
Email: info@morellacorp.com
Website: <https://www.morellacorp.com>

Share Registry*

MUFG Pension & Market Services
(Formerly Link Market Services Limited)
Level 12, QV1 Building
250 St Georges Terrace
Perth WA 6000

Auditor*

PKF Perth
Level 8, 905 Hay Street
Perth WA 6000

** This party is named for informational purposes only and was not involved in the preparation of this Prospectus.*