



# Prospectus

Anax Metals Limited  
(ACN 106 304 787)

This Prospectus is being primarily issued for the non-renounceable pro-rata offer to Eligible Shareholders of 1 New Share for every 3 Shares held on the Record Date at an issue price of \$0.035 each to raise up to approximately \$5 million (before costs), with 1 free New Option for every 2 New Shares issued.

This Prospectus is also being issued for the Secondary Offers described in the Prospectus.

**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 SUITABLY QUALIFIED PROFESSIONAL ADVISER WITHOUT DELAY.**

**THE SECURITIES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.**

\*The Company reserves the right, subject to the Corporations Act and Listing Rules to extend the Closing Date.

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## Important information

This Prospectus is dated 29 September 2023 and was lodged with 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 Securities 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).

A copy of this Prospectus is available for inspection at the registered office of the Company at Ground Floor 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 5.7).

The Securities offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

This Prospectus may be made available in electronic form. Persons having received a copy of the Prospectus in electronic form, or other prospective investors may obtain a paper copy of this Prospectus and the relevant Application Form free of charge from the offices of the Company for the duration of the offer period by contacting the Company. Contact details for the Company are detailed in the Corporate Directory.

By paying for your Shares in accordance with the instructions in Section 2 and on the Application Form you acknowledge that you have read this Prospectus and you have acted in accordance with and agree to the terms of the Offers detailed in this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offers 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 Offers.

No action has been taken to permit the offer of Securities under this Prospectus in any jurisdiction other than Australia. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this Prospectus 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 Securities in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia and to the extent permitted in Section 1.19, New Zealand, Hong Kong, Singapore, and the United Kingdom.

This Prospectus is important and should be read in its entirety before deciding to participate in the Offers. This does not take into account the investment objectives, financial or taxation, or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other independent suitably qualified professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 4.

This Prospectus includes forward looking statements that have been based on current expectations about future acts, events and circumstances. These forward looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in the forward looking statements.

Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to AWST unless otherwise indicated.

## Corporate Directory

### Directors

Phillip Jackson Non-Executive Chairman  
Geoffrey Laing Managing Director  
Peter Cordin Non-Executive Director  
Philip Warren Non-Executive Director

### Chief Financial Officer and Company Secretary

Jenine Owen Chief Financial Officer  
Steven Wood Company Secretary

### Registered and Principal Office

Ground Floor West, 20 Kings Park Road  
West Perth, WA 6005

Phone: +61 8 6143 1840

Email: [info@anaxmetals.com](mailto:info@anaxmetals.com)

Website: [www.anaxmetals.com.au](http://www.anaxmetals.com.au)

**ASX Code:** ANX

### Share Registry\*

Automic  
Level 5, 191 St Georges Terrace  
Perth WA 6000  
Telephone: 1300 288 664  
Website: [www.automicgroup.com.au](http://www.automicgroup.com.au)

### Lead Manager

Veritas Securities Limited  
Level 4, 175 Macquarie Street  
Sydney, NSW 2000

### Auditor\*

Pitcher Partners  
Level 11/12-14 The Esplanade  
Perth, WA 6000

### Solicitors

Hamilton Locke Pty Ltd  
Level 48, 152-158 St Georges Terrace,  
Perth WA 6000

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

## PROPOSED TIMETABLE

Event	Date
Lodgement of Appendix 3B with ASX	27 September 2023
Lodgement of Prospectus with ASIC and ASX	29 September 2023
Shares quoted on an "EX" basis	4 October 2023
Record Date for determining Entitlements	5 October 2023
Prospectus and Application Forms made available to Eligible Shareholders Opening date of the Offers	10 October 2023
Last day to extend Entitlement Offer Closing Date	23 October 2023
Closing Date of the Entitlement Offer and Top-Up Offer (5pm WST)	26 October 2023
New Shares quoted on a deferred settlement basis	27 October 2023
Announcement of results of the Offers and issue date of new Securities under the Offers	2 November 2023
Anticipated date for commencement of New Shares issued under the Offers trading on a normal settlement basis	3 November 2023

**Note:** All dates (other than the date of the Prospectus and the date of lodgement of the Prospectus with ASIC and ASX) are indicative only. The Directors may extend the Entitlement Offer Closing Date by giving at least 3 Business Days' notice to ASX prior to the Entitlement Offer Closing Date. As such the date the Shares issued under the Entitlement Offer are expected to commence trading on ASX may vary.

## Letter from the Chairman

Dear Shareholder

On behalf of your Directors, I am pleased to invite you to participate in this non-renounceable pro-rata 1-for-3 Entitlement Offer at an issue price of \$0.035 per Share, to raise up to approximately \$5 million (before costs).

The funds raised by the Entitlement Offer are intended to be applied primarily towards:

- early-stage lithium exploration activities at Whim Marr and loudens Patch;
- progressing product offtake and debt financing activities at the Whim Creek Project;
- maintaining mine site operations and environmental monitoring at the Whim Creek Project; and
- general working capital and the costs of the Offers.

For further details on the proposed use of funds to be raised under the Entitlement Offer, please see Section 1.7 of this Prospectus.

### Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders are entitled to subscribe for 1 New Share for every 3 Shares held on the Record Date, being 5.00pm (AWST) on 5 October. Participants in the Entitlement Offer will also be issued 1 New Option for every 2 New Shares issued.

Shares issued under the Entitlement Offer will rank equally with existing Shares. The New Options will be exercisable at \$0.06 each and expire on 31 December 2025.

The Entitlement Offer provides Eligible Shareholders with the opportunity to take up New Shares (and Options) proportional to their shareholding and mitigate the effect of dilution. Eligible Shareholders who have subscribed for their Entitlement in full may apply for additional New Shares pursuant to the Top-Up Offer. Eligible Shareholders who do not take up their Entitlement under the Entitlement Offer in full or in part, will not receive any value in respect to those Entitlements not taken up. The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX or otherwise transferable. Further details in respect of how Eligible Shareholders can participate in the Entitlement Offer are in Section 2.

Directors Peter Cordin and Philip Warren, and Chief Financial Officer Jenine Owen, have committed to underwrite an aggregate \$220,000 of the Entitlement Offer. Refer to Section 5.4 for details. Messrs Cordin and Warren's underwriting commitments are in addition to any subscription of their respective Entitlements.

Other investors invited by the Company also have the opportunity to apply for any Entitlements that are not subscribed for under the Entitlement Offer or the Top-Up Offer pursuant to the Shortfall Offer.

### How to apply

The Entitlement Offer and the Top-Up Offer are scheduled to close at 5.00pm (AWST) on 26 October 2023. Eligible Shareholders wishing to participate in the Entitlement Offer or the Top-Up Offer must ensure that they have completed their Application by paying Application Monies before this time in accordance with the instructions set out on the Application Form and Section 2 of this Prospectus.

### Risks and additional information

The Prospectus includes further details of the Offers and the effect of the Offers on the Company, and a statement of the risks associated with investing in the Company. This is an important document and should be read in its entirety. If you have any doubts or questions in relation to the Prospectus you should consult your stockbroker, accountant, solicitor, or other independent suitably qualified professional advisor to evaluate whether or not to participate in the Offers.

We would like to extend an opportunity to existing shareholders to continue to back our story and welcome their participation in this capital raising.

I look forward to your continued support,

Yours faithfully

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

Phillip Jackson  
**Non-Executive Chairman**



## Investment Overview

This Section is intended to highlight key information for potential investors. It is an overview only and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Securities.

Key Information	Further Information
<p><b>Transaction specific prospectus</b></p> <p>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.</p>	Section 5.5
<p><b>Risk factors</b></p> <p>Potential investors should be aware that subscribing for Securities involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> <li>• <b>Future capital and funding requirements:</b> The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds of the Offers should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Prospectus. However, the Company will require additional funding in the future in order to fund its business development activities, exploration program and other Company objectives.</li> <li>• <b>Exploration and development risks:</b> Mineral exploration and development is a high-risk undertaking. There can be no assurance that further exploration on the Company's projects will result in the discovery of an economic ore deposit or that it can be economically exploited.</li> <li>• <b>Native title and Aboriginal heritage:</b> Pursuant to the terms of the heritage deed between the National Aboriginal Conference (<b>NAC</b>) and the Company (<b>Heritage Deed</b>), prior to commencing mining operations at Evelyn (M47/1455), the Company must negotiate in good faith with NAC with the object of reaching an agreement as to the consent of NAC to the mining operations, including compensation to NAC in relation to those productive mining activities. If an agreement is not reached in the timeframes provided in the Heritage Deed, the matter must be determined by a private arbitration process outlined in the Heritage Deed. There is risk that the outcome of those negotiations may result in a less economic outcome, or that the time taken to reach agreement may delay commencement of productive mining on M47/1455.</li> <li>• <b>Grant and renewal of tenements:</b> Exploration activities are dependent upon the maintenance (including renewal) of tenements, which is dependent on, among other things, the Company's ability to meet the licence conditions imposed by relevant authorities including minimum annual expenditure requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. The Company also has</li> </ul>	Section 4

Key Information	Further Information
<p>tenement applications. There can be no guarantee that the tenement applications will be granted, or if they are granted, that they will be granted in their entirety. If the tenement applications are not granted, the Company will not acquire an interest in these tenements. The tenement applications therefore should not be considered as assets or projects of the Company.</p> <ul style="list-style-type: none"> <li>• <b>Land access:</b> There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Commonly, this will affect the procedure required for access and may impose obligations in respect of compensation, land rehabilitation and/or land impact management. Inability to access, or delays experienced in accessing, the land and unforeseen expenses associated therewith may impact on the Company's activities.</li> <li>• <b>Environmental risk:</b> 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 and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or noncompliance with environmental laws or regulation.</li> <li>• <b>General market risks:</b> Share market conditions may affect the value of the Company's Securities regardless of the Company's operating performance. The Company is exposed to general market and economic condition risks including adverse changes in levels of economic activity, exchange rates, interest rates, commodity prices, government policies, employment rates and industrial disruption.</li> </ul>	
<p><b>The Offers</b></p> <p><u>Overview</u></p> <p>This Prospectus is for an offer of New Shares under the Entitlement Offer, Top-Up Offer, and Shortfall Offer. The allocation policy for the Offers is in Section 1.5.</p> <p><u>Entitlement Offer</u></p> <p>The Entitlement Offer is a non-renounceable pro rata offer of 1 New Share for every 3 existing Shares held by Eligible Shareholders on the Record Date, at an issue price of \$0.035 per New Share to raise up to approximately \$5 million (before costs).</p> <p>Eligible Shareholders who are issued Shares under the Entitlement Offer will also be issued 1 free attaching New Option for every 2 New Shares issued under the Entitlement Offer. The New Options will be exercisable at \$0.06 each and expire on 31 December 2025, and are otherwise on the terms and conditions in Section 5.2.</p> <p><u>Top-Up Offer</u></p> <p>Eligible Shareholders may subscribe for additional New Shares in excess of their Entitlement by participating in the Top-Up Offer. The issue price of each New Share issued under the Top-Up Offer will be \$0.035, being the same price at which New Shares are offered under the Entitlement Offer.</p>	<p>Sections 1.1, 1.4 and 1.6</p>

Key Information	Further Information
<p>As with the Entitlement Offer, Eligible Shareholders who are issued Shares under the Top-Up Offer will also be issued 1 free attaching New Option for every 2 New Shares issued under the Top-Up Offer. The New Options will be exercisable at \$0.06 each and expire on 31 December 2025, and are otherwise on the terms and conditions in Section 5.2.</p> <p><u>Shortfall Offer</u></p> <p>Other investors invited by the Company may apply for New Shares by participating in the Shortfall Offer. The issue price of each New Share issued under the Shortfall Offer will be \$0.035, being the same price at which New Shares are offered under the Entitlement Offer and the Top-Up Offer.</p> <p>As with the Entitlement Offer and the Top-Up Offer, investors who are issued Shares under the Shortfall Offer will also be issued 1 free attaching New Option for every 2 New Shares issued under the Shortfall Offer. The New Options will be exercisable at \$0.06 each and expire on 31 December 2025, and are otherwise on the terms and conditions in Section 5.2.</p> <p><u>Lead Manager Offer</u></p> <p>The Lead Manager Offer comprises a separate offer under this Prospectus of up to 10,015,545 New Options to the Lead Manager or its nominees, as partial consideration for the lead manager services provided in connection with the Offers.</p>	
<p><b>Eligible Shareholders</b></p> <p>The Entitlement Offer and Top-Up Offer is made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who, on the Record Date:</p> <ul style="list-style-type: none"> <li>• are the registered holder of Shares; and</li> <li>• have a registered address in Australia or, to the extent permitted in Section 1.19, New Zealand, Hong Kong, Singapore, and the United Kingdom.</li> </ul>	<p>Sections 1.19 and 1.20</p>
<p><b>Firm Commitments and Partial Underwriting</b></p> <p>The Company has received separate firm commitments from Eligible Shareholders to subscribe for their Entitlements in full, representing 40,785,767 New Shares (\$1,427,502).</p> <p>Directors Peter Cordin and Philip Warren and Chief Financial Officer Jenine Owen have also committed to underwrite an aggregate of \$220,000 of the Entitlement Offer.</p>	<p>Sections 1.3, 1.12 and 5.4</p>
<p><b>Use of funds</b></p> <p>Funds raised under the Offers are intended to be primarily applied towards:</p> <ul style="list-style-type: none"> <li>• early-stage lithium exploration activities at Whim Maar and Loudens Patch prospects;</li> <li>• progressing product offtake and debt financing activities at the Whim Creek Project;</li> <li>• maintaining mine site operations and environmental monitoring at the Whim Creek Project; and</li> <li>• general working capital and the costs of the Offers.</li> </ul>	<p>Section 1.7</p>
<p><b>Effect on control of the Company</b></p>	<p>Sections 1.10 and 1.11</p>

Key Information	Further Information																				
<p>The Company is of the view that the Offers will not affect the control of the Company. No investor or existing Shareholder will hold a voting power greater than 20% as a result of the Offers.</p> <p>Shareholders should note that if they do not participate in the Offers, their holdings will be diluted. Examples of how the dilution may impact Shareholders are set out in Section 1.11.</p>																					
<p><b>Indicative capital structure and pro-forma balance sheet</b></p> <p>The indicative capital structure upon completion of the Offers is set out below:</p> <table border="1" data-bbox="193 600 1184 1077"> <thead> <tr> <th></th> <th>Shares</th> <th>Options</th> <th>Performance Rights</th> </tr> </thead> <tbody> <tr> <td>Balance at the date of this Prospectus</td> <td>429,903,917</td> <td>72,983,333</td> <td>20,100,000</td> </tr> <tr> <td>To be issued pursuant to the Entitlement Offer</td> <td>143,301,305</td> <td>71,650,652</td> <td>Nil</td> </tr> <tr> <td>Lead Manager Options</td> <td>-</td> <td>10,015,545</td> <td>-</td> </tr> <tr> <td><b>Total</b></td> <td><b>573,205,222</b></td> <td><b>154,649,530</b></td> <td><b>20,100,000</b></td> </tr> </tbody> </table> <p>The above table assumes:</p> <ul style="list-style-type: none"> <li>(a) that the Offers are fully subscribed;</li> <li>(b) the maximum number of Lead Manager Options are issued under the Lead Manager Offer (see Section 5.3 for further details);</li> <li>(c) no other Securities are issued, including Shares issued on the conversion or exercise of any existing Options or Performance Rights.</li> </ul> <p>The indicative pro-forma balance sheet showing the effect of the Offers is in Section 3.2.</p>		Shares	Options	Performance Rights	Balance at the date of this Prospectus	429,903,917	72,983,333	20,100,000	To be issued pursuant to the Entitlement Offer	143,301,305	71,650,652	Nil	Lead Manager Options	-	10,015,545	-	<b>Total</b>	<b>573,205,222</b>	<b>154,649,530</b>	<b>20,100,000</b>	<p>Sections 3.1 and 3.2</p>
	Shares	Options	Performance Rights																		
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To be issued pursuant to the Entitlement Offer	143,301,305	71,650,652	Nil																		
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<b>Total</b>	<b>573,205,222</b>	<b>154,649,530</b>	<b>20,100,000</b>																		

Key Information	Further Information																				
<p><b>Directors' interests in Shares and Entitlements</b></p> <p>The relevant interest of each of the Directors in Shares as at the date of this Prospectus, together with their respective Entitlements is set out in the table below (subject to rounding):</p> <table border="1" data-bbox="193 445 1190 757"> <thead> <tr> <th data-bbox="193 445 480 535">Name</th> <th data-bbox="480 445 759 535">Existing Shares</th> <th data-bbox="759 445 975 535">Entitlement (Shares)</th> <th data-bbox="975 445 1190 535">Entitlement (New Options)</th> </tr> </thead> <tbody> <tr> <td data-bbox="193 535 480 591">Phillip Jackson</td> <td data-bbox="480 535 759 591">29,470,720</td> <td data-bbox="759 535 975 591">9,823,573</td> <td data-bbox="975 535 1190 591">4,911,786</td> </tr> <tr> <td data-bbox="193 591 480 647">Geoff Laing</td> <td data-bbox="480 591 759 647">14,291,457</td> <td data-bbox="759 591 975 647">4,763,819</td> <td data-bbox="975 591 1190 647">2,381,909</td> </tr> <tr> <td data-bbox="193 647 480 703">Peter Cordin</td> <td data-bbox="480 647 759 703">2,174,577</td> <td data-bbox="759 647 975 703">724,859</td> <td data-bbox="975 647 1190 703">362,429</td> </tr> <tr> <td data-bbox="193 703 480 757">Philip Warren</td> <td data-bbox="480 703 759 757">215,000</td> <td data-bbox="759 703 975 757">71,666</td> <td data-bbox="975 703 1190 757">35,833</td> </tr> </tbody> </table> <p>The Directors intend to take up all or part of their respective Entitlements pursuant to the Entitlement Offer.</p> <p>Directors Peter Cordin and Philip Warren, and Chief Financial Officer Jenine Owen, have committed to underwrite an aggregate of \$220,000 under the Entitlement Offer. Mrs Owen, Messrs Cordin and Warren's underwriting commitments are in addition to any subscription of their respective Entitlements.</p>	Name	Existing Shares	Entitlement (Shares)	Entitlement (New Options)	Phillip Jackson	29,470,720	9,823,573	4,911,786	Geoff Laing	14,291,457	4,763,819	2,381,909	Peter Cordin	2,174,577	724,859	362,429	Philip Warren	215,000	71,666	35,833	<p>Sections 5.10(b), and 5.3</p>
Name	Existing Shares	Entitlement (Shares)	Entitlement (New Options)																		
Phillip Jackson	29,470,720	9,823,573	4,911,786																		
Geoff Laing	14,291,457	4,763,819	2,381,909																		
Peter Cordin	2,174,577	724,859	362,429																		
Philip Warren	215,000	71,666	35,833																		
<p><b>Forward looking statements</b></p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p> <p>These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.</p>	<p>Key Information and Section 4</p>																				

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## 1. Details of the Offers

### 1.1 Entitlement Offer

The Company is making an offer to all Eligible Shareholders to participate in a non-renounceable pro-rata entitlement offer to raise up to approximately \$5 million (before costs) by the issue of up to approximately 143,301,305 Shares and 71,650,652 free attaching unquoted Options (**New Options**).

The Entitlement Offer will be determined on the basis of:

- (a) 1 New Share for every 3 Shares held at the Record Date at an issue price of \$0.035 each; plus
- (b) 1 free New Option for every 2 New Shares subscribed for,

and otherwise on the terms and conditions contained in this Prospectus.

The purpose of the Entitlement Offer is to:

- (a) provide Eligible Shareholders with the opportunity to take up Shares proportional to their shareholding and to mitigate the effect of dilution; and
- (b) provide the Company with additional funds to be attributed in accordance with the use of funds set out in Section 1.7.

As at the date of this Prospectus, the Company has on issue 429,903,917 Shares. The market price of Shares at the date of this Prospectus is such that it is unlikely that any of the existing Options will be exercised before the Record Date. Assuming no other Shares are issued or Securities exercised or converted to Shares, prior to the Record Date (and subject to entitlement rounding), the Entitlement Offer is for a maximum of 143,301,305 New Shares and 71,650,652 New Options.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a Security, such fraction will be rounded down to the nearest whole Security.

A summary of the rights and liabilities attaching to the Shares offered under the Entitlement Offer is in Section 5.1. The terms and conditions of the New Options are in Section 5.2. Shares issued upon exercise of the New Options will be fully paid and will rank equally with the Company's existing Shares on issue at the date of this Prospectus.

### 1.2 Top-Up Offer

Eligible Shareholders may subscribe for additional New Shares in excess of their Entitlement by applying for Shares under the Top-Up Offer.

The Top-Up Offer is a separate offer made pursuant to this Prospectus.

The issue price of any Top-Up Shares will be \$0.035 each, which is the issue price at which New Shares are offered to Eligible Shareholders under the Entitlement Offer. 1 free New Option will be issued for every 2 New Shares issued under the Top-Up Offer.

Top-Up Shares will only be issued if the Entitlement Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions. Refer to the allocation policy in Section 1.5 for additional information.

No Top-Up Shares will be issued to an Eligible Shareholder which would, if issued, result in them increasing their voting power in the Company above 20%, and no Top-Up Shares will be

issued if their issue would contravene any law or Listing Rule. There is no guarantee of any allocation of Top-Up Shares, or that applications for Top-Up Shares will be satisfied in full. Excess Application Monies for the Top-Up Offer will be refunded without interest. It is a term of the Top-Up Offer that, should the Company scale back applications for Top-Up Shares, the Applicant will be bound to accept such lesser number allocated to them.

Eligible Shareholders can subscribe for Top-Up Shares by following the instructions set out in Section 2.3.

The Top-Up Shares issued will be fully paid and rank equally with the Company's existing Shares on issue at the date of this Prospectus. A summary of the rights and liabilities attaching to the Top-Up Shares is in Section 5.1. The terms and conditions of the New Options are in Section 5.2. Shares issued upon exercise of the New Options will be fully paid and will rank equally with the Company's existing Shares on issue at the date of this Prospectus.

### **1.3 Partial Underwriting**

The Company is party to separate underwriting agreements with Directors Peter Cordin and Philip Warren as well as the Company's Chief Financial Officer Jenine Owen (**Underwriting Agreements**), pursuant to which Messrs Cordin and Warren and Mrs Owen have agreed to partially underwrite the Entitlement Offer and Top-Up Offer up to the Underwritten Amount.

Pursuant to the Underwriting Agreements, to the extent that Eligible Shareholders have not subscribed for their Entitlements under the Entitlement Offer, Messrs Cordin and Warren and Mrs Owen are deemed to subscribe for the Underwritten Amount worth of Top-Up Shares in their respective portions.

Refer to Section 5.4 for a summary of the material terms and conditions of the Underwriting Agreements.

### **1.4 Shortfall Offer**

Any Entitlements not taken up pursuant to the Entitlement Offer or the Top-Up Offer (including pursuant to the Underwriting Agreements) will form the Shortfall.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will only be extended to parties identified by the Company, in conjunction with the Lead Manager.

The issue price of Shares offered under the Shortfall Offer will be \$0.035 each, which is the issue price at which Shares have been offered to Eligible Shareholders under the Entitlement Offer and the Top-Up Offer. New Options will be issued on the basis of 1 Option for every 2 New Shares subscribed for under the Shortfall Offer, on the same basis as the Entitlement Offer and the Top-Up Offer.

Shortfall Securities will only be issued if the Entitlement Offer and the Top-Up Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions.

The Directors reserve the right to issue Shortfall Securities at their absolute discretion within 3 months after the Closing Date.

The Shortfall Shares issued will be fully paid and rank equally with the Company's existing Shares on issue at the date of this Prospectus. A summary of the rights and liabilities attaching to the Shortfall Shares is in Section 5.1. The terms and conditions of the New Options are in Section 5.2. Shares issued upon exercise of the New Options will be fully paid

and will rank equally with the Company's existing Shares on issue at the date of this Prospectus.

## 1.5 Allocation policy

The allocation policy adopted by the Company for the Offers is as follows:

- (a) **Step 1 (Entitlement Offer):** Eligible Shareholders apply for their Entitlements pursuant to the Entitlement Offer.
- (b) **Step 2 (Top-Up Offer):**
  - (i) Eligible Shareholders who apply for their Entitlements in full may apply for Top-Up Shares.
  - (ii) If there is sufficient shortfall from Step 1 to satisfy all applications for Top-Up Shares, the applications will be satisfied in full, subject only to compliance with the requirements of the Corporations Act and the Listing Rules. The application for Shares pursuant to the Underwriting Agreement will form part of the applications under the Top-Up Offer.
  - (iii) If there is insufficient shortfall from Step 1 to satisfy all applications for Top-Up Shares, the applications will be scaled back on a pro rata basis, based on the Eligible Shareholder's Shareholding on the Record Date. The allocations will again be subject only to compliance with the requirements of the Corporations Act and the Listing Rules. Applications for Shares pursuant to the Underwriting Agreement will be treated in the same manner as all other applications under the Top-Up Offer.
- (c) **Step 3 (Shortfall Offer):**
  - (i) Other investors invited by the Company may apply for any shortfall remaining after Step 2.
  - (ii) If there is sufficient shortfall to satisfy all applications for Shortfall Shares, then they will be satisfied in full, subject only to compliance with the requirements of the Corporations Act and Listing Rules.
  - (iii) If there is insufficient shortfall to satisfy all applications, they will be allocated by the Company at the Board's discretion in consultation with the Lead Manager, with a view to ensuring an optimal Shareholder base. Factors taken into account will include, amongst other things, the identity of the investor, the date on which the application was made, and the size of the application.

No Shares will be issued to an Applicant under this Prospectus if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Securities will be issued via the Shortfall Offer to any Directors or other related parties of the Company unless prior Shareholder approval is received.

## 1.6 Lead Manager Offer

This Prospectus includes a separate offer of up to 10,015,545 New Options to the Lead Manager to the Entitlement Offer (or its nominees) (**Lead Manager Options**), using the Company's available placement capacity under Listing Rule 7.1.



The Lead Manager Options are to be issued to the Lead Manager (or its nominees) as partial consideration for the services provided by the Lead Manager in connection with the Entitlement Offer, Top-Up Offer, and Shortfall Offer. Refer to Section 5.3 for a summary of the Lead Manager Mandate.

Only the parties nominated by the Lead Manager may accept the Lead Manager Offer.

The Lead Manager Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares issued upon exercise of any Lead Manager Options issued under the Lead Manager Offer, into Shares.

An Application Form in relation to the Lead Manager Offer will be issued to the nominees of the Lead Manager, together with a copy of this Prospectus.

The Lead Manager Options issued under the Lead Manager Offer will be in the same class and will rank equally in all respects with the New Options being issued under the Entitlement Offer, Top-Up Offer and Shortfall Offer. A summary of the rights and liabilities attaching to the New Options (including the Lead Manager Options) is in Section 5.2. Shares issued upon exercise of the Lead Manager Options will be fully paid and will rank equally with the Company's existing Shares on issue at the date of this Prospectus.

## 1.7 Use of funds

The following indicative table sets out the proposed use of funds raised under the Offers, assuming the Offers are fully subscribed:

Proposed use	\$'000	%
Early-stage lithium exploration at Whim Maar and Loudens Patch prospects	\$980	19.50%
Whim Creek Project – Offtake and Project Finance Agreements	\$650	12.96%
Whim Creek Project – Site maintenance and environmental monitoring	\$2,000	39.88%
Whim Creek Project – Direct exploration	\$300	5.98%
General working capital <sup>1</sup>	\$804	16.03%
Expenses of the Offers <sup>2</sup>	\$281	5.60%
<b>Total</b>	<b>\$5,015</b>	<b>100%</b>

### Notes:

- Working capital includes but is not limited to corporate office, administration, staff and operating costs, directors' fees, executive fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs. Settlement of the \$1M Whim Creek Project acquisition payment and the balance of required working capital for the next 12 months will be funded from currently available cash.
- Refer to Section 5.12 for details.
- The above table is based on the assumption that the Offers are fully subscribed. If the Offers are not fully subscribed, and depending on the amount raised, the Company intends to scale back its proposed expenditure on the Whim Creek exploration program and further rationalise site maintenance costs and working capital accordingly.

4. The above table includes does not include any funds raised from exercise of the New Options. To the extent that New Options are exercised, the funds raised are intended to be applied to ongoing exploration and general working capital.

The above table is a statement of current intentions as at the date of this Prospectus. As with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including exploration results, market conditions, the development of new opportunities and/or any number of other factors, and actual expenditure levels, may differ significantly from the above estimates.

### 1.8 Opening and Closing Dates

For the Entitlement Offer and the Top-Up Offer, the Company will accept Application Forms from the date it makes the Prospectus available to Eligible Shareholders until 5.00pm (AWST) on 26 October 2023 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Closing Date**).

The Shortfall Offer will remain open for a period of up to three months from the Closing Date (or such shorter period as determined by the Directors).

### 1.9 Minimum subscription

There is no minimum subscription for the Offers.

### 1.10 Effect on control of the Company

The total number of Shares proposed to be issued under the Offers is 143,301,305 which will constitute 25.00% of the Shares on issue following completion of the Offers (assuming no other Shares are issued or Securities exercised or converted to Shares prior to the Record Date).

The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company.

No nominee has been appointed for Ineligible Foreign Shareholders under section 615 of the Corporations Act and, as such, Eligible Shareholders will not be able to rely on the exception for rights issues in item 10 of section 611 of the Corporations Act. Accordingly, when an Eligible Shareholder applies for some or all of their Entitlement, they must have regard to section 606 of the Corporations Act. Eligible Shareholders who may be at risk of exceeding the 20% voting power threshold in section 606 as a result of acceptance of their Entitlement should seek professional advice before completing and returning their Application Form.

No New Shares will be issued to any Shareholder or Applicant pursuant to this Prospectus if, in the view of the Directors, to do so would increase that Shareholder's or Applicant's voting power in the Company above 20% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

### 1.11 Potential dilution

Shareholders should note that if they do not participate in the Offers, their holdings are likely to be diluted (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlement to Shares	Shareholding if Entitlement not subscribed	% post Offers
Shareholder 1	5,000,000	1.16%	1,666,666	5,000,000	0.87%

Shareholder 2	2,500,000	0.58%	833,333	2,500,000	0.44%
Shareholder 3	1,250,000	0.29%	416,666	1,250,000	0.22%
Shareholder 4	625,000	0.15%	208,333	625,000	0.11%
Shareholder 5	312,500	0.07%	104,166	312,500	0.05%

The dilution effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Top-Up Offer or the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting shortfall is not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

The above table also assumes that no Shares are issued, other than those offered pursuant to this Prospectus.

### 1.12 Substantial Shareholders

Based on information known to the Company as at the date of this Prospectus, those persons which together with their associates have a voting power in 5% or more of the Shares on issue are set out below:

Substantial Shareholder	Number of Shares	Voting power
Jetosea Pty Ltd	83,639,862	19.46%
Holihox Pty Ltd (PSR S/F A/C) <sup>(1)</sup>	29,470,720	6.86%
Bearay Pty Ltd <Brian Clayton S/F A/C>	22,181,372	5.16%

**Note:**

1. Mr Jackson has an indirect interest in these Shares by virtue of being a director and shareholder of this entity.

Jetosea Pty Ltd has provided the Company with an undertaking to subscribe for its Entitlement in full, subject to any scale-back required to ensure its voting power does not exceed 20% or otherwise result in any breach of the Listing Rules, the Corporations Act or any other applicable law.

### 1.13 No rights trading

The rights to Securities under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your Entitlement to any other party. If you do not take up your Entitlement by the Closing Date, your Entitlement will lapse.

### 1.14 Issue date and dispatch

All Securities under the Offers are expected to be issued on or before the date specified in the proposed timetable in this Prospectus.

Security holder statements will be dispatched at the end of the calendar month following the issue of the Securities under the Offers.

It is the responsibility of Applicants to determine their allocation prior to trading in the Securities. Applicants who deal with Securities before they receive their holding statements do so at their own risk.

#### **1.15 Application Monies held on trust**

All Application Monies received for the Shares under the Offers 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.

#### **1.16 ASX quotation**

Application has been or will be made for the official quotation of the Shares offered by this Prospectus. If permission is not granted by ASX for the official quotation of the Shares offered by this Prospectus within three 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.

The Company will not apply to ASX for quotation of the New Options offered under this Prospectus.

ASX takes no responsibility for the contents of this Prospectus.

#### **1.17 CHESS**

The Company participates in the Clearing House Electronic Sub-Register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the 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 specify 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 the Company's share registry and will contain the number of 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.

#### **1.18 SRN**

Following the issue of the New Options, you will be registered on the Issuer Sponsored sub-register and your statement will be despatched by the Share Registry and will contain the number of New Options issued to you under this Prospectus and your security holder reference number.

An 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.

## 1.19 Ineligible Foreign Shareholders

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of Securities 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 or the Securities under the Offers.

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.

The Company believes that it is unreasonable to extend the Entitlement Offer to Ineligible Foreign Shareholders. The Company has formed this view having considered:

- (a) the number and value of the Securities that would be offered to those Shareholders; and
- (b) the cost of complying with the legal requirements and the requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, Ineligible Foreign Shareholders will not be entitled to participate in the Entitlement Offer.

### **New Zealand**

The Securities are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these Securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021. In addition, for Shareholders who subscribe for New Shares, the Company will issue New Options for no consideration.

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This Prospectus is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### **Hong Kong**

**WARNING:** This Prospectus may be distributed in Hong Kong only to existing Shareholders of the Company. This Prospectus may not be distributed, published, reproduced or disclosed (in whole or in part) to any other person in Hong Kong or used for any purpose in Hong Kong other than in connection with the recipient's consideration of the Offers.

You are advised to exercise caution in relation to the Offers. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

This Prospectus has not been reviewed by any Hong Kong regulatory authority. In particular, this Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of the Laws of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong under Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong.

### **Singapore**

This Prospectus and any other materials relating to the New Shares and the New Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document relating to the New Shares and the New Options may not be issued, circulated or distributed, nor may such securities 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 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This Prospectus has been given to you on the basis that you are an existing holder of the Company's Shares. If you are not such a Shareholder, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the New Shares or the New Options being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire such securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

### **United Kingdom**

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

The New Shares and the New Options may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing shareholders of the Company. This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

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

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

#### **1.20 Notice to nominees and custodians**

Nominees and custodians that hold Shares should note that the Entitlement Offer and Top-Up 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 Shares. 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 Entitlement Offer and Top-Up Offer is compatible with applicable foreign laws.

### **1.21 Risk factors**

An investment in Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 4.

### **1.22 Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Securities under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Securities under this Prospectus.

### **1.23 Major activities and financial information**

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2023 can be found in the Annual Report announced on ASX on 29 September 2023.

The Company's continuous disclosure notices (i.e. ASX announcements) since 29 September 2023 are listed in Section 5.7.

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

### **1.24 Privacy**

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

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application 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 bodies corporate, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your application (as applicable).

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

### **1.25 Enquiries concerning Prospectus**

For enquiries concerning the Application Forms and the Prospectus, please contact the Company on +61 8 6143 1840 or [info@anaxmetals.com.au](mailto:info@anaxmetals.com.au).

For general Shareholder enquiries, please contact Automic on 1300 288 664.

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## **2. Action required to participate in the Offers**

### **2.1 Actions to be taken by Eligible Shareholders**

Eligible Shareholders may either:

- (a) take up all of their Entitlement (refer to Section 2.2);
- (b) take up all of their Entitlement (refer to Section 2.2) and also apply for Top-Up Shares (refer to Section 2.3);
- (c) take up part of their Entitlement (refer to Section 2.4); or
- (d) allow their Entitlement to lapse, if they do not wish to participate in the Offers (refer to Section 2.5).

Only investors invited by the Company will be eligible to participate in the Shortfall Offer (refer to Section 2.6), and only the Lead Manager or its nominees will be eligible to participate in the Lead Manager Offer (refer to Section 2.7).

### **2.2 Eligible Shareholders wishing to accept Entitlement in full**

If you wish to take up all of your Entitlement, you are required to make payment via BPAY® if you are an Australian resident, or EFT if you are an Eligible Shareholder resident in a jurisdiction other than Australia.

Payment is due by no later than 5.00pm (AWST) on the Closing Date. Note that when paying by BPAY® or EFT you are not required to submit the personalised Application Form but are taken to make the statements on that form.

### **2.3 Eligible Shareholders wishing to participate in the Top-Up Offer**

If you are an Eligible Shareholder and you wish to apply for New Shares in excess of your Entitlement under the Entitlement Offer by applying for Top-Up Shares, you are required to apply for more New Shares than the number shown in your personalised Application Form. To do this, make a payment for more than your Entitlement via BPAY® or EFT. The excess will be taken to be an application for Top-Up Shares.

Any Top-Up Shares applied for pursuant to the Top-Up Offer will be issued in accordance with the allocation policy described in Section 1.5.

Payment is due by no later than 5.00pm (AWST) on the Closing Date. Note that when paying by BPAY® or EFT you are not required to submit the personalised Application Form but are taken to make the statements on that form.

### **2.4 Eligible Shareholders wishing to take up only part of their Entitlement**

If you only wish to take up part of your Entitlement you are required to make payment via BPAY® if you are an Australian resident, or EFT if you are an Eligible Shareholder resident in a jurisdiction other than Australia.

If you wish to take up only part of your Entitlement, payment must be made by following the instructions on the personalised Application Form for the number of New Shares you wish to take up. If the Company receives an amount that is less than the offer price multiplied by your Entitlement, your payment may be treated as an application for as many New Shares as your Application Monies will pay for in full.

Payment is due by no later than 5.00pm (AWST) on the Closing Date. Note that when paying by BPAY® or EFT you are not required to submit the personalised Application Form but are taken to make the statements on that form.



## **2.5 Entitlements not taken up**

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your Entitlement.

## **2.6 Investors wishing to participate in the Shortfall Offer**

If you have been invited by the Company to apply for Shortfall Shares pursuant to the Shortfall Offer, you may make an application using the Application Form provided to you with a copy of this Prospectus.

Any Shortfall Shares applied for pursuant to the Shortfall Offer will be issued in accordance with the allocation policy described in Section 1.5.

Note that when paying by BPAY® or EFT you are not required to submit the personalised Application Form but are taken to make the statements on that form.

## **2.7 Lead Manager Offer**

Only the Lead Manager, or parties nominated by the Lead Manager may accept the Lead Manager Offer.

An Application Form in relation to the Lead Manager Offer will be issued to the nominees of the Lead Manager, together with a copy of this Prospectus.

## **2.8 How to Pay (Via BPAY® or EFT)**

The price of \$0.035 per New Share is payable on acceptance of your Application.

If you wish to participate in the Offers and are resident in Australia, you must make your payment by BPAY®.

If you are an Eligible Shareholder and are resident in a jurisdiction other than Australia, your application may be made through Electronic Funds Transfer (**EFT**) using the payment details in your Application Form.

Cash, cheques, bank drafts and money order payments will not be accepted. Receipts for payments will not be issued.

The Company will treat Applicants as applying for as many New Shares as their payment will pay for in full. If an Eligible Shareholder's payment will pay for more than their full Entitlement, the Company will treat the Eligible Shareholder as applying for their full Entitlement and the excess will be taken to be an application for Top-Up Shares pursuant to the Top-Up Offer. Any Application Monies received from Eligible Shareholders for more than their final allocation of Shares will be refunded except for where the amount is less than \$1.00 in which case it will be donated to a charity chosen by the Company. No interest will be paid on any Application Monies received or refunded.

Application Monies received from Eligible Shareholders will be held on trust until such time as the relevant New Shares are issued or the Application Monies are refunded.

To the fullest extent permitted by law, each Eligible Shareholder agrees that any Application Monies paid by them to the Company will not entitle them to any interest against the Company and that any interest earned in respect of Application Monies will belong to the

Company. This will be the case, whether or not all or none (if any Offer is withdrawn) of the New Shares applied for by a person are issued to that person.

For payment by BPAY® or EFT, please follow the instructions set out in this Section 2.8 or on your personalised Application Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please make sure to use the specific Biller Code and unique Reference Number which can be obtained by providing your details when prompted.

If Eligible Shareholders have more than one holding, they must login separately for each holding and use the Reference Number specific to the relevant holding. Alternatively, if Eligible Shareholders have requested a personalised Application Form and have more than one holding, they will receive separate forms for each holding. If Eligible Shareholders do not use the correct Reference Number specific to that holding, or inadvertently use the same Reference Number for more than one of their holdings, their application will be recorded against the holding associated with Reference Number they use.

You should be aware that your financial institution branch may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. It is your responsibility to ensure that your BPAY® or EFT payment is received by the Share Registry by no later than the relevant date by which funds are required to have been received.

Your BPAY® or FET application cannot be withdrawn once received, except for in the limited circumstances provided for under the Corporations Act. No cooling off period applies.

## **2.9 Application Form**

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

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

The Company will make a copy of this Prospectus, together with the relevant Application Form, available to all Eligible Shareholders.

By completing and returning your Application Form with the requisite Application Monies (if applicable), or making a payment via BPAY® or EFT, you will be deemed to have:

- (a) represented and warranted that you are an Eligible Shareholder, if your Application Form is in respect of the Entitlement Offer;
- (b) 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;
- (c) agreed to be bound by the terms of the relevant Offer;
- (d) declared that all details and statements in the Application Form are complete and accurate;
- (e) declared that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;

- (f) authorised the Company and its respective officers or agents, to do anything on your behalf necessary for the Securities 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 Application Form;
- (g) acknowledged that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that the Securities are suitable for you given your investment objectives, financial situation or particular needs; and
- (h) acknowledged that the Securities offered under this Prospectus have not, and will not be, registered under the securities laws in any jurisdictions outside Australia.

#### **2.10 Enquiries concerning your Entitlement**

For enquiries concerning the Application Forms and the Prospectus, please contact the Company on +61 8 6143 1840 or [info@anaxmetals.com](mailto:info@anaxmetals.com).

For general Shareholder enquiries, please contact Automic on 1300 288 664.

### 3. Effect of the Offers

#### 3.1 Capital structure on completion of the Offers

The following table sets out the Company's current capital structure and its diluted capital structure immediately following the successful completion of the Offers, assuming that:

- (a) the Offers are fully subscribed;
- (b) the maximum number of Lead Manager Options are issued under the Lead Manager Offer (see Section 5.3 for further details);
- (c) no Options or Performance Rights are exercised prior to the Record Date; and
- (d) no other New Shares are issued before the issue date.

	Shares	Options	Performance Rights
Balance at the date of this Prospectus	429,903,917	72,983,333 <sup>(1)</sup>	20,100,000 <sup>(2)</sup>
To be issued pursuant to the Entitlement Offer	143,301,305	71,650,653	Nil
Lead Manager Options	-	10,015,545	-
<b>Total</b>	<b>573,205,222</b>	<b>154,649,531</b>	<b>20,100,000</b>

**Notes:**

1. 72,983,333 Options, comprising:
  - a. 30,983,333 Options exercisable at \$0.045 each and expiring on 28 October 2023;
  - b. 2,000,000 Options exercisable at \$0.105 each and expiring on 28 May 2024;
  - c. 15,000,000 Options exercisable at \$0.12 each and expiring on 13 December 2024;
  - d. 15,000,000 Options exercisable at \$0.08 each and expiring on 13 December 2024; and
  - e. 10,000,000 Options exercisable at \$0.10 each and expiring on 29 June 2026.
2. 20,100,000 Performance Rights convertible to Shares subject to various milestones and expiry dates.

#### 3.2 Pro forma consolidated statement of financial position

Set out below is:

- (a) the reviewed consolidated statement of financial position of the Company as at 30 June 2023 (**Balance Date**);
- (b) the unaudited effects of the Entitlement Offer (assuming the Entitlement Offer is fully subscribed); and
- (c) the unaudited pro forma statement of financial position of the Company at the Balance Date adjusted to reflect paragraph 3.2(b).

The statements of financial position have been prepared to provide Shareholders with information on the assets and liabilities of the Company and the pro forma assets and liabilities of the Company as noted below. The historical and pro forma information is presented in abbreviated form and does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

	<b>30 JUNE 2023</b>	<b>ISSUE</b>	<b>PRO FORMA</b>
	\$	\$	\$
Current assets	1,989,490	4,735,000	6,724,490
Non-current assets	34,683,610	-	34,683,610
<b>Total assets</b>	<b>36,673,100</b>	<b>4,735,000</b>	<b>41,408,100</b>
Current liabilities	4,904,356	-	4,904,356
Non-current liabilities	14,762,308	-	14,762,308
<b>Total liabilities</b>	<b>19,666,664</b>	<b>-</b>	<b>19,666,664</b>
<b>NET ASSETS</b>	<b>17,006,436</b>	<b>4,735,000</b>	<b>21,741,436</b>
Net Issued Capital	48,987,531	4,735,000	53,722,531
Reserves	7,472,012	-	7,472,012
Accumulated losses	(39,453,107)	-	(39,453,107)
<b>TOTAL EQUITY</b>	<b>17,006,436</b>	<b>4,735,000</b>	<b>21,741,436</b>

### 3.3 Basis of Preparation

The pro forma balance sheet has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The pro forma statement of financial position is based on the reviewed financial position as at 30 June 2023 and is adjusted to reflect the following assumptions:

- (a) the Entitlement Offer is fully subscribed and \$5,015,546 is raised; and
- (b) the estimated expenses of the Offers are \$280,546.

Other than in the ordinary course of business or as described above, there have been no other material changes to the Company's financial position between 30 June 2023 and the date of this Prospectus.

### 3.4 Market price of Shares

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

Highest: \$0.072 on 5 July 2023

Lowest: \$0.036 on 29 September 2023

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.036 per Share on 29 September 2023.

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## 4. Risk Factors

Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks; however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which investors need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

### 4.1 Risks specific to the Company

#### (a) Exploration and development risk

The Company is currently loss making (having incurred net losses in each year since inception) and will require further financing in the future, in addition to amounts raised pursuant to the Offers. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or Issue Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

The future capital requirements of the Company will depend on many factors, including the pace and magnitude of the development of its business and sales, increasing operating costs and inflation risks which may adversely affect the Company's performance. As such, the Company may need to raise additional funds from time to time to finance the ongoing development and commercialisation of its technology and to meet its other longer-term objectives.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and of securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing shareholders will be diluted.

#### (b) Mine development

Possible future development of mining operations at the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, cost

overruns, access to the required level of funding and contracting risk for third parties providing essential services.

No assurance can be given that any of the Company's projects will achieve commercial viability. The risks associated with the development of a mine will be considered in full as part of the Company's exploration activities and will be managed with ongoing consideration of stakeholder interests.

(c) **Future capital and funding requirements**

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds under the Offers should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Prospectus. However, the Company may require additional funding in the future in order to fund its business development activities, exploration program and other Company objectives.

In order to successfully develop its projects and for production to commence, the Company will require further financing in the future, in addition to amounts raised pursuant to the Offers. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or price per Share pursuant to the Offers) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities, including resulting in its tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and of securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing Shareholders will be diluted.

(d) **Joint venture risks**

The Company is currently and may in the future become a party to joint venture agreements governing the exploration and development of its projects. There is a risk that one of the Company's joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. This may have an adverse effect on the interests and prospects of the Company.

As with any joint venture, the Company is subject to the risk that changes in the status of its joint venture partner (including changes caused by financial failure or default by a participant in the joint venture) or acts or omissions by its joint venture partner may adversely affect the position of the Company.

(e) **New projects and potential acquisitions**

The Company will actively pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.

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 the 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 other 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.

(f) **Currency volatility**

International prices of various commodities, including gold, are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken in account in Australian dollars, consequently exposing the Company to fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined by the international markets.

## 4.2 Mining industry risks

(a) **Resource risk**

There is inherent uncertainty with mineral resource estimates. In addition, there is no guarantee that inferred mineral resource estimates can successfully be converted to indicated or measured mineral resource estimates to allow potential reserve estimates. There remains risk, regardless of JORC Code or other status, with actual mining performance against any resource or reserve estimate.

(b) **Operating risk**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Unless and until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.



(c) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its 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 the project.

(d) **Environmental risks**

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

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

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(e) **Resource estimates and targets**

The Company has previously announced a maiden mineral resource estimate for the Whim Creek Project. Mineral resource and ore reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally made may alter significantly when new information becomes available.

In addition, by their very nature, resource and reserve estimates are imprecise and depend on interpretations which may prove to be inaccurate, and whilst the Company employs industry-standard techniques including compliance with the JORC Code 2012 to reduce the resource and reserve estimation risk, there is no assurance that

this approach will alter the risk. As further information becomes available through additional fieldwork and analysis, reserve and resource estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect the Company.

(f) **Grant, tenure and forfeiture of licences**

The Company's tenements are subject to the applicable mining acts and regulations in Western Australia, pursuant to which mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. There is no guarantee that current or future tenements or future applications for production tenements will be approved. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements 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.

Prior to any development on any of its properties, subsidiaries of the Company must receive licences/permits from appropriate governmental authorities. Notwithstanding that all regulatory approvals from Department of Mines Industry Regulation and Safety (DMIRS) and Department of Water and Environmental Regulation (DWER) have been received to enable commencement of open pit mining and processing of Mons Cupri and Whim Creek ore (including construction of a three-cell In-Pit Tailings Storage facility (TSF) and accommodation village), additional regulatory approvals will be required for planned operations at Evelyn and Salt Creek. While this work is underway there is no certainty that these approvals will be granted, that they will be granted without undue delay, or that the Company can economically comply with any conditions imposed on any granted permits.

The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Western Australia and the ongoing expenditure being budgeted by the Company. However, the consequences of forfeiture or involuntary surrender of a granted tenement for reasons beyond the control of the Company could be significant.

Similarly, the rights to mining leases and exploration licences carry with them various obligations which the holder is required to comply with in order to ensure the continued good standing of the lease or licence and, specifically, obligations in regard to minimum expenditure levels and responsibilities in respect of the environment and safety. Failure to observe these requirements could prejudice the right to maintain title to a given area and result in government action to forfeit a lease or leases or licence or licences. There is no guarantee that current or future exploration applications or existing licence renewals will be granted, that they will be granted without undue delay, or that the Company can economically comply with any conditions imposed on any granted exploration permits.

(g) **Native title and Aboriginal heritage**

Pursuant to the terms of the heritage deed between the National Aboriginal Conference (NAC) and the Company (Heritage Deed), prior to commencing mining operations at Evelyn (M47/1455), the Company must negotiate in good faith with NAC with the object of reaching an agreement as to the consent of NAC to the mining operations, including compensation to NAC in relation to those productive mining

activities. If an agreement is not reached in the timeframes provided in the Heritage Deed, the matter must be determined by a private arbitration process outlined in the Heritage Deed. There is risk that the outcome of those negotiations may result in a less economic outcome, or that the time taken to reach agreement may delay commencement of productive mining on M47/1455.

Access to land for exploration purposes can be adversely affected by land ownership, including private (freehold) land, pastoral lease and native title land or claims under the Native Title Act 1993 (Cth) (**NTA**) (or similar legislation in the jurisdiction where the Company operates). The effect of the NTA is that existing and new tenements held by the Company may be affected by native title claims and procedures.

There is a risk that a determination could be made that native title exists in relation to land the subject of a tenement held or to be held by the Company which may affect the operation of the Company's business and development activities. In the event that it is determined that native title does exist, or a native title claim has been registered, the Company may need to comply with procedures under the NTA in order to carry out its operations or to be granted any additional rights required. Such procedures may take considerable time, involve the negotiation of significant agreements, may involve access rights, and require the payment of compensation to those persons holding or claiming native title in the land the subject of a tenement.

The involvement in the administration and determination of native title issues may have a material adverse impact on the position of the Company in terms of cash flows, financial performance, business development, and the Share price.

(h) **Third party tenure risks**

Under Western Australian and Commonwealth legislation, the Company may be required, in respect of exploration or mining activities on its tenements, to recognise the rights of, obtain the consent of, and/or pay compensation to the holders of third-party interests which overlay areas within the tenements, including other mining tenure, pastoral leases or petroleum tenure.

The Company will continue to be required to negotiate access arrangements and pay compensation to land owners, local authorities, traditional land users and others who may have an interest in the area covered by a tenement. The Company's ability to resolve access and compensation issues will have an impact on the future success and financial performance of the Company's operations. If the Company is unable to resolve such compensation claims on economic terms, this could have a material adverse effect on the business, results or operations and financial condition of the Company.

Any delays or costs in respect of conflicting third-party rights (for example, in relation to the assignment of any access agreements or the relocation of existing infrastructure on any existing miscellaneous licences that overlap with a tenement), obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas.

(i) **Commodity and currency price risk**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. The price of gold, lithium and other minerals fluctuate and are 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 values of gold, lithium, and other minerals could cause the 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 prices of commodities, 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 as commercial quantities of gold, lithium, and base metals are produced, a profitable market will exist for it.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

In addition to adversely affecting any potential future 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.

(j) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition, including major mineral exploration and production companies. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

The Company's current and future potential competitors may include entities with greater financial and other resources than the Company which, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these entities.

(k) **Third party contractor risks**

The Company is unable to predict the risk of insolvency or managerial failure by any of the third-party contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by

the Company for any activity. The effects of such failures may have an adverse effect on the Company's activities.

(l) **Results of Studies**

Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in respect of its projects. The Company has already completed a definitive feasibility study and heap leach scoping study in relation to the Whim Creek Project.

The further studies may include scoping, pre-feasibility, definitive feasibility (in relation to other projects) and bankable feasibility studies.

These studies will be completed within parameters designed to determine the economic feasibility of the Projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

Even if a study confirms the economic viability of a project, there can be no guarantee that the Project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (for example, operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds.

The Company's scoping study in relation to the Whim Creek Project identified a number of specific risks that will be addressed part of future studies, including but not limited to: the absence of offtake agreements in place for produced concentrates, the requirement for consent and compensation in relation to heritage agreements with NAC at M47/1455, the Company's requirement for additional project funding in the future, fluctuations in copper price and Australian dollar exchange rate, cost escalation in light of the current high inflation environment, the costs involved with the Company's commitment to sustainability reporting, the recent changes to the *Aboriginal Cultural Heritage Act 2021 (WA)* and project implementation and operational costs.

(m) **Funding risk**

Until commissioning and generation of cashflows, the Company's projects will be dependent on the Company's ability to secure future equity and/or debt funding (in addition to funds raised under Entitlement Offer), to support its pre-development and development activities. Although it has been assumed that project funding will be available, there are currently no binding funding agreements in place for the Company's projects.

The Company is currently progressing discussions with several interested parties to provide debt funding in connection with the Company's Whim Creek Project. These discussions are current and continuing, however they remain subject to completion of satisfactory due diligence and execution of definitive binding agreements and there is no certainty that terms will be agreed or that conditions to any such funding will be satisfied.

It is also possible that the Company could pursue other strategies to provide alternative funding options including undertaking a corporate transaction, seeking a joint venture partner or asset sales, all of which may result in dilution of ownership at the project and/or Company level.

Notwithstanding there are offtake discussions currently underway with several interested parties, there are currently no binding offtake agreements in place for the concentrates produced from the Whim Creek Project.

(n) **Budget risk**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of operations. 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.

(o) **Project implementation**

Construction of the Company's Whim Creek Project may not be completed on schedule or at the budgeted construction cost, while issues in commissioning the mine or the associated metallurgical processes may arise. Modular offsite construction of the process plant and simple site erection of the modules reduces this risk.

Skills shortages remain a key risk for the project development phase. There is a limited pool of experienced development and technical personnel with experience in developing remote mine sites in the Pilbara. This, combined with the low Australian unemployment rate increases the risk of finding and retaining a suitably skilled workforce.

These key risk areas will form the basis of a detailed risk register to be actively managed throughout the implementation phase through the development of risk controls and the implementation of appropriate standards and management systems.

(p) **Reliance on key personnel**

The Company is reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.

The novelty of the Company's Whim Creek Project introduces technical and commercial challenges. The loss of key executives and management with skills and experience with this could have an impact on activities and the ability to develop the Whim Creek Project.

(q) **Staffing**

It may be difficult for the Company to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants.

There is a limited pool of experienced development and technical personnel with experience in operating within remote mine sites in the Pilbara. This, combined with

the low Australian unemployment rate increases the risk of finding and retaining a suitably skilled workforce.

(r) **Climate change**

There are a number of climate-related factors that may affect the Company's business. Climate change or prolonged periods of adverse weather and climatic conditions (including rising sea levels, floods, hail, drought, water, scarcity, temperature extremes, frosts, earthquakes and pestilences) may have an adverse effect on the Company's ability to access its Projects and therefore the Company's ability to carry out services.

Changes in policy, technological innovation and consumer or investor preferences could adversely impact the Company's business strategy, particularly in the event of a transition (which may occur in unpredictable ways) to a lower-carbon economy.

(s) **Occupational health and safety**

Site safety and occupational health and safety outcomes are a critical element in the reputation of the Company and its ability to retain and be awarded new contracts in the resources industry. While the Company has a strong commitment to achieving a safe performance on site a serious site safety incident could impact upon the reputation and financial outcomes for the Company. Operating a project in a remote location provides a range of health and safety risks that will need to be managed.

Additionally, laws and regulations as well as the requirements of customers may become more complex and stringent or the subject of increasingly strict interpretation and/or enforcement. Failure to comply with applicable regulations or requirements may result in significant liabilities, to suspended operations and increased costs.

Industrial accidents may occur in relation to the performance of the Company's services. Such accidents, particularly where a fatality or serious injury occurs, or a series of such accidents occurs, may have operational and financial implications for the Company which may negatively impact on the financial performance and growth prospects for the Company.

(t) **Insurance**

The Company intends to continue to insure its operations in accordance with industry practice. 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 against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(u) **Unforeseen expenses**

The Company's cost estimates and financial forecasts include appropriate provisions for material risks and uncertainties and are considered to be fit for purpose for the proposed activities of the Company. If risks and uncertainties prove to be greater than expected, or if new currently unforeseen material risks and uncertainties arise, the expenditure proposals of the Company are likely to be adversely affected.

### 4.3 General risks

(a) **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. It could interrupt the Company carrying out its contractual obligations, cause disruptions to supply chains or interrupt the Company's ability to access capital.

(b) **General economic climate**

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs. The Company's future income, asset values and share price can be affected by these factors and, in particular, by exchange rate movements.

(c) **Securities investments**

Applicants should be aware that there are risks associated with any securities investment. The prices at which the Company's Shares trade may be above or below the issue price of the Offers and may fluctuate in response to a number of factors. Further, the stock market is prone to price and volume fluctuations. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Shares, regardless of the Company's operational performance.

(d) **Government and legal risk**

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Shares. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect its permits. However, changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's development plans or its rights and obligations in respect of its permits. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

(e) **Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. As at the date of this Prospectus, there are no material legal



proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

(f) **Force majeure**

Force majeure is a term used to refer to an event beyond the control of a party claiming that the event has occurred. Significant catastrophic events – such as war, acts of terrorism, pandemics, loss of power, cyber security breaches or global threats – or natural disasters – such as earthquakes, fire or floods or the outbreak of epidemic disease – could disrupt the Company's operations and interrupt critical functions, or otherwise harm the business. To the extent that such disruptions or uncertainties result in delays or cancellations of the deployment of the Company's products and solutions, its business, results of operations and financial condition could be harmed.

(g) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation 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 Securities under this Prospectus.

(h) **Unforeseen risk**

There may be other risks which the Directors are unaware of at the time of issuing this Prospectus which may impact on the Company, its operations and/or the valuation and performance of its Securities.

#### **4.4 Speculative investment**

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 Securities offered under this Prospectus.

Therefore, the Securities to be issued under the Offers 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 suitably qualified professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

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## **5. Additional information**

### **5.1 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 meeting and notices**

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

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

#### **(b) Ranking of Shares**

At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.

#### **(c) Voting rights**

Subject to any rights or restrictions, at general meetings of Shareholders or classes of shareholders:

- (i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy 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, has one vote for every fully paid Share held and a fraction of one vote for each partly paid-up Share held, equal to the proportion which the amount paid up on that Share (excluding amounts credited) is to the total amounts paid up and payable (excluding amounts credited) on that Share.

#### **(d) Dividend rights**

Subject to the rights of the holders of any shares with special rights to dividends, the Directors may determine or declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid is of the total amounts paid and payable in respect of such Shares.

No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend. The Directors may capitalise any profits of the Company and distribute that capital to the Shareholders, in the same proportions as the Shareholders are entitled to a distribution by dividend.

(e) **Variation of rights**

If at any time the share capital is divided into different classes of shares, the rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares in that class.

(f) **Transfer of Shares**

Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in any usual or common form, or in any other form that the Directors approve. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien. The Company must refuse to register a transfer of Shares where the Corporations Act, Listing Rules or ASX Settlement Operating Rules or a law about stamp duty requires the Company to do so.

(g) **Future increase in capital**

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

(h) **Rights on winding up**

If the Company is wound up, the liquidator may with the sanction of special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair on 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.

(i) **Alteration of constitution**

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

## 5.2 **Terms and conditions of New Options**

The terms and conditions of the New Options (including the Lead Manager Options) (referred to in this Section 5.2 as “**Options**”) are as follows:

- (a) **(Entitlement)**: Each Option gives the holder the right to subscribe for one Share.
- (b) **(Expiry Date)**: The Options will expire at 5:00pm (AWST) on 31 December 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) **(Exercise Price)**: the amount payable upon exercise of each Option is \$0.06 per Option (**Exercise Price**).

- (d) **(Exercise)** A holder may exercise their Options by lodging with the Company, before the Expiry Date:
  - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
  - (ii) an electronic funds transfer for the Exercise Price for the number of Options being exercised.
- (e) **(Exercise Notice)** An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 50,000 must be exercised on each occasion.
- (f) **(Timing of issue of Shares on exercise)** Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (g) **(Transferability)** The Options are not transferable.
- (h) **(Ranking of Shares)** All Shares allotted upon the exercise of Options will upon allotment be fully paid and rank pari passu in all respects with other Shares.
- (i) **(Quotation)** The Company will not apply for quotation of the Options on ASX.
- (j) **(Adjustments for reorganisation)** If there is any reorganisation of the issued share capital of the Company, the rights of the holders of Options will be varied in accordance with the Listing Rules.
- (k) **(Dividend rights)** An Option does not entitle the holder to any dividends.
- (l) **(Voting rights)** An Option does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.
- (m) **(Entitlements and bonus issues):** Holders of Options will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.
- (n) **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
  - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the holder of Options would have received if the holder had exercised the Option before the record date for the bonus issue; and
  - (ii) no change will be made to the Exercise Price.
- (o) **(Return of capital rights):** The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (p) **(Rights on winding up):** The Options have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.
- (q) **(Takeovers prohibition):**

- (i) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
  - (ii) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.
- (r) **(No other rights):** An Option does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

### 5.3 Lead Manager Mandate

The Company engaged Veritas Securities Limited (**Lead Manager**) as lead manager to the Entitlement Offer. On completion of the Entitlement Offer, the Lead Manager (or its nominees) is entitled to receive (in each case, excluding GST):

- (a) a management fee of 2% of the total gross proceeds of the Offers;
- (b) a selling fee of 4% on the total gross proceeds raised from placing any Shortfall; and
- (c) up to 10,015,546 New Options comprising:
  - (i) 5,000,000 New Options; and
  - (ii) 1 New Option per \$1.00 raised under the Top-Up and Shortfall Offer up to a maximum of 5,015,546 New Options,
 (together, the **Lead Manager Options**).

The Lead Manager Options will be issued using the Company's available placement capacity under Listing Rule 7.1.

### 5.4 Underwriting Agreements

The Company has entered into separate underwriting agreements with Directors Peter Cordin, Philip Warren and Chief Financial Officer Jenine Owen or entities associated with Messrs Cordin and Warren and Mrs Owen (**Underwriting Agreements**) pursuant to which Messrs Cordin and Warren have agreed to partially underwrite the Entitlement Offer up to the amount of \$220,000 (**Underwritten Amount**) on the basis described below:

Director / Officer	Underwriter	Extent of Underwriting		
		Commitment	New Shares	New Options
Peter Cordin	Peter Cordin	\$100,000	2,857,142	1,428,571
Philip Warren	Philuchna Pty Ltd <PM & NA Warren Family A/C>	\$100,000	2,857,142	1,428,571
Jenine Owen	Owen Dinga Mana Trust A/C	\$20,000	571,428	285,714
<b>TOTAL</b>	-	<b>\$220,000</b>	<b>6,285,712</b>	<b>3,142,856</b>

No fees will be payable to Messrs Cordin or Warren, or Mrs Owen under the Underwriting Agreements.

Messrs Cordin and Warren and Mrs Owen may only terminate their obligations under the Underwriting Agreements if the Entitlement Offer is withdrawn.

## 5.5 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 securities 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 Securities.

The Company is also required to prepare and lodge with 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 ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.7 below). Copies of all documents announced to the ASX can be found on the Company's website.

## 5.6 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.

## 5.7 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 ASIC. The Company will provide free of charge to any person who requests it during the period of the Offers a copy of:

- (a) the annual report of the Company for the financial year ended 30 June 2023, being the last annual report of the Company lodged with ASIC before the issue of this Prospectus; and
- (b) the following notice was given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the financial statements referred to in paragraph (a) above until the date of this Prospectus:

Date	Subject
29 September 2023	<i>Appendix 4G and Corporate Governance Statement</i>
29 September 2023	<i>Annual Report to shareholders</i>

The following documents are available for inspection throughout the period of the Offers 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 5.13 and the consents provided by the Directors to the issue of this Prospectus.

## 5.8 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

## 5.9 Determination by ASIC

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

## 5.10 Interests of Directors

### (a) Information disclosed in this Prospectus

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

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

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

as an inducement to become, or to qualify as, a Director; or

- (iv) for services provided in connection with:
  - (A) the formation or promotion of the Company; or
  - (B) the Offers.

### (b) Security holdings

The relevant interests of each of the Directors in Securities as at the date of this Prospectus is set out below.

Director	Shares	Options	Performance Rights
Phillip Jackson	29,470,720	4,000,000 <sup>(1)</sup>	Nil
Geoff Laing	14,291,457	Nil	8,100,000 <sup>(4)</sup>
Peter Cordin	2,174,577	2,000,000 <sup>(2)</sup>	Nil
Philip Warren	215,000	5,000,000 <sup>(3)</sup>	Nil

#### Notes:

1. 4,000,000 Options exercisable at \$0.045 each and expiring on 28 October 2023.
2. 2,000,000 Options exercisable at \$0.045 each and expiring on 28 October 2023.

3. Comprised of 3,000,000 Options exercisable at \$0.045 each and expiring on 28 October 2023 and 2,000,000 Options exercisable at \$0.105 each and expiring on 28 May 2024.
4. 8,100,000 Performance Rights convertible to Shares on a 1-for-1 basis and subject to various milestones with expiry dates ranging from 28 October 2022 to 2 June 2025.

The Directors intend to take up all or part of their respective Entitlements pursuant to the Entitlement Offer.

The Company has entered into separate underwriting agreements with Directors Peter Cordin and Philip Warren, and Chief Financial Officer Jenine Owen or entities associated with Messrs Cordin and Warren, and Mrs Owen. Refer to Section 5.4 for details.

(c) **Remuneration**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The aggregate amount fixed is \$500,000. This aggregate amount is to be allocated among the non-executive directors as the Directors shall determine and, in default of agreement between them, then in equal shares. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

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. The Company currently has one Executive Director, being the Company's Managing Director, Geoffrey Laing.

Mr Laing is engaged on the following terms:

- (i) Term: No fixed term. Commenced on 1 July 2018.
- (ii) Remuneration: Base salary of \$309,000 per year (excluding superannuation), with no agreed discretionary incentives.
- (iii) Termination:
  - (A) Either Mr Laing or the Company may terminate the employment upon the provision of at least three months' written notice to the other party.
  - (B) The Company has standard summary termination rights upon the provision of written notice to Mr Laing.

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 table below sets out the remuneration provided to the Directors of the Company and their associated companies during the last two financial years (FY), inclusive of directors fees, consultancy fees, superannuation benefits, share-based payments and annual leave accruals:

Director	FY ended 30 June 2023	FY ended 30 June 2022
Phillip Jackson <sup>(1)</sup>	\$67,295	\$80,084



Geoffrey Laing	\$431,175	\$348,744
Peter Cordin	\$50,416	\$56,542
Philip Warren	\$50,416	\$157,617

**Note:** In addition to the above, Holihox Consulting Pty Ltd, an entity of which Mr Phillip Jackson is a director, was paid an aggregate of \$76,000 during the last two FY (\$36,000 during each FY) in consideration for the provision of legal consultation services to the Company.

### 5.11 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 Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Securities offered under this Prospectus; 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 Securities offered under this Prospectus.

### 5.12 Expenses of the Offers

The estimated expenses of the Offers are as approximately as follows (excluding GST):

Estimated expense	\$
ASIC fees	\$3,206
ASX quotation fees	\$16,000
Lead Manager fees	\$220,000
Legal and preparation expenses	\$29,400
Printing, mailing and other expenses	\$11,940
<b>Total</b>	<b>\$280,546</b>

### 5.13 Consents

- (a) Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Securities 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.
- (b) Each of the parties referred to in this Section:
  - (i) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and

- (ii) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.
- (c) Veritas Securities Limited has given its written consent to being named as the Lead Manager to the Entitlement Offer in this Prospectus. Veritas Securities Limited has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.
- (d) Hamilton Locke has given its written consent to being named as the Australian corporate solicitors to the Company in this Prospectus. Hamilton Locke has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.
- (e) Automic has given its written consent to being named as the share registry to the Company in this Prospectus. Automic has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

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**6. Directors' authorisation**

The issue of this Prospectus has been 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: 29 September 2023

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## 7. Glossary

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

**\$** means Australian dollars.

**Applicant** means a person who submits an Application Form.

**Application Form** means the application form provided by the Company with a copy of this Prospectus pursuant to an Offer.

**Application** means a valid application for Securities made on an Application Form.

**Application Monies** means application monies for Securities received by the Company.

**ASIC** means the 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.

**AWST** means Australian Western Standard Time.

**Balance Date** has the meaning given in Section 3.2.

**Board** means the Directors meeting as a board.

**Business Day** means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

**CHESS** means ASX Clearing House Electronic Subregistry System.

**Closing Date** or **Entitlement Offer Closing Date** has the meaning given to it in Section 1.8.

**Company** means Anax Metals Limited (ACN 106 304 787).

**Constitution** means the constitution of the Company as at the date of this Prospectus.

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

**Directors** mean the directors of the Company.

**Eligible Shareholder** means a person registered as the holder of Shares on the Record Date whose registered address is in Australia or, subject to Section 1.19, New Zealand, Hong Kong, Singapore or the United Kingdom.

**Entitlement** means the number of new Securities for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 1 New Share for every existing 3 Shares held on the Record Date and 1 free New Option for every 2 New Shares issued.

**Entitlement Offer** means the offer under this Prospectus of New Shares to Eligible Shareholders in the proportion of 1 New Share for every existing 3 Shares held on the Record Date and 1 free New Option for every 2 New Shares issued.

**FY** means financial year.

**Ineligible Foreign Shareholder** means a person registered as the holder of Shares on the Record Date who is not an Eligible Shareholder.

**Issuer Sponsored** means Shares 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.

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

**Lead Manager Mandate** means the capital raising mandate between the Company and the Lead Manager (refer to Section 5.3 for further details).

**Lead Manager** means Veritas Securities Limited (ACN 117 124 535).

**Lead Manager Options** has the meaning given in Section 5.3.

**Listing Rules** means the listing rules of ASX.

**NAC** means the National Aboriginal Conference.

**New Options** means the Options offered under this Prospectus.

**New Shares** means the Shares offered pursuant to this Prospectus.

**Offers** means the offers under this Prospectus to subscribe for Securities, namely, the Entitlement Offer, Top-Up Offer, Shortfall Offer and Lead Manager Offer, and **Offer** means any one of those Offers, as applicable.

**Option** means the right to acquire one Share in the capital of the Company.

**Performance Right** means a right to acquire one Share in the capital of the Company, subject to the satisfaction (or where permitted, waiver by the Company) of certain performance conditions.

**Prospectus** means this prospectus dated 29 September 2023.

**Record Date** means 5.00pm (AWST) on the date identified in the Timetable as the record date.

**Secondary Offers** means the Top-Up Offer, Shortfall Offer and Lead Manager Offer and **Secondary Offer** means any one of those Secondary Offers, as applicable.

**Section** means a section of this Prospectus.

**Securities** mean any securities including Shares, Options or Performance Rights issued or granted by the Company.

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

**Shareholder** means a holder of Shares.

**Shortfall Offer** means the offer of the Shortfall under this Prospectus, which includes the offer in relation to the Shortfall Securities.

**Shortfall or Shortfall Securities** means Entitlements not subscribed for under the Entitlement Offer or the Top-Up Offer.

**Timetable** means the timetable on page 3.

**Top-Up Offer** means the offer to Eligible Shareholders under this Prospectus to subscribe for Securities in excess of their Entitlements.

**Top-Up Securities** means the New Shares and New Options offered to Eligible Shareholders under the Top-Up Offer.

**Underwriting Agreements** has the meaning given in Section 5.4.

**Underwritten Amount** has the meaning given in Section 5.4.