



**Anax Metals Limited
ACN 106 304 787**

Prospectus

This Prospectus is being issued for an offer of 1,000 Shares at an issue price of \$0.068 per Share.

This Prospectus has been prepared for the purposes of section 708A(11) of the Corporations Act, to remove trading restrictions on Shares issued prior to the Closing Date.

This is an important document and requires your immediate attention. It should be read in its entirety. If you are in doubt about what to do, you should consult your professional adviser without delay.

The Shares offered in connection with this Prospectus are of a speculative nature.

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Important Information

Prospectus

This Prospectus is dated 8 March 2021 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Shares will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus). The Company will apply for Official Quotation by ASX of the Shares offered by this Prospectus.

A copy of this Prospectus is available for inspection at the registered office of the Company at Suite 1B G West, 20 Kings Park Road, West Perth WA 6005, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 4.3). The Offer is only available to those who are personally invited to accept the Offer. Applications for Shares under the Offer can only be submitted on an original Application Form which accompanies this Prospectus.

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 2 of this Prospectus.

These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

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

Definitions of certain terms used in this Prospectus are contained in Section 6. All references to currency are to Australian dollars and all references to time are to AEDT unless otherwise indicated. Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

Corporate Directory

Directors

Phillip Jackson
Geoff Laing
Peter Cordin

Non-Executive Chairman
Managing Director
Non-Executive Director

Company Secretary

Steven Wood

Registered and Principal Office

Suite 1B G West
20 Kings Park Road
West Perth WA 6005

Phone: +61 8 6143 1840
Email: info@anaxmetals.com.au
Website: <http://www.anaxmetals.com.au/>

Share Registry*

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth WA 6000

Phone (within Australia): 1300 850 505
Phone (outside Australia): +61 (0) 3 9415 4000

Corporate Lawyers

HWL Ebsworth Lawyers
Level 20, 240 St Georges Terrace
Perth WA 6000

Auditor*

RSM Australia Partners
Level 32, Exchange Tower, 2 The Esplanade
Perth WA 6000

Securities Exchange Listing

Australian Securities Exchange (**ASX**)
ASX Code: ANX

* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

Indicative Timetable

Event	Date
Lodgement of Prospectus with ASIC	Monday, 8 March 2021
Opening Date of Offer	(Pre-market) Tuesday, 9 March 2021
Lodgement of Prospectus with ASX	(Pre-market) Tuesday, 9 March 2021
Lodgement of Appendix 2A	Wednesday, 10 March 2021
Lodgement of Appendix 2A for Placement Shares and Consulting Shares	(Pre-market) Thursday, 11 March 2021
Closing Date of Offer	Friday, 12 March 2021

*These dates are indicative only and subject to change. Subject to the Corporations Act and the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice.

1. Details of the Offer

1.1 Summary of the Offer

The Company is offering, pursuant to this Prospectus 1,000 fully paid ordinary shares (**Shares**) at an issue price of \$0.068 each to raise \$68.00 (before costs) (**Offer**).

The Offer will only be extended to specific parties unrelated to the Company on invitation of the Directors. An Application Form will only be provided by the Company to these parties, together with a copy of this Prospectus.

Shares issued under the Offer will be issued as fully paid ordinary shares and will rank equally in all respects with the existing Shares on issue. Refer to Section 4.1 for a summary of the rights and liabilities attaching to the Shares under the Offer.

1.2 Purpose of the Offer

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

The Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5) within 5 days of the date of issue of the securities. Section 708A(11) of the Corporations Act provides another exemption from the general requirement under section 707(3) where:

- (a) the relevant securities are in a class of securities of the company that are already quoted on ASX;
- (b) a prospectus is lodged with ASIC either:
 - (i) on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

The primary purpose of this Prospectus is to comply with section 708A(11) of the Corporations Act to remove any trading restrictions that attach to Shares issued by the Company prior to the Closing Date, so that subscribers of those Shares may, if they choose to, sell those Shares (as applicable) within twelve months from the date of their issue without the issue of a prospectus. These include:

- (a) the 2,700,000 Shares issued to Geoff Laing on 21 December 2020 on conversion of 2,700,000 unquoted Options which were exercisable at \$0.031 each on or before 10 December 2020 (**Director Shares**);
- (b) the 69,499,000 Shares to be issued to professional and sophisticated investors on 10 March 2021 under the Company's Listing Rule 7.1 and 7.1A placement capacity at an

issue price of \$0.068 per Share, to raise approximately \$4,700,000 (before costs) **(Placement Shares)**;

- (c) 477,464 Shares to be issued to the Company's marketing and offtake advisors, Conrad Partners, at a deemed issue price of \$0.068, in lieu of consulting fees on 10 March 2021 **(Consulting Shares)**;
- (d) any other Shares the Company may issue between the date of this Prospectus and the Closing Date (including but not limited to any Shares issued upon the exercise of Options).

Apart from the issue of Shares outlined in Section 1.1, no other securities will be issued under the Offer. Accordingly, this Prospectus is being lodged to comply with 'Case 2' of section 708A(11) of the Corporations Act and cleanse the Director Shares, Placement Shares and Consulting Shares which were issued without disclosure under Part 6D.2 of the Corporations Act.

The Shares issued under the Offer will be issued under the Company's existing placement capacity under Listing Rule 7.1. The Company will raise \$68.00 under the Offer (before costs). The total estimated expenses of the Offer are \$15,128 and will be paid by the Company from its cash reserves.

1.3 **Closing Date**

The Closing Date for the Offer is 12 March 2021. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to extend the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

1.4 **Minimum subscription**

There is no minimum subscription for the Offer.

1.5 **Application Forms**

The Offer is being extended to investors who are invited by the Company to subscribe for Shares and is not open to the general public. The Company may determine in its discretion whether to accept any or all of the Applications.

Applications must be made using the Application Form attached to this Prospectus. To the maximum extent permitted by law, the Directors will have discretion over which Applications to accept.

Completed Application Forms, together with application monies, must be received by the Company prior to the Closing Date. Application Forms should be delivered to the Company in accordance with the instructions on the Application Form. If you are in doubt as to the course of action, you should consult your professional advisor.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Shares accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of the Shares under the Offer.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form is final.

1.6 **Issue and dispatch**

Subject to the Corporations Act and the Listing Rules, the Company intends to issue the Shares under the Offer on or about 10 March 2021. Shareholder statements will be dispatched as soon as possible after the issue of the Shares under the Offer.

1.7 **Application Monies held on trust**

All Application Monies received for the Shares under the Offer will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Shares are issued. All Application Monies will be returned (without interest) if the Shares are not issued.

1.8 **ASX quotation**

Application will be made to ASX no later than 7 days after the date of this Prospectus for official quotation of the Shares under the Offer. If permission is not granted by ASX for the Official Quotation of the Shares offered by this Prospectus within 3 months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

1.9 **CHESS**

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS, operated by ASX Settlement Pty Limited (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares. If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement.

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

If you are registered on the Issuer Sponsored sub-register, your statement will be dispatched by Computershare and will contain the number of Shares 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.

1.10 **Residents outside Australia**

This Prospectus and any accompanying Application Form do not, and are not intended to, constitute an offer of Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come

into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

1.11 **Risk factors**

An investment in Shares of the Company should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are detailed in Section 2.

1.12 **Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Shares under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders or potential investors. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Shares under this Prospectus.

1.13 **Major activities and financial information**

A summary of the major activities and financial information relating to the Company can be found in the Company's Interim Financial Report for the half year ended 31 December 2019 lodged with ASX on 25 February 2020 (**Half Yearly Report**) and annual financial report for the year ending 30 June 2020 lodged with ASX on 16 September 2020 (**Annual Report**). The Company has made continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Half Yearly Report and Annual Report.

Copies of the Half Yearly Report and Annual Report are available free of charge from the Company. The Directors strongly recommend that Applicants review these documents and all other announcements prior to deciding whether or not to participate in the Offer.

1.14 **Privacy**

Applicants will be providing personal information to the Company (directly or by the Company's share registry) on the Application Forms. The Company collects, holds and will use that information to assess the Application, service Shareholders' needs, facilitate distribution payments and corporate communications to Shareholders and carry out administration.

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

Shareholders can access, correct and update the personal information the Company holds about them by contacting the Company or its share registry at the relevant contact numbers set out in this Prospectus. A fee may be charged for access. Collection, maintenance and disclosure of certain personal information is governed by legislation including *the Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

Applicants should note that if they do not provide the information required on the Application Form, the Company may not be able to accept or process their Application.

1.15 **Enquiries concerning Prospectus**

Enquiries relating to this Prospectus should be directed to the Company Secretary by email to sw@grangeconsulting.com.au.

2. Risk factors

The Shares offered under this Prospectus should be considered speculative because of the nature of the business activities of the Company and no assurances can be made that the Company's particular interests or projects will be successful.

Potential investors should consider whether the Shares offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below.

The Company has provided a detailed disclosure of risks relevant to an investment in the Company in its Re-Compliance Prospectus lodged with ASX on 18 September 2020. The risks outlined in the Re-Compliance Prospectus remain relevant to an investment in the Company and potential investors should read the risks identified in the Re-Compliance Prospectus in conjunction with the risks outlined below (collectively, the **Risks**).

The Risks are not exhaustive and potential investors should read this Prospectus and the Re-Compliance Prospectus in their entirety and if in any doubt consult their professional adviser before deciding whether to participate in the Offer.

2.1 Risks specific to the Company

(a) Exploration and development risks

Mineral exploration and development are high-risk undertakings. There can be no assurance that exploration and development of acquired projects or any other exploration properties that may be acquired in the future will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future 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 projects and obtaining all required approvals for its activities. In the event that development programs are unsuccessful this could lead to a diminution in the value of its projects, a reduction in the cash reserves of the Company and possible relinquishment of part or all of its projects.

(b) Environmental Protection Notice

Parts of the Whim Creek Project are subject to an environmental protection notice (**EPN**) issued to VentureX Pilbara in its capacity as owner (part only) and Blackrock in its capacity as occupier of the Whim Creek Project. An EPN must be registered on the title of the land to which it relates. For so long as it subsists and remains registered on the relevant land, an EPN binds subsequent owners and occupiers of the land pursuant to section 65(3)(b) of the *Environmental Protection Act 1986 (WA)* (**EP Act**). Whim Creek Metals Pty Ltd (**WCM**) (a wholly owned subsidiary of the Company) commenced management of the Whim Creek Project (in its capacity as manager

under the Whim Creek Joint Venture) following the issue of the EPN and is now an “occupier” of the Whim Creek Project land for the purposes of the EPN.

Section 67 of the EP Act requires owners and occupiers of land subject to an EPN to notify the Chief Executive Officer (**CEO**) of the Department of Water and Environmental Regulation (**DWER**) in writing as soon as practicable after they cease ownership or occupation (or both) of that land. The Directors have advised that VentureX Pilbara notified the CEO of DWER that Blackrock had ceased occupation, and VentureX Pilbara had retained partial ownership (pursuant to its participation in the Whim Creek Joint Venture), of the Whim Creek Project on or around on or around 15 January 2021.

Contractual liability for the Whim Creek Project, including the EPN, is shared proportionately among the participants in the Whim Creek Joint Venture in accordance with the EJVA.

The EPN requires a number of steps to be completed before it will be discharged, including (among other things), ceasing processing activities and discharges and taking steps to repair and upgrade existing Whim Creek Project infrastructure to prevent pollution and environmental harm as a result of suspected emissions of heavy metals and highly acidic process water from the Whim Creek Project’s heap leach processing facility. Compliance with the EPN is likely to require significant expenditure and ongoing risk of further regulatory action. It is unlikely that environmental approvals necessary for the use of existing infrastructure at the Whim Creek Project site will be issued until the requirements of the EPN are met and the EPN has been discharged. Recommencement of the Whim Creek Project processing activities may be delayed or prevented as a result. Penalties apply under relevant environmental legislation for breach of an EPN and associated statutory breaches.

The Directors have advised that the Company is currently in the compliance phase of the EPN. The Company is working proactively with DWER to ensure that the objectives of the EPN are met to the satisfaction of the CEO of DWER, including in relation to the timeframes for meeting the requirements of the EPN and the content of various management plans required by the EPN.

There is a risk of prosecution for non-compliance in meeting the timeframes for completion of certain requirements of the EPN. In relation to the historical noncompliance identified in the Re-Compliance Prospectus, the Directors have advised that the investigation by DWER into the historical breach is continuing and that no further notices of non-compliance have been received since the time of the Re-compliance Prospectus.

Further information on the EPN and the prosecution risk is set out in the Re-Compliance Prospectus.

(c) **Operating and project risks**

The business of mineral exploration and mining involves risks and hazards. For example, in an exploration context no assurance can be given that ore bodies will be detected with preferred or desirable tonnages or grades. High risk and substantial expense can be incurred without the requisite or expected degree of reward.

Even if commercial quantities of ore are discovered, unforeseen risks can arise in the development and production phase including mining or processing issues,

environmental hazards, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, labour forced disruption, the unavailability of materials and plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, unusual or unexpected geological formation, pit failures, changes in the regulatory environment, land claims, legal challenges associated with native title claimants, and weather conditions. Such occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability.

(d) **Future capital requirements**

The Company's future activities will require substantial expenditure. There can be no guarantees that the funds raised through the Offer will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to use debt or equity to fund its strategy after the substantial exhaustion of the net proceeds of the Offer, and existing cash reserves, there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional funding on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to Shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

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.

(e) **Key personnel risks**

The Company's success depends, to a significant extent, upon its key management personnel, as well as other management and technical personnel including sub-contractors. Although the Company enters into employment and incentive arrangements with its personnel to secure their services, it cannot guarantee the retention of their services.

There can be no assurance given that there will be no detrimental impact on the Company if one or more of these people cease their engagement. The Company's inability to recruit additional appropriate skilled and qualified personnel to replace these key personnel could have an adverse effect on the Company and the ability of the Company to carry out its stated strategy. There can be no guarantee that personnel with the appropriate skills will be available within the Company's required timeframes.

(f) **Budget risk**

Exploration costs and costs to undertake metallurgical test work and feasibility studies of any projects or interests acquired by the Company are based on certain assumptions. By their nature, these estimates and assumptions are subject to uncertainties and, accordingly, the actual costs may materially differ from estimates and assumptions.

(g) **Commodity price volatility and exchange rates risks**

The Company's interests (including any acquired projects or interests) extend to a variety of commodities. In the event that the Company, or an entity in which the Company holds a substantial interest, achieves exploration or development success in relation to any projects (or interests which may be acquired), the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks.

Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for commodities, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities and some services are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency. This exposes the Company to the fluctuations and volatility of the rates of exchange between the United States dollar and the Australian dollar, as determined by international markets.

(h) **Tenement title**

The Company's title to tenements held and tenements which may be acquired will generally require the Company to continue to satisfy its expenditure or work commitments. This cannot be guaranteed.

Interests in tenements in Australia are governed by federal and state legislation and are evidenced by the granting of licences. Each licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance, such as satisfaction of statutory payments (including land taxes and statutory duties) and compliance with work programmes and public health and safety laws. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments as and when they arise.

Further, mining and exploration tenements, once granted, are subject to periodic renewal. There is no guarantee that current or future tenement renewals will be approved. Renewal of the term of a granted tenement is at the discretion of the relevant government authority and may include additional or varied expenditure or work commitments or compulsory relinquishment of the areas comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Any tenements acquired by the Company may be relinquished either in total or in part even though a viable mineral deposit may be present, in the event that:

- (i) exploration or production programmes yield negative results;
- (ii) insufficient funding is available;
- (iii) such a tenement is considered by the Company to not meet the risk/reward or other criteria of the Company;
- (iv) its relative perceived prospectivity is less than that of other tenements in the Company's portfolio, which take a higher priority; or
- (v) a variety of other reasons.

(i) **Native title and aboriginal heritage**

The *Native Title Act 1993* (Cth) recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with native title in Australia and this may impact on the Company's operations and future plans.

Native title can be extinguished by valid grants of land (such as freehold title) or waters to people other than the native title holders or by valid use of land or waters. It can also be extinguished if the indigenous group has lost its connection with the relevant land or waters. Native title is not necessarily extinguished by the grant of mining leases, although a valid mining lease prevails over native title to the extent of any inconsistency for the duration of the title.

It is possible that, in relation to the mining licences which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to continue operations may be adversely affected.

(j) **Litigation and counterparty risks**

The Company is not currently involved in any litigation, however like any corporation operating in a commercial setting, the Company may be exposed to potential legal and other claims or disputes in the course of its business, including litigation from employees, regulators or other third parties. As with all litigation, there are risks involved. An adverse outcome in litigation or the cost of responding to potential or actual litigation may have a material adverse impact on the financial performance of the Company.

In addition, there is a risk of financial failure or default by a participant in any joint venture to which the Company may become a party, or the insolvency or managerial failure by any of the contractors or other suppliers used by the Company in any of its activities, or that any of those agreements are terminated in accordance with their terms. There is also a risk of legal or other disputes between the Company and co-venturers or contractors or others suppliers. Any of the above outcomes, particularly in respect of drilling services contracts, could result in an adverse effect on the Company's ability to explore its projects, as well as its operations, financial position and performance.

(k) **Liquidity and volatility**

The Company is a small ASX listed company in terms of market capitalisation. An investment in Securities should be regarded as speculative. The Company also has a relatively small Shareholder base. As a consequence, there is a risk, particularly in times of share market turbulence or negative investor sentiment, that there will not be a highly liquid market for Shares or that the price of Shares may decrease considerably. There may be relatively few buyers or sellers of securities on ASX at any given time and the market price may be highly volatile. This may result in Shareholders wishing to sell their Shares at such a time receiving a market price for their Shares that is considerably less than the price paid under the Offer.

The past performance of the Company is not necessarily an indication as to future performance of the Company as the trading price of Shares can go up or down.

Further, like all ASX listed entities, the Company's quoted securities may be subject to potential suspension from trading due to any actual or perceived failure to comply with the ASX Listing Rules. Under the ASX Listing Rules, the ASX has a wide discretion to suspend quotation of securities.

(l) **Value of shareholdings in other ASX listed entities**

The Company holds interests in ASX listed entities Xantippe Resources Limited and Predictive Discovery Limited. To the extent that there is any turbulence or negative investor sentiment in these companies, this may impact the value of the Company's Shares.

2.2 **Mining Industry Risks**

In addition to the risks identified above, there are other factors beyond the control of the Company that could hamper future operations. Mining operations are speculative operations which by their nature are subject to a number of inherent risks, including those summarised in the section below.

(a) **Resource and reserve estimates**

Resource and reserve estimates are expressions of judgements based on knowledge, experience and industry practice. Estimates that are valid when made may change significantly when new information becomes available through drilling, sampling and similar examinations.

In addition, resource and reserve estimates are necessarily imprecise and depend to some extent on geological interpretations, as well as various economic, commercial, technical, environmental and legal assumptions which may prove to be inaccurate.

Should the Company encounter mineralisation or formations different from those predicted, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

(b) **Regulatory risks**

Changes in legislative and administrative regimes, taxation laws, interest rates, other legal and government policies in Australia may have an adverse effect on the assets, operations and ultimately the financial performance of the Company and the market price of Securities.

Exploration and prospective production are dependent upon the granting and maintenance of appropriate licences, permits and regulatory consents and authorisations, which may not be granted or may be withdrawn or be made subject to limitations at the discretion of government or regulatory authorities. Although the authorisations may be renewed following expiry or grant (as the case may be), there can be no assurance that such authorisations will be continued, renewed or granted, or as to the terms of renewals or grants. If the Company cannot obtain or retain the appropriate authorisations or there is a material delay in obtaining or renewing them or they are granted subject to onerous conditions, then the Company's ability to conduct its exploration or development operations may be adversely affected.

(c) **Environmental risks**

As with most mining and exploration projects, the Company's future operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. However, non-compliance with or breach of any conditions attached to the Company's mining or environmental licences may lead to penalties and/or revocation of the licence, and significant liability could be imposed on the Company for damages, clean-up costs or penalties in the event of certain environmental damage. This would require the Company to incur significant costs and may result in an adverse impact on the Company's cash flows, financial position and performance.

Further, the Company is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments which could have a material adverse effect on the Company's operations, financial position and performance.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

(d) **Insurance risks**

The Company will endeavour to maintain insurance within ranges of coverage in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate cover. The occurrence of an event that is not covered or fully covered by insurance could have an adverse effect on the Company's operations and financial position and performance.

Insurance of risks associated with minerals exploration and development is not always available and, where available, the costs can be prohibitive. There is a risk that insurance premiums may increase to a level where the Company considers it is unreasonable or not in its interests to maintain insurance cover or not to a level of coverage that is in accordance with industry practice. The Company will use reasonable endeavours to insure against the risks it considers appropriate for the Company's needs and circumstances. However, no assurance can be given that the Company will be able to obtain such insurance coverage in the future at reasonable rates or that any coverage it arranges will be adequate and available to cover claims.

2.3 **General Risks**

(a) **Discretion in use of capital**

The Board and the Company's management have discretion concerning the use of the Company's capital resources as well as the timing of expenditures. Capital resources may be used in ways not previously anticipated or disclosed. The results and the effectiveness of the application of capital resources are uncertain. If they are not

applied effectively, the Company's financial and/or operational performance may suffer.

(b) **Investment in capital markets**

As with all stock market investments, there are risks associated with an investment in the Company. Securities listed on the stock market, and in particular securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of Shares regardless of the Company's performance. The price of Shares might trade below or above the issue price of the Shares under the Offer.

(c) **General economic conditions**

The operating and financial performance of the Company is influenced by a variety of general economic and business conditions, including levels of consumer spending, commodity prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on the Company's operating and financial performance and financial position.

The Company's future possible revenues and Share prices may be affected by these factors, which are beyond the control of the Company.

(d) **Changes in government policies and legislation**

Any material adverse changes in government policies or legislation of Australia or any other country that the Company may acquire economic interests in may affect the viability and profitability of the Company.

(e) **Unforeseen expenditure risk**

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

(f) **Force majeure**

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

The Company's projects may be situated within a bush fire prone land area and as such, the Company may be adversely affected by the consequences of catastrophic bushfires, particularly in extreme fire danger weather conditions. Such consequences may include personal injury/death, damage to infrastructure and business interruption.

(g) **Climate change risks**

Climate change is a risk the Company has considered, particularly related to its operations in the mining industry. 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 climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(h) **Taxation**

The disposal of Shares 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 Shares from a taxation 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 consequences of applying for Shares.

(i) **Safety**

Safety is a fundamental risk for any exploration and development company in regard to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage to or destruction of property, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company. The Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems. The Company has further taken an appropriate level of insurance to mitigate this risk.

(j) **Infectious diseases**

The outbreak of coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets and share price.

The Company's share price may be adversely affected by the economic uncertainty caused by COVID-19. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's proposed operations by interrupting the Company carrying out its contractual obligations or cause disruptions to supply chains.

2.4 **Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by prospective 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 Shares offered under this Prospectus. Therefore, the Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for the Shares.

3. Effect of the Offer

3.1 Capital structure on completion of the Offer

	Shares	Unquoted Options ^{1, 2}	Performance Rights ³
Balance at the date of this Prospectus ⁴	280,206,426	37,650,000	15,300,000
Placement Shares ⁵	69,499,000	-	-
Consulting Shares ⁵	477,464	-	-
To be issued under the Offer	1,000	Nil	Nil
Balance after the Offer	350,183,890	37,650,000	15,300,000

Notes:

- 37,650,000 unquoted Options, comprising:
 - 32,250,000 exercisable at \$0.045 each and expiring on 28 October 2023;
 - 2,700,000 exercisable at \$0.045 each and expiring on 10 December 2021; and
 - 2,700,000 exercisable at \$0.069 each and expiring on 10 December 2022.
- Subject to Shareholder approval at its next Shareholder meeting, the Company proposes to issue 4,000,000 unquoted Options to Veritas Securities Limited (or its nominee), exercisable at \$0.136 each and expiring on 10 March 2023.
- 15,300,000 Performance Rights, comprising:
 - 6,000,000 Class A on the terms and conditions as defined in the Re-Compliance Prospectus;
 - 4,800,000 Class B on the terms and conditions as defined in the Re-Compliance Prospectus; and
 - 4,500,000 Class C on the terms and conditions as defined in Re-Compliance Prospectus.
- This figure does not include the Placement Shares or the Consulting Shares.
- The Company has resolved to issue the Placement Shares and the Consulting Shares on or around 8 March 2021.

3.2 Financial effect of the Offer

After paying the expenses of the Offer of approximately \$15,128 there will be no proceeds from the Offer. The expenses of the Offer (exceeding \$68.00) will be met from the Company's existing cash reserves. The Offer will have a nominal effect on the Company's financial position of reducing the cash balance by \$15,060, being receipt of funds of \$68.00, less expenses of the Offers of \$15,060.

As the issue of the 1,000 Shares under this Prospectus will not have a material impact on the Company's financial position, a pro-forma statement of financial position of the Company showing the financial effect of the Offer has not been included in this Prospectus.

Please refer to Section 4.14 for further details on the estimated expenses of the Offer.

3.3 Effect of the Offer on control of the Company

The Company is of the view that the Offer will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offer, (see Section 4.8).

4. Additional information

4.1 Rights and liabilities attaching to Shares

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

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 under the 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 ASX 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.

4.2 **Company is a disclosing entity**

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the stock market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with the ASIC yearly and half-yearly financial statements, accompanied by a Directors' statement and report and an audit review or report. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 4.3 below).

4.3 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of the ASIC. The Company will provide free of charge to any person who requests it during the period of the Offer, a copy of:

- (a) the Half Yearly Report for the period ending 31 December 2019 as lodged with ASX on 25 February 2020;
- (b) the Annual Report for the period ending 30 June 2020 as lodged with ASX on 16 September 2020; and
- (c) the continuous disclosure notices given by the Company to notify ASX of information relating to the Company since the Company lodged its Annual Report and before the date of issue of this Prospectus which are as follows:

Date	Subject of Announcement
05/03/2021	Gold Exploration Field Work Commences at Whim Creek
02/03/2021	Company Presentation
02/03/2021	Proposed issue of Securities - ANX
02/03/2021	Proposed issue of Securities - ANX
02/03/2021	Proposed issue of Securities - ANX
02/03/2021	Capital Raising
25/02/2021	Trading Halt
25/02/2021	Becoming a substantial holder
11/02/2021	Ceasing to be a substantial holder
10/02/2021	Becoming a substantial holder
05/02/2021	Outstanding Drilling Results at Whim Creek, Northern Pilbara
29/01/2021	Quarterly Activities and Cashflow Report
22/01/2021	Vesting of Performance Rights
15/01/2021	VXR: 80% Earn-in Completed at Whim Creek
15/01/2021	80% Earn-In at Whim Creek Project Complete

Date	Subject of Announcement
30/12/2020	Response to ASX Appendix 3X Query
22/12/2020	Appendix 3Y - Change of Director's Interest Notice - GL
22/12/2020	Option Exercise and Appendix 2A
15/12/2020	Ore Sorting Testwork Upgrades Whim Creek ANX: Ore Sorting Testwork Upgrades Whim Creek
7/12/2020	VXR: Initial 40% Earn-In at Whim Creek Project Complete Initial 40% Earn-In at Whim Creek Project Complete
7/12/2020	Initial 40% Earn-In at Whim Creek Project Complete
7/12/2020	Appendix 3Y - Change of Director's Interest Notice x 2
7/12/2020	Expiry of Unlisted Options
2/12/2020	Gold Exploration Commences at Whim Creek Project
30/11/2020	Results of Meeting
25/11/2020	Form 603 - Becoming a substantial holder - Bearay
25/11/2020	Drilling Intersects Massive Sulphides ANX: Drilling Intersects Massive Sulphides
18/11/2020	Change of Principal Place of Business and Registered Office
10/11/2020	Change in substantial holding - P Jackson
6/11/2020	Company Presentation
5/11/2020	Reinstatement to Official Quotation
5/11/2020	Pre-Reinstatement Disclosure
5/11/2020	Securities Trading Policy
5/11/2020	Top 20 Holders List
5/11/2020	Distribution Schedule
5/11/2020	Employee Securities Incentive Plan
5/11/2020	Constitution
5/11/2020	Appendix 1A, Information Form and Checklist and Annexure 1

Date	Subject of Announcement
5/11/2020	Anticipated Reinstatement to Official Quotation
4/11/2020	Appendix 3Y - Change of Director's Interest Notice x 3
2/11/2020	VXR: Whim Creek Joint Venture Update Whim Creek Joint Venture Update
2/11/2020	Drilling Commences at the Whim Creek Project
30/10/2020	Quarterly Activities and Cashflow Report
30/10/2020	Relisting Update
28/10/2020	Letter to Shareholders
28/10/2020	Notice of Annual General Meeting/Proxy Form
2/10/2020	Results of General Meeting
29/09/2020	Consolidation/Split - ARM
18/09/2020	Re-compliance Prospectus
16/09/2020	Appendix 4G and Corporate Governance Statement

The following documents are available for inspection throughout the period of the Offer during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 4.15 and the consents provided by the Directors to the issue of this Prospectus.

4.4 Information excluded from continuous disclosure notices

Other than as set out below, there is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules and which is required to be set out in this Prospectus:

- (a) the Company is currently progressing its feasibility study on the Whim Creek Project. As part of its feasibility studies, the Company is undertaking ore sorting and other related metallurgical testwork. While the results of the ore sorting testwork (and the outputs of the feasibility study generally) remain incomplete, confidential and insufficiently definite to warrant disclosure, the Company expects to finalise and announce the results of its ore sorting testwork during the quarter ending 30 June 2021; and

- (b) the Company is currently in incomplete and confidential discussions with a potential offtaker financier of the Whim Creek Project. The terms of any potential agreement are insufficiently definite to warrant disclosure. The Company cautions investors that there is no certainty a binding agreement will be reached or that the Company will be able to commence production on the Whim Creek Project.

4.5 Determination by ASIC

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

4.6 Market price of Shares

The highest and lowest closing market sale prices of the Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest:	\$0.078 per Share on 5 February 2021.
Lowest:	\$0.044 per Share on 14 January 2021.

The latest available closing market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.065 per Share on 8 March 2021.

4.7 Dividend policy

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

4.8 Substantial Shareholders

Based on available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

	Shares	Voting power
Jetosea Pty Ltd ¹	43,990,717	12.56%
Holihox Pty Ltd <PSR Superannuation A/C> ¹	29,470,720	8.42%

Notes:

- Entity associated with Director Phillip Jackson. Mr Jackson has an indirect interest in these Shares.

¹ [15] Substantial Holder Notice - Jetosea; [08] Calculations Spreadsheet

4.9 Directors' interests

Except as disclosed in this Prospectus, no Director and no firm in which a Director or proposed director is a partner:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

4.10 Directors' interests in Securities

The Directors and former Directors have the following relevant interests in the Securities as at the date of this Prospectus:

Directors	Shares	Voting power	Unquoted Options	Performance Rights
Phillip Jackson ¹	29,470,720	8.42%	4,000,000	Nil
Geoff Laing ²	8,591,457	2.45%	5,400,000	8,100,000
Peter Cordin ³	2,174,577	0.62%	2,000,000	Nil

Notes:

1. Securities are held as follows:
 - (a) 29,470,720 Shares held in Holihox Pty Ltd <PSR Superannuation A/C>, an entity associated with Director Phillip Jackson; and
 - (b) 4,000,000 unquoted Options exercisable at \$0.045 and expiring three years from Grant Date.
2. Securities are held as follows:
 - (a) 1,368,563 Shares held directly;
 - (b) 7,222,894 Shares held by <Laing Family A/C>, an entity associated with Director Geoff Laing. Mr Laing has an indirect interest in these Shares and is the trustee of the Laing Family A/C;
 - (c) 2,700,000 unquoted Options held by <Laing Family A/C>, an entity associated with Director Geoff Laing. The Options are exercisable at \$0.045 and expiring on 10 December 2021. Mr Laing has an indirect interest in these Options and is the trustee of the Laing Family A/C;
 - (d) 2,700,000 unquoted Options held by <Laing Family A/C>, an entity associated with Director Geoff Laing. The Options are exercisable at \$0.069 and expiring on 10 December 2022. Mr Laing has an indirect interest in these Options and is the trustee of the Laing Family A/C; and

- (e) 8,100,000 Performance Rights held by <Laing Family A/C>, an entity associated with Director Geoff Laing. Mr Laing has an indirect interest in these Options and is the trustee of the Laing Family A/C.
3. Securities are held as follows:
- (a) 2,174,577 Shares held in Cordin Pty Ltd ATF <Cordin Super Fund A/C>, an entity associated with Director Peter Cordin; and
 - (b) 2,000,000 unquoted Options exercisable at \$0.045 and expiring three years from Grant Date.

4.11 Remuneration of Directors

The Constitution provides that the non-executive Directors may be paid for their services as Directors a sum not exceeding such fixed sum per annum as may be determined by the Shareholders in general meetings, to be divided among the Directors as the Directors shall determine, and in default of agreement then in equal shares. The maximum aggregate amount of fees payable to Directors is currently set at \$200,000 per annum. The remuneration of the executive Directors must, subject to the provisions of any contract between each of them and the Company, be fixed by the Directors.

A Director may also be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

The Directors have received the following remuneration:

Director	Cash Salary & Fees \$	Non-monetary benefits \$	Annual Leave \$	Superannuation \$	Long Service Leave \$	Total \$
Phillip Jackson ¹	50,000	-	-	-	-	50,000
Geoff Laing ²	236,520	-	-	-	-	236,520
Peter Cordin ³	36,530	-	-	3,470	-	40,000

Notes:

1. Remuneration of Phillip Jackson for the year ended 30 June 2020.
2. Remuneration of Geoff Laing for the year ended 30 June 2020.
3. Remuneration of Peter Cordin for the year ended 30 June 2020.

4.12 Related party transactions

There are no related party transactions involved in the Offer that are not otherwise described in the Prospectus.

The Company has an agreement with Holihox Pty Ltd (**Holihox**), an entity controlled by Director Phillip Jackson, under which the Company has agreed to pay Holihox a sum of \$3,000 per month for legal consultancy fees.

4.13 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Offer or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Offer.

4.14 Expenses of Offer

Estimated expenses of the Offer	A\$
ASIC lodgement fee	3,206
ASX quotation fee	1,922
Prospectus preparation expenses	10,000
TOTAL	\$15,128

4.15 Consents

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

Each of the parties referred to in this Section:

- (a) has not authorised or caused the issue of this Prospectus or the making of the Offer;
- (b) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (c) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

HWL Ebsworth Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus. HWL Ebsworth Lawyers has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Computershare Investor Services Pty Limited has given its written consent to being named as the share registry to the Company in this Prospectus. Computershare has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

5. **Authorisation**

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:

A handwritten signature in black ink, appearing to be 'PJ' followed by a long horizontal stroke.

Phillip Jackson
Non-Executive Chairman
Dated: 8 March 2021

6. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$	means Australian dollars.
AEDT	means Australian Eastern Daylight Time.
Annual Report	means the annual financial report of the Company for the period ending 30 June 2020 as lodged with ASX on 16 September 2020.
Applicant	means a person who submits an Application Form.
Application	means a valid application for Shares made on an Application Form.
Application Form	means the Application Form provided by the Company with a copy of this Prospectus.
Application Monies	means the amount of money in dollars and cents payable for Shares pursuant to the Offer.
ASIC	means Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.
Blackrock	means Blackrock Metals Pty Ltd (ACN 166 503 395).
Board	means the Directors meeting as a board.
CHESS	means ASX Clearing House Electronic Sub-registry System.
Closing Date	means the closing date for the Offer, being 12 March 2021.
Company	means Anax Metals Limited ACN 106 304 787.
Constitution	means the constitution of the Company as at the date of this Prospectus.
Consulting Shares	means the 477,464 Shares issued to Conrad Partners on 10 March 2021 in lieu of consulting services.
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Directors	mean the directors of the Company as at the date of this Prospectus.
Director Shares	means the 2,700,000 Shares issued to Geoff Laing on 21 December 2020 on conversion of 2,700,000 unquoted Options.
EJVA	means the Earn-In Joint Venture Agreement between Venturex Resources Ltd and Anax Metals Limited.

EP Act	means <i>Environmental Protection Act 1986</i> (WA).
EPN	means Notice DWER804/19 dated 6 December 2019 issued to VentureX Pilbara and Blackrock and lodged under the EP Act on 16 December 2019 with registration number O306078 as amended by Notice DWER804/19 Amendment 1 dated 15 May 2020 and such further amendments as issued under the EP Act from time to time.
Half Yearly Report	means the half yearly report of the Company for the period ending 31 December 2019 as lodged with ASX on 25 February 2020.
Issuer Sponsored	means Securities issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.
Listing Rules	means the official listing rules of ASX as amended or replaced from time to time, except to the extent of any express written waiver by ASX.
Offer	has the meaning given in Section 1.1.
Official List	means the official list of ASX.
Official Quotation	means quotation of Securities on the Official List.
Options	means an option to acquire a Share.
Placement Shares	means the 69,499,000 Shares issued to professional and sophisticated investors on 10 March 2021 under the Company's Listing Rule 7.1 and 7.1A placement capacity at an issue price of \$0.068 per Share, to raise approximately \$4,700,000 (before costs).
Prospectus	means this prospectus dated 8 March 2021.
Re-Compliance Prospectus	means the re-compliance prospectus lodged with the ASX on 18 September 2020.
Section	means a section of this Prospectus.
Securities	means any securities, including Shares or Options issued or granted by the Company.
Shares	means ordinary fully paid shares in the capital of the Company.
Shareholder	means a holder of Shares.
Whim Creek Project	means the Whim Creek Copper Project, situated in the Pilbara region of Western Australia, 115 km south west of Port Hedland and 3km south of the historic Whim Creek Hotel, comprising the following tenements:

Tenement	Details	Tenement Holders	Area (Ha)
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E 47/3495	Whim Creek Exploration	Venturex Pilbara Pty Ltd	11,200.00
L47/0036	Gas Pipeline	Venturex Pilbara Pty Ltd	6.3
M 47/236	Whim Creek surrounds	Venturex Pilbara Pty Ltd	963.35
M 47/237	Whim Creek East	Venturex Pilbara Pty Ltd	411.35
M 47/238	Mons Cupri	Venturex Pilbara Pty Ltd	980.3
M 47/443	Whim Creek Mine	Venturex Pilbara Pty Ltd	40.47
M 47/323	Salt Creek West	Venturex Pilbara Pty Ltd	363.2
M 47/324	Salt Creek East	Venturex Pilbara Pty Ltd	484.2
M 47/1455	Evelyn	Jutt Resources Pty Ltd	458
	TOTAL		14,907.17