



ACN 654 839 602

## PROSPECTUS

For an offer by the Company of up to 40,000,000 Shares at an issue price of \$0.20 each to raise up to \$8,000,000 (before costs) (IPO Offer). The minimum subscription under the IPO Offer is 30,000,000 Shares at an issue price of \$0.20 each to raise \$6,000,000 (before costs).

This Prospectus is also being issued for the following Additional Offers:

- an offer of 2,500,000 Lead Manager Options to the Lead Manager (or its nominees) (Lead Manager Offer); and
- an offer of 3,850,000 Incentive Options and 1,500,000 Performance Options to the Directors and Management (or their respective nominees) and 2,500,000 MD Performance Rights to the Managing Director (or his nominees) (Management Offer).

### LEAD MANAGER



Important: This Prospectus is an important document and it should be read in its entirety. Please read the instructions in this Prospectus and the relevant Application Form regarding acceptance of an Offer. Investors who do not understand this document should consult their stockbroker, lawyer, accountant or other professional adviser before deciding to apply for Securities under an Offer. The Securities offered by this Prospectus should be considered highly speculative.

# Contents

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<b>Important Information</b>	<b>3</b>
<b>Key Numbers and Dates</b>	<b>5</b>
<b>Chairman's Letter</b>	<b>6</b>
<b>1 Investment Overview</b>	<b>7</b>
<b>2 Offer Details</b>	<b>25</b>
<b>3 Company and Project Overview</b>	<b>39</b>
<b>4 Financial Information</b>	<b>48</b>
<b>5 Risk Factors</b>	<b>66</b>
<b>6 Key People and Corporate Governance</b>	<b>78</b>
<b>7 Material Contracts</b>	<b>89</b>
<b>8 Additional Information</b>	<b>97</b>
<b>9 Definitions</b>	<b>122</b>
<b>Attachment 1 – Independent Geological Report</b>	<b>127</b>
<b>Attachment 2 – Solicitor Tenement Report</b>	<b>206</b>
<b>Attachment 3 – Independent Limited Assurance Report</b>	<b>250</b>
<b>Corporate Directory</b>	<b>256</b>

# Important Information

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## General

This prospectus (**Prospectus**) is issued by OD6 Metals Limited (ACN 654 839 602) (**OD6** or **Company**).

This Prospectus is dated 10 May 2022 (**Prospectus Date**) and a copy was lodged with ASIC on that date. ASIC does not take responsibility for the contents of this Prospectus.

The Company will apply to ASX for admission to the Official List and for its Shares to be granted quotation on the ASX within 7 days after the Prospectus Date.

The fact that ASX may list the Shares of the Company is not to be taken in any way as an indication of the merits of the Company or its Securities.

ASX takes no responsibility for the contents of this document, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of this document.

No Securities will be issued pursuant to this Prospectus later than 13 months after the Prospectus Date.

Persons wishing to apply for Securities pursuant to an Offer must do so using the relevant Application Form attached to or accompanying this Prospectus. Before applying for Securities, investors should carefully read this Prospectus so that they can make an informed assessment of the rights and liabilities attaching to the Securities, the assets and liabilities of the Company, its financial position and performance, profits and losses, and prospects.

Any investment in the Company should be considered highly speculative. Investors who do not understand this document should consult their stockbroker, lawyer, accountant or other professional adviser before deciding to apply for Securities under an Offer.

No person is authorised to give any information or to make any representation in relation to an Offer which is not contained in this Prospectus. Any such information or representations may not be relied upon as having been authorised by the Directors.

## Prospectus availability

The Corporations Act allows distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

A copy of this Prospectus can be downloaded from the Company's website at [www.OD6metals.com.au](http://www.OD6metals.com.au). Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company on +61 8 6189 8515.

## Exposure Period

The Corporations Act prohibits the Company from processing applications under the Offers during a period of 7 days after the Prospectus Date (**Exposure Period**). The Exposure period may be extended by ASIC for a further period of up to 7 days.

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. Investors should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act.

The Company will not accept applications until after the expiry of the Exposure Period. No preference will be conferred on persons who lodge applications prior to the expiry of the Exposure Period.

## Additional Offers

This Prospectus also contains Additional Offers of Securities. Please refer to section 2.4 for further details.

## Conditional Offers

The Offers contained in this Prospectus are conditional on certain events occurring. If these events do not occur, the Offers will not proceed, and investors will be refunded their Application Monies without interest. See section 2.5 for further details on the conditions attaching to the Offers.

## Target market determination

Section 994B(3)(c) of the Corporations Act applies to the offers of Incentive Options, Performance Options and MD Performance Rights as they are also being issued under the Plan. In addition, the Lead Manager (and its nominees) are expected to fall within exceptions under section 708 of the Corporations Act, such that the Company is not required to issue a disclosure document under Part 6D.2 of the Corporations Act in relation to the Lead Manager Offer. Accordingly, no target market determination under section 994B of the Corporations Act has been prepared in relation to the Management Offer or Lead Manager Offer.

## Foreign investor restrictions

The offers of Securities under this Prospectus do not constitute offers in any jurisdiction outside Australia, however certain persons resident in New Zealand, Hong Kong, Singapore and the United Kingdom may be eligible to participate in the Offers on the basis outlined in section 2.15.

The Offers are not made to persons or places to which, or in which, it would not be lawful to make such an offer of Securities. Any persons in such places who come into possession of this Prospectus should seek advice on and comply with any legal restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other

than Australia should consult their professional advisers as to whether any regulatory or other consents are required or whether any other formalities need to be considered and followed.

### **No cooling off rights**

Applicants have no cooling off rights in relation to Securities for which they apply. This means that an applicant is not permitted or entitled to withdraw its application once submitted, other than in certain circumstances under the Corporations Act.

### **Risk factors**

Before deciding to invest in the Company, investors should read the entire Prospectus and, in particular, in considering the prospects of the Company, investors should consider the risk factors that could affect the financial performance and assets of the Company. Investors should carefully consider these factors in light of personal circumstances (including financial and taxation issues). The Securities offered by this Prospectus should be considered highly speculative. See section 5 for information relating to risk factors.

Persons considering applying for Securities pursuant to this Prospectus should obtain professional advice from an accountant, stockbroker, lawyer or other adviser before deciding whether to invest.

### **Competent Person statements**

The information contained in this Prospectus that relates to exploration results is based on and fairly represents information and supporting documentation prepared by Mr Beau Nicholls, Principal Consultant at Sahara Operations (Australia) Pty Ltd. Mr Nicholls, a member of the Australian Institute of Geoscientists, has sufficient experience relevant to the style of mineralisation and type of deposits under consideration, and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC Code. Mr Nicholls consents to the inclusion of the matters based on his information in the form and context in which the exploration results and supporting information are presented in this Prospectus.

### **Disclaimers**

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance is not indicative of future performance.

Certain statements in this Prospectus constitute forward looking statements. These forward-looking statements are identified by words such as "may", "could", "believes", "expects", "intends", and other similar words that involve risks and uncertainties. Investors should note that these statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors which could cause actual values or results, performance or achievements to differ materially from anticipated results, implied values, performance or achievements expressed, projected or implied in the statements.

This Prospectus uses market data and third-party estimates and projections. There is no assurance that any of the third-party estimates or projections contained in this information will be achieved. The Company has not independently verified this information but has taken reasonable care in reproducing it. The Directors have no reason to believe that such information is false or misleading or that any material fact has been omitted

that would render such information false or misleading. Estimates involve risks and uncertainties and are subject to change based on various factors, including those in section 5.

### **No forecast financial information**

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

### **Third party publications**

This Prospectus (including section 3) includes attributed statements from books, journals and comparable publications that are not specific to, and have no direct connection with, the Company. The authors of these books, journals and comparable publications have not provided their consent for these statements to be included in this Prospectus, and the Company is relying on *ASIC Corporations (Consents to Statements) Instrument 2016/72* for their inclusion in this Prospectus without such consent having been obtained.

### **Financial amounts**

All references in this Prospectus to "\$", "A\$", "AUD", "dollars" or "cents" are references to the currency of Australia unless otherwise stated.

Any discrepancies between the totals and sums of components in tables contained in this Prospectus are due to rounding.

### **Photographs and diagrams**

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorsed this Prospectus or its contents, or that the assets shown in them are owned by the Company.

Diagrams used in this Prospectus are for illustration only and may not be to scale.

### **Definitions and time**

A number of terms and abbreviations used in this Prospectus have defined meanings which appear in section 9.

All references to time relate to the time in Perth, Western Australia unless otherwise stated or implied.

### **Governing law**

This Prospectus and the contracts that arise from the acceptance of the applications under this Prospectus are governed by the law applicable in Western Australia and each applicant submits to the exclusive jurisdiction of the courts of Western Australia.

## Key Numbers and Dates

Key Numbers	Minimum Subscription	Maximum Subscription
Offer price per Share	\$0.20	\$0.20
Shares on issue at the Prospectus Date	62,450,745	62,450,745
Shares to be issued under the Capital Raising Offer	30,000,000	40,000,000
Funds to be raised under the Capital Raising Offer (before costs)	\$6,000,000	\$8,000,000
<b>Total Shares upon completion of the Offers</b>	<b>92,450,745</b>	<b>102,450,745</b>
Options on issue at the Prospectus Date <sup>1</sup>	22,350,371	22,350,371
Lead Manager Options offered under the Lead Manager Offer <sup>2</sup>	2,500,000	2,500,000
Incentive Options offered under the Management Offer <sup>3</sup>	3,850,000	3,850,000
Performance Options offered under the Management Offer <sup>3</sup>	1,500,000	1,500,000
MD Performance Rights offered under the Management Offer <sup>3</sup>	2,500,000	2,500,000
<b>Total Options and Performance Rights upon completion of the Offers</b>	<b>32,700,371</b>	<b>32,700,371</b>
<b>Fully diluted share capital upon completion of the Offers<sup>4</sup></b>	<b>125,151,116</b>	<b>135,151,116</b>
Indicative market capitalisation upon completion of the Offers (undiluted) <sup>5</sup>	\$18,490,149	\$20,490,149

### Notes:

- 1 Comprising 22,050,371 Founder Options (see section 8.2) and 300,000 Recruiter Options (see section 8.3).
- 2 See section 8.4 for the Lead Manager Options.
- 3 See sections 8.5 for the Incentive Options, 8.6 for the Performance Options and 8.7 for the MD Performance Rights.
- 4 See section 2.10 for further details on the proposed capital structure of the Company.
- 5 Calculated based on the offer price of \$0.20 per Share. Please note that Shares may trade above or below this price upon the Company being admitted to ASX and the Shares commencing quotation.

Key Dates	Date
Lodgement of this Prospectus with ASIC	10 May 2022
Opening Date	18 May 2022
Closing Date	24 May 2022
Issue of Securities under the Offers	17 June 2022
Dispatch of holding statements to Shareholders	21 June 2022
Expected date for quotation of Shares on ASX	22 June 2022

**Note:** The dates shown above are indicative only and may change without notice. The Exposure Period may be extended by ASIC by up to 7 days. The Company reserves the right to extend the Closing Date or close the Offers without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to applicants.

## Chairman's Letter

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Dear Investor

On behalf of the Board of Directors, I am pleased to offer you the opportunity to become a Shareholder in OD6 Metals Limited (ACN 654 839 602) (**OD6** or **Company**).

OD6 is a mineral exploration company focused on the discovery and potential development of large-scale rare earth element (**REE**) deposits.

The world's rapid pace of change towards renewable energy is heralding the "Clean-Energy Revolution". As we transition from the carbon economy, the requirement for REEs is essential. For instance, a neodymium magnet used in a wind turbine or electric motor is 18 times stronger than a standard ferrite magnet. The discovery of these new economy metals, and the potential to assist in the global mission to preserve our planet for future generations, could create significant future demand for their production.

OD6 has secured more than 4,000km<sup>2</sup> of mineral exploration licenses in one of Australia's emergent clay-hosted REE provinces – the southern Esperance-Goldfields region of Western Australia. As part of this, we have entered into heritage agreements with Esperance Tjaltrjaak Native Title Aboriginal Corporation and the Ngadju Native Title Aboriginal Corporation that serves to both enable exploration and protect important cultural and heritage sites on Country.

At OD6's Splinter Rock Project, drilling and geological analysis has shown the potential for clay hosted REE deposits to extend large areas. The Grass Patch Project is at an earlier stage, however we also believe this Project has the potential to host large scale REE systems. The Esperance region also boasts excellent renewable energy prospects in its solar and wind potential. As such, OD6's vision is to not only discover mineral resources which lead to producing mines, but to utilise renewable energy sources in its operations and contribute to the advance of new industries seeking to rely on clean energy.

Following admission to ASX, we will set about drilling-out our clay REE systems, with a view to delineating JORC compliant mineral resource estimates. Our team consists of a future-facing board, with extensive mineral exploration and mining development experience, that is lead by our Managing Director, Brett Hazelden, who is an experienced metallurgist, corporate strategist and leader, and has previously grown companies from discovery to production.

Under this Prospectus, OD6 is seeking to raise between \$6,000,000 to \$8,000,000 by issuing Shares at \$0.20 each via the Capital Raising Offer. Among other things, funds raised will be used to implement the Company's business strategies as described in sections 2.7 and 3.

This Prospectus contains detailed information about the Company, the Offers and their various risks, and it should be read in its entirety. In particular, OD6 faces the usual risks associated with mineral exploration, development and production in Western Australia, and any investment made in the Company should be considered highly speculative. A summary of the key risk factors is set out in section 5.

I ask that all prospective investors take the time to read this Prospectus for a full appreciation of the Company, the exploration potential and the team that will develop and implement the Company's strategy.

Yours faithfully



**Darren Holden**  
Non-Executive Chairman  
OD6 Metals Limited

*The Board of OD6 acknowledges the Traditional Owners of the land and waters upon which our business is focused. We pay our respects to the Traditional Owners and their elders past, present and emerging.*

# 1 Investment Overview

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This section 1 is not intended to provide full information for investors intending to apply for Securities offered under this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

Topic	Summary	More Info
<b>Company Introduction</b>		
Who is the issuer of this Prospectus?	OD6 Metals Limited (ACN 654 839 602) ( <b>OD6</b> or <b>Company</b> ).	Section 3
Who is the Company and what does it do?	<p>The Company is an Australian public company incorporated on 27 October 2021 to be the holding company, and listing vehicle, of Odette Six Pty Ltd (ACN 649 360 430) (<b>OSPL</b>) (incorporated on 12 April 2021) and Grass Patch Metals Pty Ltd (ACN 654 535 823) (<b>GPM</b>) (incorporated on 15 October 2021), which were previously under common control. Accordingly, OSPL and GPM (<b>Subsidiaries</b>) are wholly owned by the Company, and all together they form the <b>Group</b>. The Group's purpose is to pursue exploration and potential development opportunities within the resources sector.</p> <p>In particular, the Group was established to undertake exploration of the Splinter Rock Project and Grass Patch Project (<b>Projects</b>) which are located in the Goldfields-Esperance region of Western Australia and are prospective for rare earth elements (<b>REEs</b>), with the aim of delineating and defining economic resources and reserves to develop into revenue generating operational mines.</p> <p>At the Prospectus Date, the Projects comprise 12 Tenements (10 granted, 2 in application) for a total area of 4,828km<sup>2</sup>.</p>	Section 3.1
What is the Company's interest in the Projects?	<p>The Group holds a 100% interest in in the following Projects:</p> <ul style="list-style-type: none"><li>• (<b>Splinter Rock Project</b>): a 2,579km<sup>2</sup> tenement package located approximately 150km northeast of Esperance, Western Australia, comprising 6 granted exploration licences, being E63/2115, E69/3904, E69/3905, E69/3907, E69/3893 and E69/3894.</li><li>• (<b>Grass Patch Project</b>): a 2,248km<sup>2</sup> tenement package located approximately 30km to 100km north of Esperance, Western Australia, comprising 4 granted exploration licences, being E63/2151, E63/2152, E63/2185 and E63/2154 and 2 exploration licence applications, being E63/2153 and E74/693. The Company expects E63/2153 and E63/2185 to be granted either prior to, or shortly after, its admission to the Official List.</li></ul>	Section 3.3
What is the Company's business model?	Following admission to the Official List, the Company plans to systematically explore the Projects in line with its intended exploration program.	Section 3.4

Topic	Summary	More Info
	A more detailed explanation of the Company's business model is provided in section 3.4	
What are the key dependencies and objectives of the Company's business model?	<p>The Company considers that the key dependencies and objectives of its business model include:</p> <ul style="list-style-type: none"> <li>• obtaining and maintaining title to the Tenements that comprise the Projects (including the successful grant of exploration licence applications);</li> <li>• conducting exploration activities on the Projects, with the aim of discovering a commercially viable mineral deposit and, in particular: <ul style="list-style-type: none"> <li>– conducting a drilling campaign stepping out from the best existing intersections at the Splinter Rock Project and regional reconnaissance drilling at the Splinter Rock Project and the Grass Patch Project; and</li> <li>– regional mapping and sampling of outcropping rocks, geophysics to map the thickness of clays across the Projects, and further and drilling targeting thick clay systems for new discoveries;</li> </ul> </li> <li>• undertaking research and development (R&amp;D) activities, including: <ul style="list-style-type: none"> <li>– designing and implementing detailed extraction studies pursuant to an R&amp;D program; and</li> <li>– researching into the metallogenic origin of REEs in the area comprising the Projects to assist with further consolidation of Tenements;</li> </ul> </li> <li>• retaining and recruiting key personnel skilled in the mining and resource sector and, in particular, mineral exploration;</li> <li>• raising additional capital to carry out exploration and any future development plans prior to the Company being in a position to generate income, including after the funds raised pursuant to this Prospectus have been spent;</li> <li>• operating within pricing markets for REEs and other commodities that are sufficient to warrant the exploration and any future development of the Projects;</li> <li>• entering into any required land access agreements with private landowners in relation to private land that overlaps some of the Tenements;</li> <li>• complying with the terms of any Native Title and heritage agreements which the Company is party to;</li> <li>• complying with current and future environmental regulations that govern its mineral exploration and any future development activities; and</li> <li>• maintaining a social licence to conduct its mineral exploration and any future development activities.</li> </ul>	Section 3.4.2

Topic	Summary	More Info
What are the Company's business objectives and strategy?	<p>Following admission to the Official List, the Company plans to focus on the systematic exploration activities on the Projects for, subject to exploration results, the discovery and delineation of an economic mineral resource, scoping and feasibility studies and potential development of the Projects.</p> <p>The Esperance region also boasts excellent renewable energy prospects in its solar and wind potential. Accordingly, the Company intends to investigate the use of renewable energy sources in its operations, with a view to contributing to the advance of new industries seeking to rely on clean energy.</p> <p>The Company may also seek to acquire or earn into new projects within the resources sector in the future which it considers have the potential to create value for Shareholders.</p> <p>Further details of the Company's intended exploration program can be found in section 3.5.</p>	Sections 3.4.3 and 3.5
How does the Company generate revenue?	The Company is an exploration company and as at the Prospectus Date has no operating revenue and is unlikely to generate operating revenue in the near future.	Section 3.4
What are the key advantages of an investment in the Company?	<p>The Directors consider that an investment in the Company provides the following non-exhaustive list of potential benefits:</p> <ul style="list-style-type: none"> <li>High quality projects</li> </ul> <p>The Projects contain a number of granted exploration licences prospective for REEs. REEs, being those in the lanthanide series of the periodic table, are lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd), promethium (Pm), samarium (Sm), europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Y), and lutetium (Lu). These elements (in particular, Nd and Pr), are becoming increasingly important in the global economy, with uses including advanced electronics, permanent magnets in electric motors and electricity generators (such as wind turbines), and battery technologies. Currently, clay REE deposits are primarily economically extracted in China, with several other projects under consideration elsewhere in the world.</p> <p>In addition, each Project is located within 150km of Port of Esperance, which currently exports commodities including nickel, iron ore and grain.</p> <ul style="list-style-type: none"> <li>Sufficient funding for exploration strategy</li> </ul> <p>Upon completion of the Offers, the Company will have sufficient funding to implement its strategy.</p> <ul style="list-style-type: none"> <li>Experienced Board and Management</li> </ul> <p>The Board is highly experienced and credible in exploration and project development within the resources sector.</p>	Section 3
What is the financial performance	The Company was incorporated on 27 October 2021 while subsidiaries Odette Six Pty Ltd (ACN 649 360 430) ( <b>OSPL</b> ) and Grass Patch Metals Pty Ltd (ACN 654 535 823) ( <b>GPM</b> ) were	Section 4 and Attachment 3

Topic	Summary	More Info
and position of the Company?	<p>incorporated on 12 April 2021 and 15 October 2021, respectively. Accordingly, the Company has limited financial information on which to evaluate its business and prospects.</p> <p>Investors should refer to section 4 and the Independent Limited Assurance Report at Attachment 3 for details on the Company's financial performance and position, including:</p> <ul style="list-style-type: none"> <li>• the historical Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2021 for OSPL and 31 December 2021 for the Company;</li> <li>• the historical Statement of Financial Position as at 30 June 2021 for OSPL and 31 December 2021 for the Company;</li> <li>• the historical Statement of Cash Flows for the period ended 30 June 2021 for OSPL and 31 December 2021 for the Company; and</li> <li>• the pro forma historical statement of financial position as at 31 December 2021 and associated details of the pro-forma adjustments.</li> </ul>	

**Key Risks**

Investors should be aware that subscribing for Securities in the Company involves a number of risks. The risk factors set out in section 5, and other general risks applicable to all investments in listed shares, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. This section summarises only some of the risks which apply to an investment in the Company and investors should refer to section 5 for further information.

Limited operating history	<p>The Company was incorporated on 27 October 2021 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, the Projects or any other mining assets it has an interest in. Until the Company is able to realise value from the Projects or such mining assets, it is likely to incur operational losses.</p>	Section 5.2.1
Future capital requirements	<p>The Company is an exploration company and currently has no operating revenue and is unlikely to generate any operational revenue unless the Company's Tenements are successfully developed and exploited. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes the net proceeds of the Capital Raising Offer should be adequate to fund its initial business development activities, exploration programs and other Company objectives as outlined in this Prospectus.</p> <p>In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the Prospectus Date. The Company may seek to</p>	Section 5.2.2

Topic	Summary	More Info
	<p>raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Any additional equity financing may be dilutive to Shareholders and may be undertaken at lower prices than the market price. Any debt financing, if available, may involve restrictions on financing and operating activities. There can be no assurance that additional finance will be available when needed.</p> <p>Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of any exploration, development or production on the Company's Projects or even loss of interest in the Projects.</p>	
<p>Nature of mineral exploration</p>	<p>Mineral exploration and development is considered a high-risk undertaking. There is no guarantee that exploration of the Projects will result in the discovery of an economically viable resource. Even if an apparently viable resource is discovered, there is no guarantee that the resource can be economically exploited.</p> <p>Exploration on the Company's Projects may be unsuccessful, resulting in a reduction of the value of those Projects, diminution in the cash reserves of the Company and possible relinquishment of such Projects.</p> <p>The proposed exploration costs of the Company summarised in section 3.5 are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice which may materially and adversely affect the Company's ability to complete the exploration programs as planned.</p>	<p>Section 5.2.3</p>
<p>Title risk</p>	<p>As at the Prospectus Date, exploration licence applications E63/2153 and E74/693 have not yet been granted. There is a risk that the exploration licences may not be granted in their entirety or only granted on conditions deemed unacceptable to the Company or that such grant will be delayed.</p>	<p>Section 5.2.4</p>
<p>Private land, Reserve land and land access risk</p>	<p>The Company's interests in the Tenements are subject to Commonwealth and applicable state legislation and cannot be guaranteed. The Company may be required to obtain the consent of and / or compensate holders of third party interests which overlay areas within the Tenements. The Tenements overlap certain third party interests that may limit the Company's ability to conduct exploration activities including Crown land, proposed Crown reserves, pastoral leases and areas covered by native title determinations.</p> <p>The Grass Patch Project, comprising exploration licences E63/2151, E63/2152, E63/2153, E63/2154, E63/2185 and E74/693 falls principally on private agricultural land that is intersected by multiple road reserves. The Company has applied for, and obtained, permits from the Shire of Esperance to conduct exploratory drilling within the road reserves and expects to be able to proceed with initial exploration on the Grass Patch Project without the need for private land access agreements. Should substantial discovery be made, however,</p>	<p>Section 5.2.5</p>

Topic	Summary	More Info
	<p>the Company will need to obtain the consent of any relevant private land owners and occupiers. This typically involves negotiating land access agreements with those parties which will likely require the Company to pay compensation to those parties for any exploration activities undertaken on it. Once this consent is obtained, the Company can apply to the Minister to obtain the right to access the top 30 metres of its exploration licences which encroach on private land.</p> <p>Any delays in respect of conflicting third party rights, obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration activities within the affected areas.</p>	
Metallurgy	<p>Metal and / or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as:</p> <ul style="list-style-type: none"> <li>• identifying a metallurgical process through test work to produce a saleable metal and / or concentrate;</li> <li>• developing an economic process route to produce a metal and / or concentrate; and</li> <li>• changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.</li> </ul>	Section 5.2.6
Shortage of available fresh water	<p>The process plant is likely to be reliant on water for production. A potentially suitable source of water has not yet been identified. The total volume, extraction rate and quality of water is yet to be determined, which poses a risk to any project development and operation, and may incur additional costs in the sourcing, permitting and development of required bore fields.</p>	Section 5.2.7
Project delays and cost overruns	<p>The Company's ability to successfully explore and potentially develop or commercialise its Projects may be affected by factors including project delays and costs overruns. If the Company experiences project delays or cost overruns, this could result in the Company not realising any operational or developmental plans or result in such plans costing more than expected or taking longer to realise than expected.</p>	Section 5.2.8
Inclement weather and natural disasters	<p>The Company's operational activities are subject to a variety of risks and hazards which are beyond its control, including hazardous weather conditions such as excessive rain, flooding and fires. Any of the above occurrences will impact the Company's ability to realise any operational or developmental plans and may negatively impact profitability.</p>	Section 5.2.9
Resource estimates may be inaccurate	<p>The Company has not published resource estimates for any prospects. There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit.</p> <p>Furthermore, resource estimates are expressions of judgement based on knowledge, experience, and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or technologies become available. In addition, by their very nature, resource estimates</p>	Section 5.2.10

Topic	Summary	More Info
	<p>are imprecise and depend to some extent on interpretations, which may prove to be inaccurate and require adjustment. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to any development and mining plans which may, in turn, adversely affect the Company's operations.</p>	
<p>Reliance on historical data</p>	<p>The Company has used information sourced from previous tenement holders and reported in the Western Australia Mineral Exploration reporting system (<b>WAMEX</b>) to guide its proposed work plans. Although the Company and its consultants have no reason to doubt the integrity of the historical data, not all historical data is supported by adequate quality assurance and quality control (<b>QA/QC</b>) documentation. Accordingly, the Company cannot guarantee that the data sets do not contain errors or biases that could cause the Company to make erroneous assumptions and conclusions about the prospectivity of the Projects in the design of its exploration work programs.</p>	<p>Section 5.2.11</p>
<p>Commodity price and exchange rate risk</p>	<p>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 REEs may 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 minerals which the Company plans to explore for could cause any development of, and eventually the commercial production from, the Company's projects to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue any 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 REEs are produced, a profitable market will exist for it.</p> <p>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.</p>	<p>Section 5.2.18</p>
<p>Environmental risk</p>	<p>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 any mine development proceeds. It is the Company's intention to conduct its activities to the industry standard of environmental obligation, including compliance with all environmental laws.</p> <p>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</p>	<p>Section 5.2.19</p>

Topic	Summary	More Info
	<p>production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Natural 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.</p>	
<p>Workplace health and safety risk</p>	<p>The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Mining industry activities have inherent risks and hazards, which could adversely impact the Company and its financial position. The Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems.</p> <p>A health and safety incident which results in serious injury, illness or death would involve regulatory investigations, potential regulatory intervention and may also expose the Company to significant penalties and the Company may be liable for compensation. These liabilities may not be covered by the Company's insurance policies or, if they are covered, may exceed the Company's policy limits or be subject to significant deductibles which may be a substantial financial cost to the Company. Also, any claim under the Company's insurance policies could increase the Company's future costs of obtaining such insurance. Accordingly, any liabilities for workplace accidents could have a material adverse impact on the Company's liquidity and financial results and reputation.</p>	<p>Section 5.2.20</p>
<p>Tenure risks</p>	<p>The 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 mining leases will be approved. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the 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. There can be no guarantee that a renewal will be approved. If the Company is unable to secure a renewal for these Tenements this may impact the Company's exploration plans for the Projects and may adversely impact the Company and / or the value of its Shares.</p>	<p>Section 5.2.21</p>
<p>Native title and Aboriginal heritage</p>	<p>In relation to the Tenements or any tenements that the Company may in the future acquire an interest in, there may be areas over which legitimate common law native title rights may exist. If such native title rights do exist, the ability of the Company to gain access to such tenements (through obtaining consent of any relevant native title holders) or to progress from</p>	<p>Section 5.2.22</p>

Topic	Summary	More Info
	<p>the exploration phase to any development and mining phase of operations may be adversely affected.</p> <p>In addition, determined native title holders may seek compensation under the Native Title Act for the impacts of acts affecting native title rights and interests after 31 October 1975.</p> <p>The State of Western Australia has passed liability for compensation for the impact of the grant of mining tenements under the Mining Act onto mining tenement holders. Outstanding compensation liability will lie with the current holder of the Tenements at the time of any award of compensation or, in the event there is no holder at that time, the immediate past holder of the relevant Tenements.</p> <p>Compensation liability may be determined by the Federal Court or settled by agreement with native title holders, including through ILUAs (which have statutory force) and common law agreements (which do not have statutory force). At this stage, the Company is not able to quantify any potential compensation payments.</p>	
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.	Section 5.2.31
Other risks	For additional specific risks please refer to section 5.2. For general risks please refer to section 5.3.	Sections 5.2 and 5.3
<b>Key People and Interests</b>		
Who are the Company's Directors and key management personnel?	<p>The Directors are:</p> <ul style="list-style-type: none"> <li>• Dr Darren Holden – Non-Executive Chairman;</li> <li>• Mr Brett Hazelden – Managing Director;</li> <li>• Mr Piers Lewis – Non-Executive Director; and</li> <li>• Dr Mitch Loan – Non-Executive Director.</li> </ul> <p>Mr Troy Cavanagh is Joint Company Secretary and Financial Controller and Mr Joel Ives is Joint Company Secretary.</p> <p>Profiles of each of the Directors and Joint Company Secretaries are provided in sections 6.2 and 6.3.</p>	Sections 6.2 and 6.3
What benefits are being paid to the Directors?	<ul style="list-style-type: none"> <li>• Mr Hazelden was appointed as Managing Director on 1 April 2022. The Company will pay Mr Hazelden an annual salary of \$320,000 plus statutory superannuation.</li> <li>• Dr Darren Holden was appointed as Non-Executive Chairman on incorporation of the Company. The Company will pay Dr Holden an annual salary of \$48,000 plus statutory superannuation, commencing on the date the Company is admitted to the Official List. In addition, the Company has entered into a geological services agreement with GeoSpy Pty Ltd, an entity</li> </ul>	Section 6.4.2

Topic	Summary	More Info
	<p>controlled by Dr Holden, pursuant to which GeoSpy Pty Ltd will receive a fee of \$10,000 (plus GST) per month in consideration for geological services to be provided by GeoSpy Pty Ltd until such time as the Company has engaged a full time exploration manager, subject to a reasonable handover period. Noting the expected commencement of an Exploration Manager (see Section 7.4.4) on 23 May 2022, it is anticipated that the Geological Services Agreement will terminate on or about the date of the Company's admission to the Official List (see section 7.4.3).</p> <ul style="list-style-type: none"> <li>Mr Piers Lewis was appointed as Non-Executive Director on incorporation of the Company. The Company will pay Mr Lewis an annual salary of \$36,000 plus statutory superannuation, commencing on the date the Company is admitted to the Official List.</li> <li>Dr Mitch Loan was appointed as Non-Executive Director on 12 April 2022. The Company will pay Dr Loan an annual salary of \$36,000 plus statutory superannuation, commencing on the date the Company is admitted to the Official List.</li> </ul>	

What are the significant interests of the Directors? As at the Prospectus Date, the Directors and their associated entities have the following indirect interest in Securities of the Company: Section 6.4.3

Director	Shares <sup>1</sup>	Voting Power <sup>2</sup>	Options <sup>3</sup>	Performance Rights
Darren Holden <sup>4</sup>	6,937,425	7.50%	3,968,712	Nil
Brett Hazelden <sup>5</sup>	1,000,000	1.08%	1,500,000	2,500,000
Piers Lewis <sup>6</sup>	2,187,487	2.37%	1,193,743	Nil
Mitch Loan <sup>7</sup>	Nil	Nil	1,850,000	Nil

**Notes:**

- The above table does not include any Shares applied for and received by a Director under the Capital Raising Offer. Each Director reserves the right to apply for Shares under the Capital Raising Offer. To the extent that a Director does participate, the number of Shares it holds (and therefore its voting power) upon completion of the Offers will increase accordingly.
- Assumes only the Minimum Subscription is achieved.
- See section 8.5 for terms of the Incentive Options and section 8.6 for the terms of Performance Options to be held by Directors.
- The 6,937,425 Shares and 3,468,712 Founder Options are held by Leigh Sinclair <Holden Sinclair Family A/C> (Ms Sinclair being the spouse of Dr Holden), together with 500,000 Incentive Options to be issued to Dr Holden (or his nominees) pursuant to this Prospectus.
- 500,000 Shares are held by Brett Hazelden & Tanya Hazelden (Mr Hazelden's spouse) <Bozden Super Fund A/C> and 500,000 Shares are held by Hazelden Corporate Pty Ltd <Hazelden Investment A/C>, an entity controlled by Mr Hazelden. 1,500,000 Incentive Options and 2,500,000 MD Performance Rights to be issued to Mr Hazelden (or his nominees) pursuant to this Prospectus.
- Consisting of 2,187,487 Shares, 843,743 Founder Options held by Cranley Consulting Pty Ltd, an entity controlled by Mr Lewis, together with 350,000 Incentive Options to be issued to Mr Lewis (or his

Topic	Summary	More Info
	nominees) pursuant to this Prospectus. It is noted that Mr Lewis and his associates intend to subscribe for 850,000 Shares under the Chairman's List Offer, which would increase Mr Lewis' voting power to 3.29% (based on the Minimum Subscription).	
	7 350,000 Incentive Options and 1,500,000 Performance Options to be issued to Dr Loan (or his nominees) pursuant to this Prospectus.	

What contracts with related parties is the Company a party to?	The Company has entered into Engagement Letters with each of its Non-Executive Directors and an Employment Agreement with its Managing Director. In addition, the Company has entered into a geological services agreement with Non-Executive Chairman, Dr Darren Holden. The Company has also entered into Deeds of Indemnity, Insurance and Access with each of its Directors and Officers.	Section 6.5
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Who are and will be the substantial shareholders of the Company?	As at the Prospectus Date, the following persons (and their associates) hold an interest in 5% or more of the Shares on issue in the Company. On completion of the Offers (on an undiluted basis and assuming none subscribe for and receive additional Shares pursuant to the Offers), the following persons (and their associates) will hold an interest in 5% or more of the Shares on issue in the Company.	Section 8.9
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Holder	Shares	Voting Power	
		Minimum Subscription	Maximum Subscription
Geobase Pty Ltd <CW Lloyd Family A/C>	6,937,425	7.50%	6.77%
Leigh Sinclair <Holden Sinclair Family A/C>	6,937,425	7.50%	6.77%
Milford Resources Pty Ltd	6,937,425	7.50%	6.77%
Odette Geoscience Pty Ltd	4,285,074	4.63%	4.18%

**Notes:**

- 1 Assumes that none of the above holders participates in the Capital Raising Offer.
- 2 Leigh Sinclair (being the spouse of Director, Darren Holden) holds 3,468,712 Founder Options. In addition, Darren Holden will hold a further 500,000 Incentive Options upon admission to the Official List. If these Options were exercised into Shares, the voting power of Leigh Sinclair/Darren Holden based on the number of Shares on issue at completion of the Offers (assuming the Minimum Subscription is achieved) would be 11.31%. See section 8.2 for the terms of the Founder Options and section 8.5 for the terms of the Incentive Options.
- 3 Geobase Australia Pty Ltd and Milford Resources Pty Ltd each hold 3,468,712 Founder Options. If one of these Shareholders exercised its Options into Shares, the voting power of that respective Shareholder based on the number of Shares on issue at completion of the Offers (assuming the Minimum Subscription is achieved) would be 10.85%. See section 8.2 for the terms of the Founder Options.
- 4 Odette Geoscience Pty Ltd also holds 2,642,537 Founder Options. If these Options were exercised into Shares, Odette Geoscience Pty Ltd's voting power based on the number of Shares on issue at completion of the Offers (assuming the Minimum Subscription is achieved) would be 7.29%. See section 8.2 for the terms of the Founder Options.

Topic	Summary	More Info
What fees have been paid or are payable to the Lead Manager?	<p>Pursuant to the Lead Manager Mandate, key benefits paid or payable by the Company to Canaccord Genuity (Australia) Limited (ACN 075 071 466) (<b>Lead Manager</b>) include the following (plus GST):</p> <ul style="list-style-type: none"> <li>The Company will pay to the Lead Manager a fee equal to 5% (comprising a 2% management fee and 3% capital raising fee) of the amount raised under the Capital Raising Offer, noting that the 3% capital raising fee will not be payable in respect of funds raised through the Chairman's List.</li> <li>The Company proposes to issue 2,500,000 Lead Manager Options to the Lead Manager with an exercise price of \$0.30 each and expiry of 3 years from the Company's admission to the Official List (see section 8.4 for the terms of Lead Manager Options). This proposed issue of Lead Manager Options is being undertaken via the Lead Manager Offer under this Prospectus.</li> </ul>	Sections 2.9 and 7.3

### Key Offer Details

What is the Capital Raising Offer?	<p>The Company is offering 30,000,000 Shares for subscription at an issue price of \$0.20 each to raise \$6,000,000 (before costs) with the ability to accept oversubscriptions of up to a further 10,000,000 Shares to raise up to an additional \$2,000,000 (before costs) (<b>Capital Raising Offer</b>).</p> <p>The Capital Raising Offer comprises:</p> <ul style="list-style-type: none"> <li>the Broker Firm Offer is open to Australian resident investors and Institutional Investors in New Zealand, Hong Kong, Singapore and the United Kingdom who have received a firm allocation from a Broker to apply for Shares under this Prospectus;</li> <li>the Chairman's List Offer, which consists of an offer of up to 10,000,000 Shares to raise up to \$2,000,000 to selected investors in Australia and a number of other eligible jurisdictions (including existing Shareholders, Company employees and officeholders) who have received an invitation from the Chairman or the Company; and</li> <li>the Public Offer, which is open to the general public in Australia.</li> </ul>	Section 2.1
What are the Additional Offers?	<p>This Prospectus also includes additional offers of:</p> <ul style="list-style-type: none"> <li>2,500,000 Lead Manager Options exercisable at \$0.30 each on or before the date that is 3 years following the date the Company is admitted to the Official List to the Lead Manager (or its nominees) (<b>Lead Manager Offer</b>); and</li> <li>3,850,000 Incentive Options to the Directors and Management (exercisable at \$0.30 each on or before 31 March 2026), 1,500,000 Performance Options (exercisable at \$0.50 each on or before 31 March 2026, subject to satisfaction of a performance milestone) to</li> </ul>	Section 2.4

Topic	Summary	More Info
	<p>Non-Executive Director, Dr Mitch Loan and 2,500,000 MD Performance Rights to the Managing Director, Mr Brett Hazelden (<b>Management Offer</b>), as follows:</p> <ul style="list-style-type: none"> <li>- 500,000 Incentive Options to Dr Darren Holden (Non-Executive Chairman) (or his nominees);</li> <li>- 1,500,000 Incentive Options and 2,500,000 MD Performance Rights to Mr Brett Hazelden (Managing Director) (or his nominees);</li> <li>- 350,000 Incentive Options to Mr Piers Lewis (Non-Executive Director) (or his nominees);</li> <li>- 350,000 Incentive Options and 1,500,000 Performance Options to Dr Mitch Loan (Non-Executive Director) (or his nominees);</li> <li>- 900,000 Incentive Options to Mr Timothy Jones (Exploration Manager) (or his nominees);</li> <li>- 125,000 Incentive Options to Mr Troy Cavanagh (Financial Controller and Joint Company Secretary) (or his nominees); and</li> <li>- 125,000 Incentive Options to Mr Joel Ives (Joint Company Secretary) (or his nominees),</li> </ul> <p>(the <b>Management Offer</b>).</p>	
Is there a Minimum Subscription under the Capital Raising Offer?	<p>The Capital Raising Offer is subject to a minimum of \$6,000,000 being raised (<b>Minimum Subscription</b>). The Directors will have the discretion to accept oversubscriptions of up to a further 10,000,000 Shares at an issue price of \$0.20 each to raise up to an additional \$2,000,000 (before costs).</p> <p>If the Minimum Subscription is not met, Shares under the Capital Raising Offer will not be issued.</p>	Section 2.2
What is the Maximum Subscription under the Capital Raising Offer?	The maximum subscription for the Capital Raising Offer is \$8,000,000 ( <b>Maximum Subscription</b> ).	Section 2.3
Will the Capital Raising Offer be underwritten?	The Capital Raising Offer is not underwritten.	Section 2.8
What are the purposes of the Capital Raising Offer?	<p>The purpose of the Capital Raising Offer is to:</p> <ul style="list-style-type: none"> <li>• raise between \$6,000,000 and \$8,000,000 (before costs);</li> <li>• facilitate the application of the Company to the Official List;</li> <li>• position the Company to seek to achieve its stated objectives, as detailed in section 3; and</li> <li>• provide the Company with access to equity capital markets for any future funding requirements.</li> </ul>	Section 2.6

Topic	Summary	More Info
How will the proceeds of the Capital Raising Offer be used?	<p>The proceeds of the Capital Raising Offer are intended to be used for:</p> <ul style="list-style-type: none"> <li>• undertaking systematic exploration on the Company's Projects;</li> <li>• general working capital purposes; and</li> <li>• the expenses of the Offers.</li> </ul> <p>The Directors are satisfied that on completion of the Offers, the Company will have sufficient working capital to seek to achieve its intended business objectives as specified in this Prospectus.</p> <p>Further details of the Company's intended use of funds can be found in section 2.7.</p>	Section 2.7
Will the Shares issued under the Capital Raising Offer be quoted?	Application for quotation of the Shares issued under the Capital Raising Offer will be made to ASX within 7 days after the Prospectus Date.	Section 2.21
Who is the Lead Manager to the Capital Raising Offer?	The Company has appointed Canaccord as lead manager to the Capital Raising Offer.	Sections 2.9 and 7.3
What is the minimum investment size under the Capital Raising Offer?	Applications under the Capital Raising Offer must be for a minimum of \$2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of \$500 worth of Shares (2,500 Shares).	Section 2.14
What are the conditions of the Offers?	<p>The Offers are conditional upon the following events occurring:</p> <ul style="list-style-type: none"> <li>• the Company raising the Minimum Subscription (no less than \$6,000,000 under the Capital Raising Offer); and</li> <li>• to the extent required by ASX or the Listing Rules, each person entering into a restriction agreement or being issued a restriction notice imposing restrictions on Securities as mandated by the Listing Rules; and</li> <li>• ASX granting conditional approval for the Company to be admitted to the Official List on conditions which the Directors are confident can be satisfied.</li> </ul>	Section 2.5
What are the important dates of the Offers?	The important dates of the Offers are set out in the indicative timetable in the Key Offer Information section.	Page 5
How do I apply for Shares under the Capital Raising Offer?	<p>If you have received a firm allocation of Shares from your Broker and wish to apply for those Shares under the Broker Firm Offer, you should complete the Application Form provided by your Broker in accordance with the instructions given to you by your Broker and the instructions detailed on the Application Form.</p> <p>If you have received an offer to participate in the Chairman's List Offer, you must complete the Chairman's List Application Form</p>	Section 2.14

Topic	Summary	More Info																																																	
	<p>and deliver it with your Application Monies in accordance with the instructions on the Chairman's List Application Form.</p> <p>Applications under the Public Offer can be made by completing an online Application Form available at <a href="https://OD6offer.thereachagency.com">https://OD6offer.thereachagency.com</a> in accordance with the instructions.</p> <p>Further details on how to apply for Shares under the Capital Raising Offer are provided in section 2.14.</p>																																																		
What rights and liabilities attach to the Shares being offered under the Capital Raising Offer?	A summary of the rights and liabilities attaching to the Shares being offered under the Capital Raising Offer is provided in section 8.1.	Section 8.1																																																	
Are there any escrow arrangements?	<p>ASX will likely classify certain existing Securities as being 'restricted securities' for the purposes of the Listing Rules. Restricted securities will be required to be held in escrow for up to 24 months and would not be able to be sold, mortgaged, pledged, assigned or transferred for that period without the prior written approval of ASX.</p> <p>Shares issued under the Capital Raising Offer will not be classified as restricted securities.</p> <p>Following completion of the Offers, the Company will announce to ASX full details of any escrow arrangements prior to the quotation of Shares on ASX.</p>	Section 2.11																																																	
What will the Company's capital structure look like after completion of the Offers?	<p>The capital structure of the Company upon completion of the Offers is summarised below.</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Minimum Subscription</th> <th colspan="2">Maximum Subscription</th> </tr> <tr> <th>Amount</th> <th>Proportion</th> <th>Amount</th> <th>Proportion</th> </tr> </thead> <tbody> <tr> <td>Shares on issue at the Prospectus Date</td> <td>62,450,745</td> <td>49.90%</td> <td>62,450,745</td> <td>46.21%</td> </tr> <tr> <td>Shares to be issued under the Capital Raising Offer<sup>1</sup></td> <td>30,000,000</td> <td>23.97%</td> <td>40,000,000</td> <td>29.60%</td> </tr> <tr> <td><b>Total Shares</b></td> <td><b>92,450,745</b></td> <td><b>73.87%</b></td> <td><b>102,450,745</b></td> <td><b>75.81%</b></td> </tr> <tr> <td>Options on issue at the Prospectus Date</td> <td>22,350,371</td> <td>17.86%</td> <td>22,350,371</td> <td>16.54%</td> </tr> <tr> <td>Lead Manager Options offered under the Lead Manager Offer<sup>2</sup></td> <td>2,500,000</td> <td>2.00%</td> <td>2,500,000</td> <td>1.85%</td> </tr> <tr> <td>Incentive Options offered under the Management Offer<sup>3</sup></td> <td>3,850,000</td> <td>3.08%</td> <td>3,850,000</td> <td>2.85%</td> </tr> <tr> <td>Performance Options under the Management Offer<sup>3</sup></td> <td>1,500,000</td> <td>1.20%</td> <td>1,500,000</td> <td>1.11%</td> </tr> <tr> <td>MD Performance Rights offered under</td> <td>2,500,000</td> <td>2.00%</td> <td>2,500,000</td> <td>1.85%</td> </tr> </tbody> </table>		Minimum Subscription		Maximum Subscription		Amount	Proportion	Amount	Proportion	Shares on issue at the Prospectus Date	62,450,745	49.90%	62,450,745	46.21%	Shares to be issued under the Capital Raising Offer <sup>1</sup>	30,000,000	23.97%	40,000,000	29.60%	<b>Total Shares</b>	<b>92,450,745</b>	<b>73.87%</b>	<b>102,450,745</b>	<b>75.81%</b>	Options on issue at the Prospectus Date	22,350,371	17.86%	22,350,371	16.54%	Lead Manager Options offered under the Lead Manager Offer <sup>2</sup>	2,500,000	2.00%	2,500,000	1.85%	Incentive Options offered under the Management Offer <sup>3</sup>	3,850,000	3.08%	3,850,000	2.85%	Performance Options under the Management Offer <sup>3</sup>	1,500,000	1.20%	1,500,000	1.11%	MD Performance Rights offered under	2,500,000	2.00%	2,500,000	1.85%	Section 2.10
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Topic	Summary	More Info
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the Management Offer<sup>3</sup>

<b>Fully diluted Share capital</b>	<b>125,151,116</b>	<b>26.14%</b>	<b>135,151,116</b>	<b>24.20%</b>
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**Notes:**

- 1 Includes Shares issued under the Founder Raising and Seed Raising. See section 3.1 for further details. The rights and liabilities attaching to the Shares are summarised in section 8.1.
- 2 Includes 22,050,371 Founder Options (see section 8.2 for the relevant terms) and 300,000 Recruiter Options (see section 8.3 for the relevant terms).
- 3 The Company has agreed to issue 2,500,000 Lead Manager Options to the Lead Manager (or its nominees) pursuant to the Lead Manager Offer. See section 8.4 for the terms of Lead Manager Options.
- 4 The Company has agreed to issue 3,850,000 Incentive Options and 1,500,000 Performance Options to the relevant Directors and Management (or their nominees) as part of their remuneration and to incentivise performance. See section 8.5 for the terms of the Incentive Options and section 8.6 for the terms of the Performance Options.
- 5 The Company has agreed to issue 2,500,000 MD Performance Rights to the Managing Director (or his nominees). See section 8.7 for the terms of the MD Performance Rights.

What is the allocation policy?

The allocation of Shares among bidders in the Public Offer and Broker Firm Offer will be determined by the Lead Manager, in consultation with the Company. The Lead Manager and the Company have absolute discretion regarding the basis of allocation of Shares among applicants. Participants in the Broker Firm Offer will be advised of their allocation of Shares, if any, by a Broker. The allocation policy will be influenced (but not limited) by the following factors:

Section 2.16

- the number of Shares applied for;
- timeliness of the bid by particular applicants;
- the Company's desire for an informed and active trading market following completion of the Offers;
- the Company's desire to establish a spread of investors, including Institutional Investors;
- the overall level of demand from Institutional Investors under the Broker Firm Offer and the extent of any remaining Shares available to be issued under the Public Offer;
- the size and type of funds under management of particular applicants;
- the likelihood that applicants will be long term or strategic Shareholders; and
- other factors that the Company and the Lead Manager consider appropriate in all the relevant circumstances.

The basis of allocation under the Chairman's List Offer will be determined by the Company in consultation with the Lead Manager.

If the number of Shares allocated is less than that applied for, or no issue is made, surplus Application Monies will be refunded

Topic	Summary	More Info
	without interest as soon as reasonably practicable after the Closing Date.	
<b>Key Contracts</b>		
What material contracts is the Company a party to?	<p>The Company is party to various key contracts, including:</p> <ul style="list-style-type: none"> <li>• the Heritage Agreements;</li> <li>• the Lead Manager Mandate;</li> <li>• the Employment Agreement;</li> <li>• the Engagement Letters;</li> <li>• the Geological Services Agreement;</li> <li>• the Exploration Manager Employment Agreement; and</li> <li>• the deeds of access, indemnity and insurance.</li> </ul>	Section 7
<b>Miscellaneous Details</b>		
Have financial forecasts been included in this Prospectus?	The Company is an exploration company and, having considered <i>ASIC Regulatory Guide 170</i> , the Directors do not believe there is a reasonable basis upon which any forecasts of future earnings could be made. Therefore, no forecasts are included in this Prospectus.	Section 4
What is the Company's dividend policy?	The Company does not yet have a dividend policy. The Company's intention is to pay dividends to Shareholders out of profits. A dividend policy will be established if and when the Company is in a position to pay dividends which will be based on the profitability and the financial position of the Company at that point in time.	Section 3.6
What are the expenses of the Offers?	The expenses of the Offers are estimated to be approximately \$553,547, based on the Minimum Subscription, and \$655,798, based on the Maximum Subscription.	Section 8.12
When will I know if my application under the Capital Raising Offer was successful?	Holding statements confirming allocations under the Capital Raising Offer will be sent to successful applicants as soon as reasonably practicable after the Closing Date. The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus should seek professional advice.	Section 2.20
What are the tax implications of investing in Shares under the Capital Raising Offer?	Shares may be subject to Australian tax on any dividends that might be payable in the future, and possibly capital gains on future disposal of Shares acquired under this Prospectus. The tax consequences of any investment in Shares will depend entirely upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Shares issued under this Prospectus.	Section 2.24
Is there any brokerage, commission or duty payable by applicants?	No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Capital Raising Offer. However, the Company will pay fees to the Lead Manager (or its nominees) based on the amount raised under the Capital Raising Offer.	Section 2.9

Topic	Summary	More Info
Does the Constitution provide for virtual meetings?	Subject to applicable laws, the Constitution permits the Company to hold general meetings of Shareholders virtually using technology and without necessarily having a physical venue.	Section 8.1
Where can I direct enquiries?	Enquiries can be directed to (as applicable): <ul style="list-style-type: none"> <li>• your stockbroker, lawyer, accountant or other qualified independent professional adviser;</li> <li>• the Joint Company Secretary, Joel Ives, on + 618 6189 8515; and</li> <li>• the Share Registry on 1800 955 907 (within Australia) or +61 3 9415 4156 (outside Australia).</li> </ul>	Section 2.26

## 2 Offer Details

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### 2.1 Capital Raising Offer

This Prospectus invites investors to apply for 30,000,000 to 40,000,000 Shares at an issue price of \$0.20 each to raise a minimum of \$6,000,000 and maximum of \$8,000,000 (before costs) (**Capital Raising Offer**).

The Shares to be issued under the Capital Raising Offer are of the same class and will rank equally with the existing Shares on issue. A summary of the rights and liabilities attaching to Shares can be found in section 8.1.

The Capital Raising Offer comprises:

- an offer to Australian resident investors and Institutional Investors in New Zealand, Hong Kong, Singapore and the United Kingdom who have received a firm allocation from a Broker to apply for Shares under this Prospectus (**Broker Firm Offer**);
- an offer of up to 10,000,000 Shares to raise up to \$2,000,000 to selected investors in the Permitted Jurisdictions (including existing Shareholders, Company employees and officeholders) who have received an invitation from the Chairman or the Company (**Chairman's List Offer**); and
- an offer to the general public in Australia, subject to applicable laws and restrictions (**Public Offer**).

The Company has engaged Canaccord Genuity (Australia) Limited (ACN 075 071 466) (**Canaccord or Lead Manager**) as Lead Manager to the Capital Raising Offer. The allocation of Shares between the Broker Firm Offer, the Chairman's List Offer and the Public Offer will be determined by agreement between the Company and the Lead Manager, having regard to the matters set out in section 2.16.

Investors should ensure, however, that they have read this Prospectus in its entirety as it is an important document. Any investment in the Company should be considered highly speculative, and investors who do not understand this Prospectus should consult their stockbroker, lawyer, accountant or other professional adviser before deciding to apply for Shares. Non-Australian residents should be particularly mindful of the statements and restrictions in section 2.15.

See section 2.14 for information on how to apply for Shares under the Capital Raising Offer.

### 2.2 Minimum Subscription

The minimum subscription requirement for the Capital Raising Offer is \$6,000,000, representing the subscription of 30,000,000 Shares at an issue price of \$0.20 each (**Minimum Subscription**). No Shares will be issued until the Capital Raising Offer has reached the Minimum Subscription.

Subject to any extension permitted by law, if the Minimum Subscription has not been achieved within 4 months after the Prospectus Date, all Application Monies will be refunded without interest in accordance with the Corporations Act.

### 2.3 Maximum Subscription

The maximum subscription under the Capital Raising Offer is \$8,000,000, representing the subscription of 40,000,000 Shares at an issue price of \$0.20 each (**Maximum Subscription**) and, therefore, full oversubscriptions under the Capital Raising Offer.

## 2.4 Additional Offers

### 2.4.1 Regulatory purpose

The Company is also undertaking the Additional Offers (described below) in connection with the Capital Raising Offer. Securities under the Additional Offers will be issued with disclosure and therefore the 12 month on-sale restrictions under section 707(3) of the Corporations Act will not be applicable to any of the Securities (or any Shares issued on exercise of any Options) that are issued under the Additional Offers.

As the Lead Manager Options, Incentive Options, Performance Options and MD Performance Rights are being offered under this Prospectus via the Lead Manager Offer and Management Offer (as applicable), this Prospectus removes the trading restrictions that would otherwise apply to the Lead Manager Options, Incentive Options, Performance Options and MD Performance Rights, as well as any Shares issued upon their exercise, in accordance with *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

### 2.4.2 Lead Manager Offer

The Company is offering 2,500,000 Lead Manager Options to the Lead Manager (or its nominees) under this Prospectus (**Lead Manager Offer**) as partial consideration for services, as further described in section 7.3.

The Lead Manager is not considered to be a related party of the Company.

The Lead Manager Offer is not made to the public at large and is only open to the Lead Manager (or its nominees). Applications for Lead Manager Options under the Lead Manager Offer must be made using the Lead Manager Offer Application Form accompanying this Prospectus and received by the Company on or before the Closing Date.

### 2.4.3 Management Offer

The Company is offering 3,850,000 Incentive Options and 1,500,000 Performance Options to the Directors and Management and 2,500,000 MD Performance Rights to the Managing Director (**Management Offer**) as follows:

- 500,000 Incentive Options to Dr Darren Holden (Non-Executive Chairman) (or his nominees);
- 1,500,000 Incentive Options and 2,500,000 MD Performance Rights to Mr Brett Hazelden (Managing Director) (or his nominees);
- 350,000 Incentive Options to Mr Piers Lewis (Non-Executive Director) (or his nominees);
- 350,000 Incentive Options and 1,500,000 Performance Options to Dr Mitch Loan (Non-Executive Director) (or his nominees);
- 900,000 Incentive Options to Mr Timothy Jones (Exploration Manager) (or his nominees);
- 125,000 Incentive Options to Mr Troy Cavanagh (Financial Controller and Joint Company Secretary) (or his nominees); and
- 125,000 Incentive Options to Mr Joel Ives (Joint Company Secretary) (or his nominees).

The Incentive Options, Performance Options and MD Performance Rights are being issued pursuant to the terms of the Employee Securities Incentive Plan (**Plan**) as partial remuneration for services and to incentivise performance. For more information on the relevant interests of the Directors and Joint Company Secretaries, see section 6.

The Directors are related parties of the Company. The Joint Company Secretaries and Exploration Manager are not considered to be related parties of the Company.

The Management Offer is not made to the public at large and is only open to the relevant Directors and Management (or their nominees). Applications for Incentive Options, Performance Options and MD Performance Rights under the Management Offer must be made using the Management Offer Application Form accompanying this Prospectus and received by the Company on or before the Closing Date.

## **2.5 Conditions**

The Offers under this Prospectus are conditional upon the following events occurring:

- the Company raising the Minimum Subscription (see section 2.2 for further information);
- to the extent required by ASX or the Listing Rules, each person entering into a restriction agreement or being issued a restriction notice imposing restrictions on Securities as mandated by the Listing Rules; and
- ASX granting conditional approval for the Company to be admitted to the Official List on conditions which the Directors are confident can be satisfied.

Subject to any extension permitted by law, if the conditions are not satisfied and the Company is not admitted to the Official List within 3 months after the Prospectus Date, then the Company will not proceed with the Offers and will repay all Application Monies received without interest in accordance with the Corporations Act.

## **2.6 Purpose**

The principal purposes of the Offers are to:

- assist the Company with meeting the admission requirements of Chapters 1 and 2 of the Listing Rules, as part of the Company's application for admission to the ASX;
- raise the Minimum Subscription (and up to the Maximum Subscription) pursuant to the Capital Raising Offer;
- provide the Company with funding to, among other things, conduct exploration on the Projects (see section 2.7 for further details); and
- provide the Company with better access to equity capital markets and, therefore, more flexibility with respect to sourcing finance for growth opportunities.

## 2.7 Use of funds

The Company intends to apply its existing cash reserves and funds raised under the Capital Raising Offer as follows:

Item	Minimum Subscription		Maximum Subscription	
Available funds	Amount	Proportion	Amount	Proportion
Existing cash reserves <sup>1</sup>	\$1,272,221	17.50%	\$1,272,221	13.72%
Funds from the Capital Raising Offer	\$6,000,000	82.50%	\$8,000,000	86.28%
<b>Total</b>	<b>\$7,272,221</b>	<b>100%</b>	<b>\$9,272,221</b>	<b>100%</b>
Use of Funds	Amount	Proportion	Amount	Proportion
Exploration on the Splinter Rock Project <sup>2,3</sup>	\$3,952,000	54.34%	\$5,802,000	62.57%
Exploration on the Grass Patch Project <sup>2,3</sup>	\$1,510,000	20.76%	\$1,510,000	16.29%
Expenses of the Offers <sup>4</sup>	\$553,547	7.61%	\$655,798	7.07%
General working capital <sup>5</sup>	\$1,256,674	17.29%	\$1,304,423	14.07%
<b>Total</b>	<b>\$7,272,221</b>	<b>100%</b>	<b>\$9,272,221</b>	<b>100%</b>

### Notes:

- 1 Being the Company's approximate cash reserves as at 31 March 2022.
- 2 See section 3.5 for further information on the Company's proposed exploration expenditure.
- 3 As at the Prospectus Date, E74/693 and E63/2153 are in the application phase. The Company is unaware of any circumstance that would prevent the exploration licences from being granted and expects them to be granted after its admission to the Official List. The use of funds above does not include any expenditure on these Tenements, which will only commence once (if) they have been granted.
- 4 See section 8.12 for further information on the expenses of the Offers.
- 5 General working capital may include wages, accounts payable, director fees, contractor fees, rent and outgoings, insurance, accounting, audit, legal, listing and registry fees, and other items of a general administrative nature. These funds may also be used for corporate expenditure items or in connection with any project, due diligence, investment or acquisition, as determined by the Board at the relevant time.

The above table is a statement of current intentions as at the Prospectus Date. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors including, but not limited to, the success of exploration, development of new acquisition opportunities and market conditions. In light of this, the Company reserves the right to alter the way the funds are applied.

The Directors are satisfied that upon completion of the Offers, the Company will have sufficient working capital to carry out its objectives set out in this Prospectus.

It is anticipated that the funds raised under the Offers will provide sufficient funding for approximately 2 years of operations. As the Company has no operating revenue, and it is unlikely to generate operating revenue in the near future, the Company may require additional funding, which would likely involve debt or equity financing (see section 5.2.2 for discussion on the risks associated with future capital requirements). The use of debt or equity financing will be considered by the Board where it is appropriate to fund additional exploration on its Projects or to capitalise on acquisition opportunities within the resources sector.

The Company proposes to actively pursue further acquisitions which complement its existing focus. If and when a viable investment opportunity is identified, the Board may elect to acquire or exploit such opportunity by way of acquisition, joint venture or earn-in arrangement which may involve the payment of consideration in cash, equity or a combination of both.

## **2.8 Underwriting**

The Offers are not underwritten.

## **2.9 Lead Manager fees and interests**

The Company has engaged Canaccord as lead manager to the Capital Raising Offer under the Lead Manager Mandate summarised in section 7.3.

As at the Prospectus Date, the Lead Manager does not have a relevant interest in any Shares. Neither the Lead Manager or any of its associates has participated in any placement of Securities by the Company in the two years preceding the Prospectus Date.

Key benefits paid or payable to the Lead Manager (or its nominees) include the following (excluding GST):

- a cash fee equal to 5% (comprising a 2% management fee and 3% capital raising fee) of the amount raised under the Capital Raising Offer, noting that the 3% capital raising fee will not be payable in respect of funds raised through the Chairman's List (being an offer of up to 10,000,000 Shares to raise up to \$2,000,000). Assuming no proceeds are raised under the Chairman's List, these fee arrangements equate to \$300,000 if the Minimum Subscription is raised or \$400,000 if the Maximum Subscription is raised; and
- the issue of 2,500,000 Lead Manager Options, which have an exercise price of \$0.30 each and expire 3 years from the Company's admission to the Official List (see section 8.4 for their full terms). This proposed issue of Lead Manager Options is being undertaken via the Lead Manager Offer under this Prospectus.

Assuming neither the Lead Manager or its associates take up Shares under the Capital Raising Offer and the Lead Manager is issued 2,500,000 Lead Manager Options under the Lead Manager Offer and ultimately exercises all of them into Shares, then the Lead Manager and its associates would have a relevant interest in 2,500,000 Shares. This would represent a voting power of 2.63% based on the Company's proposed Share capital upon completion of the Offers (assuming the Minimum Subscription is achieved).

The Company has also agreed to pay or reimburse the Lead Manager for certain costs and expenses, including legal costs, incurred by the Lead Manager in relation to the Capital Raising Offer.

It is noted that no brokerage, commission or duty is payable by applicants on the acquisition of Securities under the Offers.

## 2.10 Capital structure

The table below provides a summary of the proposed capital structure of the Company upon completion of the Offers.

Securities	Minimum Subscription		Maximum Subscription	
	Amount	Proportion	Amount	Proportion
Shares on issue at the Prospectus Date <sup>1</sup>	62,450,745	49.90%	62,450,745	46.21%
Shares offered under the Capital Raising Offer	30,000,000	23.97%	40,000,000	29.60%
<b>Total Shares</b>	<b>92,450,745</b>	<b>73.87%</b>	<b>102,450,745</b>	<b>75.81%</b>
Options on issue at the Prospectus Date <sup>2</sup>	22,350,371	17.86%	22,350,371	16.54%
Lead Manager Options offered under the Lead Manager Offer <sup>3</sup>	2,500,000	2.00%	2,500,000	1.85%
Incentive Options offered under the Management Offer <sup>4</sup>	3,850,000	3.08%	3,850,000	2.85%
Performance Options offered under the Management Offer <sup>4</sup>	1,500,000	1.20%	1,500,000	1.11%
MD Performance Rights offered under the Management Offer <sup>5</sup>	2,500,000	2.00%	2,500,000	1.85%
<b>Total Options and Performance Rights</b>	<b>32,700,371</b>	<b>26.14%</b>	<b>32,700,371</b>	<b>24.20%</b>
<b>Fully diluted Share capital</b>	<b>125,151,116</b>	<b>100%</b>	<b>135,151,116</b>	<b>100%</b>

### Notes:

- 1 Includes Shares issued under the Founder Raising and Seed Raising. See section 3.1 for further details. The rights and liabilities attaching to the Shares are summarised in section 8.1.
- 2 Includes 22,050,371 Founder Options (see section 8.2 for the relevant terms) and 300,000 Recruiter Options (see section 8.3 for the relevant terms).
- 3 The Company has agreed to issue 2,500,000 Lead Manager Options to the Lead Manager (or its nominees) pursuant to the Lead Manager Offer. See section 8.4 for the terms of Lead Manager Options.
- 4 The Company has agreed to issue 3,850,000 Incentive Options and 1,500,000 Performance Options to the relevant Directors and Management (or their nominees) as part of their remuneration and to incentivise their performance. See section 8.5 for the terms of the Incentive Options and section 8.6 for the terms of the Performance Options.
- 5 The Company has agreed to issue 2,500,000 MD Performance Rights to the Managing Director (or his nominees). See section 8.7 for the terms of the MD Performance Rights.

## 2.11 Escrow

Under the Listing Rules, ASX may determine that certain Securities issued to related parties, promoters, vendors and seed investors have escrow restrictions placed on them for up to 24 months from quotation of the Company's Shares on ASX. During an escrow period, the holder will be prohibited from selling or otherwise dealing in the relevant Securities (except in certain circumstances).

Subject to confirming ASX's position as part of its listing application, the Company anticipates that the following escrow will apply to its Securities upon completion of the Offers:

Holder	Shares held	Shares escrowed	Proportion of total Shares escrowed <sup>1</sup>	Options and Performance Rights escrowed
Shares on Incorporation	3	3	0.00%	-
Founder Raising	44,100,742	43,880,238	47.46%	22,050,371
Seed Raising	18,350,000	9,175,000	9.92%	-
Recruiter Options	-	-	-	300,000
Lead Manager Options	-	-	-	2,500,000
Incentive Options	-	-	-	3,850,000
Performance Options	-	-	-	1,500,000
MD Performance Rights	-	-	-	2,500,000
<b>Total</b>	<b>62,450,745</b>	<b>53,055,241</b>	<b>57.38%</b>	<b>32,700,371</b>

**Notes:**

1 Assuming that only the Minimum Subscription is achieved.

The Company anticipates that:

- Securities held by Odette Geoscience Pty Ltd, Leigh Sinclair <Holden Sinclair Family A/C>, Brett Hazelden & Tanya Hazelden <Bozden Super Fund A/C>, Hazelden Corporate Pty Ltd <Hazelden Investment A/C>, Geobase Pty Ltd <CW Lloyd Family A/C> and Cranley Consulting Pty Ltd will be subject to 24 months' escrow from quotation;
- approximately all of the Shares and Founder Options (assuming cash formula relief applies) issued under the Founder Raising will be subject to 24 months' escrow; and
- approximately half of the Shares (assuming cash formula relief applies) issued under the Seed Raising will be subject to 12 or 24 months' escrow.

Shares issued under the Capital Raising Offer will not be subject to escrow.

Prior to being admitted to the Official List, the Company will announce full details (including the quantity and duration) of the Securities that will be subject to ASX imposed escrow restrictions.

## 2.12 Free float

The Company confirms that its "free float" at the time of admission to the Official List will not be less than 20%, in compliance with Listing Rule 1.1 (Condition 7). On an undiluted basis:

- assuming the Company raises the Minimum Subscription, the Company's free float will be approximately 42.61%, based on the number of Shares issued pursuant to the Capital Raising Offer; and
- assuming the Company raises the Maximum Subscription, the Company's free float would be approximately 48.21%, based on the number of Shares issued pursuant to the Capital Raising Offer.

## 2.13 Offer period

The Opening Date for the Offers will be 9:00am (AWST) on 18 May 2022 (unless varied). The Offers will remain open until the Closing Date, which is expected to be 5:00pm (AWST) on 24 May 2022 (unless varied).

The Directors may open and close the Offers on any other date and time, without prior notice, so investors intending to apply under an Offer should plan accordingly.

No Shares will be issued on the basis of this Prospectus later than 3 months after the Prospectus Date.

## 2.14 Applications

### 2.14.1 Broker Firm Offer

If you have received a firm allocation of Shares from your Broker and wish to apply for those Shares under the Broker Firm Offer, you should complete the Broker Firm Application Form provided by your Broker in accordance with the instructions detailed on the Broker Firm Application Form.

Applicants under the Broker Firm Offer must deliver their completed Broker Firm Application Form and payment to the Broker directly and not to the Share Registry. Applicants under the Broker Firm Offer should complete and lodge their Application Form with the Broker from whom they received their invitation to acquire Shares under this Prospectus.

Your Broker will act as your agent in submitting your Broker Firm Application Form to the Company, but it is your responsibility to ensure that your Application Form and payment is received before 5.00pm (WST) on the Closing Date (or any earlier date determined by your Broker or the Company).

If you have a firm allocation of Shares and are in any doubt about what action to take, you should immediately contact the Broker who has made you the firm allocation offer.

The Broker Firm Offer may be closed at an earlier date and time at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Broker Firm Offer or accept late applications.

Applications for Shares under the Broker Firm Offer must be for a minimum of 10,000 Shares (i.e. \$2,000) and thereafter in multiples of not less than 2,500 Shares (i.e. \$500). Payment for the Shares must be made in full at the issue price of \$0.20 per Share. No brokerage, stamp duty or other costs are payable by applicants.

### 2.14.2 Chairman's List Offer

The Chairman's List Offer is open to selected investors in the Permitted Jurisdictions (including existing Shareholders, Company employees and officeholders) who are invited by the Chairman or the Company to apply for Shares.

If you have received an offer to participate in the Chairman's List Offer, you must complete the online Chairman's List Application Form and pay the Application Monies by BPAY® in accordance with the instructions on the Chairman's List invitation.

Applications for Shares under the Chairman's List Offer must be for a minimum of 10,000 Shares (i.e. \$2,000) and thereafter in multiples of not less than 2,500 Shares (i.e. \$500). Payment for the Shares must be made in full at the issue price of \$0.20 per Share. No brokerage, stamp duty or other costs are payable by applicants.

### 2.14.3 Public Offer

Applicants under the Public Offer may apply for Shares by applying online at <https://OD6offer.thereachagency.com>. An applicant must comply with the instructions on the website.

An applicant paying the Application Monies by BPAY® must use the unique BPAY® Customer Reference Number provided.

Applications for Shares under the Public Offer must be for a minimum of 10,000 Shares (i.e. \$2,000) and thereafter in multiples of not less than 2,500 Shares (i.e. \$500). Payment for the Shares must be made in full at the issue price of \$0.20 per Share. No brokerage, stamp duty or other costs are payable by applicants.

Public Offer Application Forms must not be circulated to prospective investors unless accompanied by a copy of this Prospectus. The Company reserves the right to extend the Public Offer or close it early and without notice, so investors intending to apply under the Public Offer should plan accordingly.

BPAY® payments must be made from an Australian dollar account of an Australian financial institution. An applicant should schedule its payment to occur on the same day that it completes its online Application Form. Applications without payment will not be accepted.

An applicant should be aware that its own financial institution may implement earlier cut off times with regard to BPAY® or other electronic payments and it should take this into consideration when making payment. It is the applicant's responsibility to ensure that funds submitted through BPAY® or other electronic payments are received by 5:00pm (AWST) on the Closing Date. The Company reserves the right to extend the Closing Date or close the Public Offer early and without notice. An applicant paying the Application Monies by BPAY® must follow the payment instructions online.

#### 2.14.4 Additional Offers

Only the Directors and Management (or their nominees) can apply for Incentive Options, Performance Options and MD Performance Rights (as applicable) under the Management Offer. In order to do so, the applicant must complete and return the Management Offer Application Form in accordance with the relevant instructions.

Only the Lead Manager (or its nominees) can apply for Lead Manager Options under the Lead Manager Offer. In order to do so, the applicant must complete and return the Lead Manager Offer Application Form in accordance with its instructions.

#### 2.14.5 Applicant representations

By completing an Application Form, the applicant will be taken to have declared that all details and statements made by it are complete and accurate and that it has personally received the relevant Application Form together with a complete and unaltered copy of this Prospectus. The Application Form must be completed in accordance with its instructions.

It is the responsibility of applicants outside Australia to obtain all necessary approvals in order to be issued Securities under an Offer. See section 2.15 for foreign investor restrictions relating to this Prospectus.

The return of an Application Form or otherwise applying for Securities under an Offer will be taken by the Company to constitute a representation by the applicant that it (as applicable):

- has received a printed or electronic copy of this Prospectus and accompanying Application Form, and has read them in full;
- agrees to be bound by the terms of this Prospectus and the Constitution;
- confirms it is either resident in Australia or an Institutional Investor in another Permitted Jurisdiction;
- confirms it is not in the United States nor acting for the account or benefit of a person in the United States;

- declares that all details and statements in its Application Form are complete and accurate;
- declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under its Application Form;
- acknowledges that once its Application Form is returned or payment is made its acceptance may not be withdrawn;
- subject to payment of any relevant Application Monies, agrees to being issued the number of Securities it applies for (or such lesser number issued in accordance with this Prospectus or as determined by the Company (in its absolute discretion));
- authorises the Company to register it as the holder of the Securities issued to it under the Offer;
- acknowledges that the information contained in this Prospectus is not investment advice or a recommendation that the Securities are suitable for it, given its investment objectives, financial situation or particular needs;
- acknowledges that, if the Application Form is not completed correctly or if payment is for the wrong amount, it may still be treated by the Company as valid (in its absolute discretion); and
- authorises the Company and its officers or agents to do anything on its behalf necessary for the Securities to be issued to it, including correcting any errors in its Application Form.

## 2.15 Foreign investor restrictions

### 2.15.1 General

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to extend such an invitation. 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 professional advice. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register this Prospectus or otherwise to permit a public offering of Securities in any jurisdiction outside Australia. It is the responsibility of non-Australian resident investors to obtain all necessary approvals for the issue to them of Securities offered pursuant to this Prospectus.

The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the applicant that all relevant approvals have been obtained.

### 2.15.2 New Zealand

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013 (FMC Act)*. The Securities are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

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

### 2.15.3 United Kingdom

Neither this Prospectus nor any other document relating to the offer 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 the Securities.

The Securities 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 "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. 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 Securities 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.

### 2.15.4 Hong Kong

**WARNING:** 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 Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the *Securities and Futures Ordinance (Cap. 571)* of the Laws of Hong Kong (**SFO**). Accordingly, this Prospectus may not be distributed, and the Securities may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

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

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

### 2.15.5 Singapore

This Prospectus and any other materials relating to the Securities 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 or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities, may not be issued, circulated or distributed, nor may the 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 (**SFA**) or another exemption under the SFA.

This Prospectus has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, 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 Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## **2.16 Allocation policy**

The allocation of Shares among applicants in the Public Offer and Broker Firm Offer will be determined by the Lead Manager, in consultation with the Company. The Lead Manager and the Company have absolute discretion regarding the basis of allocation of Shares among applicants. Participants in the Broker Firm Offer will be advised of their allocation of Shares, if any, by a Broker. The allocation policy will be influenced (but not limited) by the following factors:

- the number of Shares applied for;
- timeliness of the bid by particular applicants;
- the Company's desire for an informed and active trading market following completion of the Offers;
- the Company's desire to establish a spread of investors, including Institutional Investors;
- the overall level of demand from Institutional Investors under the Broker Firm Offer and the extent of any remaining Shares available to be issued under the Public Offer;
- the size and type of funds under management of particular applicants;
- the likelihood that applicants will be long term or strategic Shareholders; and
- other factors that the Company and the Lead Manager consider appropriate in all the relevant circumstances.

The basis of allocation under the Chairman's List Offer will be determined by the Company in consultation with the Lead Manager.

## **2.17 Risk factors**

As with any share investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in section 5. The Securities offered under this Prospectus should be considered highly speculative. Accordingly, before deciding to invest in the Company, applicants should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

## **2.18 Exposure Period**

This Prospectus is subject to an Exposure Period of 7 days after the Prospectus Date. The Exposure Period may be extended by a further period of up to 7 days.

The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of

deficiencies in this Prospectus. If deficiencies are detected, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act.

During the Exposure Period, this Prospectus can be viewed online on the Company's website at [www.OD6metals.com.au](http://www.OD6metals.com.au), and hard copies of this Prospectus will be made available upon request to the Company. Applications received during the Exposure Period will not be processed until after expiration of the Exposure Period. No preference will be conferred on applications received during the Exposure Period and all such applications will be treated as if they were simultaneously received on the Opening Date.

## **2.19 Application Monies**

All Application Monies will be held in trust in a separate subscription account on behalf of applicants until the Securities are issued pursuant to the Offers.

If the Minimum Subscription is not achieved within a period of 4 months after the Prospectus Date, all Application Monies will be refunded in full (without interest), and no Securities will be issued under the Offers. Any interest earned on Application Monies (including those which do not result in the issue of Securities) will be retained by the Company.

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

## **2.20 Issue of Securities**

The Company reserves the right to reject any application or to issue a lesser number of Shares than that applied for under the Capital Raising Offer. If the number of Shares allocated is less than that applied for, or no issue is made, the surplus Application Monies will be refunded without interest as soon as reasonably practicable after the Closing Date.

Subject to ASX granting approval for quotation of the Company's Shares, the issue of Securities will occur as soon as practicable after the Closing Date. Allotment Notices, holding statements will be sent to successful applicants as required by ASX. It is the responsibility of applicants to determine their allocation prior to trading in the Securities. Applicants who sell Securities before they receive their holding statement will do so at their own risk.

## **2.21 ASX listing and quotation**

The Company will apply to ASX no later than 7 days after the Prospectus Date for admission of the Company to the Official List and quotation of the Shares offered under this Prospectus (apart from Shares that may be designated by ASX as restricted securities). The Company does not intend to apply for quotation of any other Securities on the ASX.

Subject to any extension, if the Shares are not admitted to quotation within 3 months after the Prospectus Date, no Shares will be issued, and Application Monies will be refunded in full without interest in accordance with the Corporations Act.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant admission of the Company to the Official List and quotation of the Shares being offered is not to be taken in any way as an indication by ASX as to the merits of the Company or the Securities offered pursuant to this Prospectus.

## **2.22 CHESS and issuer sponsorship**

The Company operates an electronic CHESS sub-register and an electronic issuer sponsored sub-register. These 2 sub-registers will make up the Company's register of Shares.

The Company will not issue certificates to security holders. Rather, holding statements (similar to bank statements) will be dispatched to security holders as soon as practicable after allotment.

Holding statements will be sent either by ASX (for security holders who elect to hold Shares on the CHESS sub-register) or by the Company's Share Registry (for security holders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of Shares allotted under this Prospectus and the Holder Identification Number (for security holders who elect to hold Shares on the CHESS sub register) or Shareholder Reference Number (for security holders who elect to hold their shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each security holder following the month in which the balance of their security holding changes, and also as required by the Listing Rules and the Corporations Act.

### **2.23 Privacy disclosure**

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Shares, to provide facilities and services to Shareholders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Securities will not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company Secretary on +61 8 6189 8515.

### **2.24 Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. The Directors do not consider it appropriate to give applicants advice regarding the taxation consequences of subscribing for Securities.

To the maximum extent permitted by law, 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.

### **2.25 Withdrawal**

The Company reserves the right to not proceed with the Offers at any time prior to the issue of Securities. If the Offers do not proceed, the Company will return all Application Monies as soon as practicable without interest.

### **2.26 Enquiries**

This Prospectus is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, lawyer, accountant or other professional adviser without delay.

General questions relating to the Capital Raising Offer or completion of a Capital Raising Offer Application Form can be directed to the Share Registry on 1800 955 907 (within Australia) or +61 3 9415 4156 (outside Australia) or the Joint Company Secretary on +61 8 6189 8515.

## 3 Company and Project Overview

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### 3.1 Background

#### 3.1.1 General

The Company is an Australian public company incorporated on 27 October 2021 to be the holding company, and listing vehicle, of Odette Six Pty Ltd (ACN 649 360 430) (**OSPL**) (incorporated on 12 April 2021) and Grass Patch Metals Pty Ltd (ACN 654 535 823) (**GPM**) (incorporated on 15 October 2021), which were previously under common control. Accordingly, OSPL and GPM (**Subsidiaries**) are wholly owned by the Company, and all together they form the **Group**.

#### 3.1.2 Projects and focus

The Group's primary purpose is to pursue exploration and potential development opportunities within the resources sector. In particular, the Group was established to undertake exploration of its Splinter Rock Project and Grass Patch Project (**Projects**), which are located in the Goldfields-Esperance region of Western Australia and are prospective for rare earth elements (**REEs**), with the aim of delineating and defining economic resources and reserves to develop into revenue generating operational mines.

At the Prospectus Date, the Projects comprise 12 Tenements (10 granted, 2 in application) for a total area of 4,828km<sup>2</sup>. An overview of the Projects can be found in section 3.3. Further information about the Projects is set out in the Independent Geological Report at Attachment 1 and the Solicitor Tenement Report at Attachment 2.

Following completion of the Offers and admission of the Company to the Official List, the Company plans to undertake systematic exploration activities on the Projects to determine their potential.

#### 3.1.3 Security issues

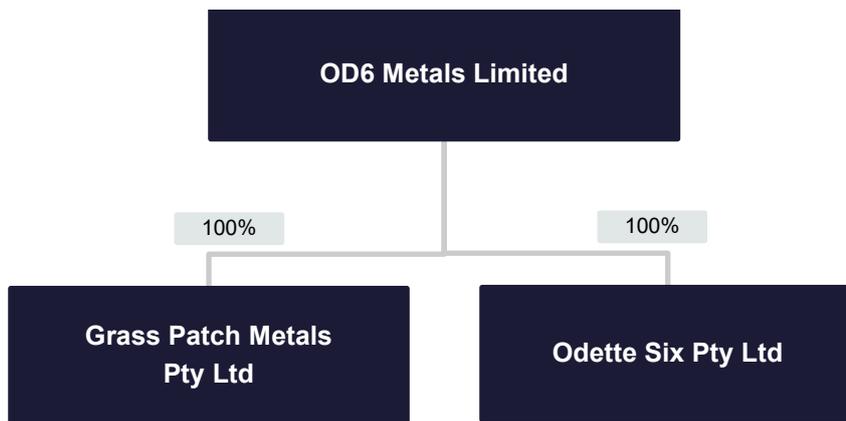
Since incorporating, the Company has raised \$44,102 via the issue of 44,100,742 Shares at \$0.001 each (together with 22,050,371 attaching Options with an exercise price of \$0.30 and an expiry date of 31 October 2025 (**Founder Options**) (**Founder Raising**), and \$1,835,000 via the issue of 18,350,000 Shares at an issue price of \$0.10 each (**Seed Raising**). The Founder Raising was completed in November 2021, and the Seed Raising was completed in January 2022.

Funds raised from the Founder Raising and Seed Raising have been applied towards debt repayments (including any Shareholder borrowings), heritage surveys, program of work (**POW**) compilations, application costs, transaction costs in relation to the Offers and working capital.

Further, in early April 2022, the Company issued 300,000 Recruiter Options to Acacia as part consideration for executive recruitment services.

### 3.2 Corporate Structure

The Company has, and will upon being admitted to the Official List have, the following corporate structure:



Each of the above companies is incorporated in Australia. The Company does not have any other related bodies corporate (as defined by the Corporations Act). See section 3.3.4 below for a summary of the Company’s interests in the Tenements which form part of the Projects.

### 3.3 Projects

#### 3.3.1 Overview

The Company, through the Subsidiaries, holds a 100% interest in in the following Projects:

- Splinter Rock Project; and
- Grass Patch Project.



Figure 1: Project locations

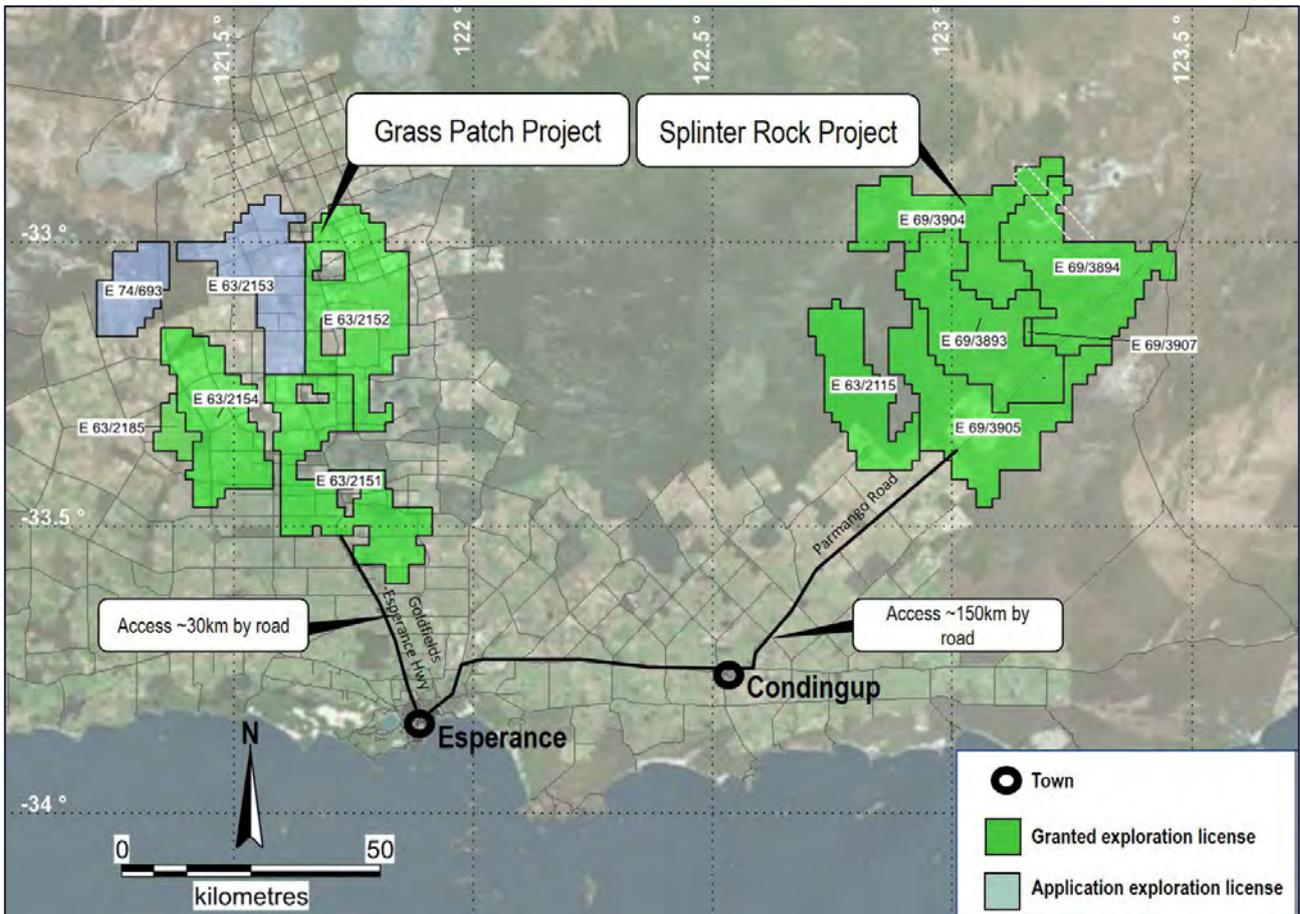


Figure 2: Project locations and access

### 3.3.2 Splinter Rock Project

The Splinter Rock Project is a 2,579km<sup>2</sup> tenement package located approximately 150km northeast of Esperance, Western Australia, comprising 6 granted exploration licences, being E63/2115, E69/3904, E69/3905, E69/3907, E69/3893 and E69/3894. Access from Esperance is via Fisheries Road (sealed road) to Condingup and then by the Parmango Road which is sealed for approximately 40km before changing to a well maintained gravel road which passes through the Project. Extensive grid lines and historically cleared tracks also provide secondary access to the Project.

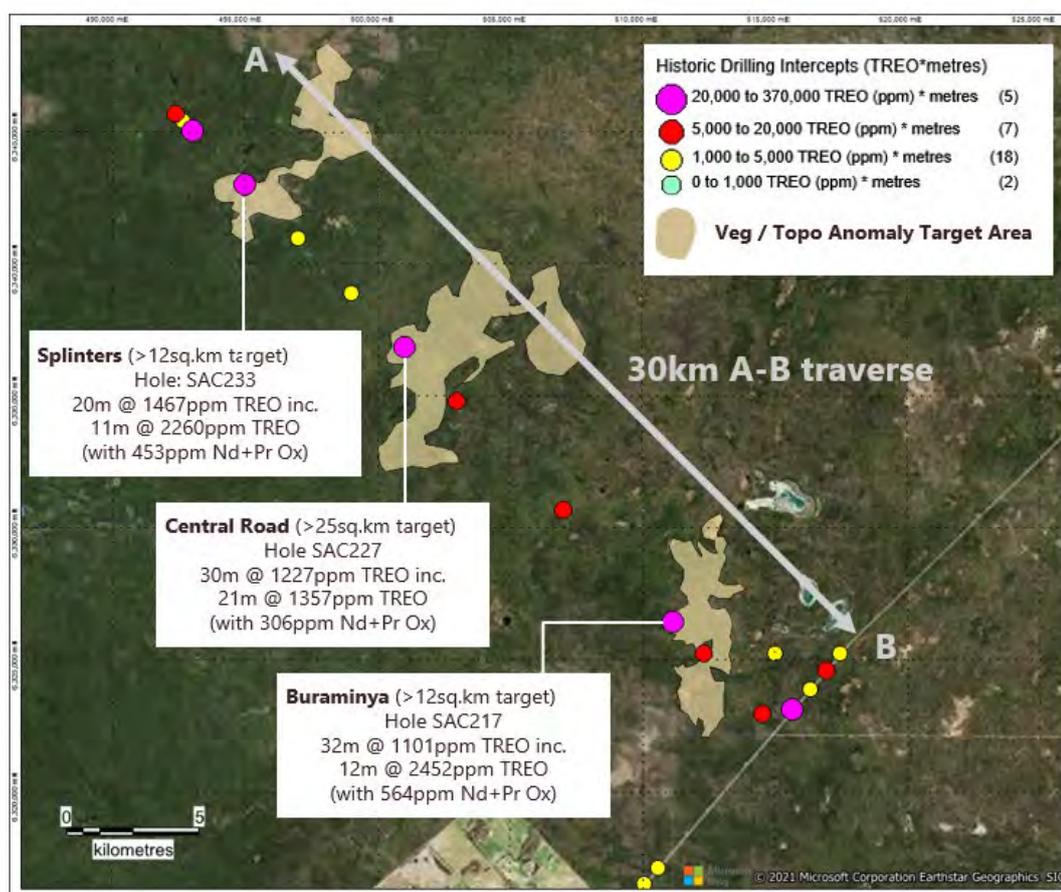
Prior to 2004, Helix Resources Limited had identified a large gold and copper in calcrete anomaly in the Splinter Rock region, as part of a 1km by 1km regional sampling programme along 50km of the Heywood Shear Zone. Helix concluded the Splinter Rock area was prospective to host shear-hosted gold deposits and iron oxide copper-gold deposits, but completed no further work.

Following this, in around 2006, Ponton Minerals Pty Ltd and Mineral Sands Ltd completed air core drilling and, in 2012, Salazar Gold Pty Ltd completed rock chip sampling and air core drilling targeting REEs and other prospective minerals.

The REE mineralisation at the Splinter Rock Project occurs in the weathered profile (in-situ regolith) adjacent to Booanya granitic basement rocks which are enriched in REE.

The Splinter Rock Project is considered an advanced-stage exploration project that is prospective for clay REE, which has a large tonnage potential suggested by a 30km to 40km air core drilling campaign (between 2km and 4km apart) that was historically undertaken through the middle of the Splinter Rock Project that intersected an enriched REE saprolitic zone between 5m and 37m in

thickness. This provides the Company with a large potential exploration area for clay hosted REE of approximately 30km (traverse across strike) by approximately 40km (along strike).



**Figure 3: Splinter Rock Prospective Area (showing historic drill hole locations coloured by grade (TREO (ppm) x width (m) for 300ppm cut-off intersections))**

Preliminary metallurgical testwork by other companies with similar styles of clay REE in the region have demonstrated that REE can be extracted by potentially low cost acid extraction methods. There has been no reported metallurgical testwork on samples directly from the Splinter Rock Project area. This regional metallurgical testwork is early stage, and further work is required.

In this regard, the Company is currently designing research and development programs to determine the geometallurgical characteristics of clay REE in the region, including their origin, mineralogy, geological methods of enrichment, and optimal metallurgical extraction methods. The search for economically extractable REE is likely to be contingent on not just concentration of the REE in the ground, but also its characteristics such as, but not limited to, particle size, mineralogy and carbonate content.

Prior to the Prospectus Date, the Company has received 2 separate POW approvals from DMIRS for the use of ground disturbing equipment on E63/2115, E69/3893, E69/3894, E69/3904 and E69/3905 (being 5 of the 6 Tenements which form the Splinter Rock Project).

### 3.3.3 Grass Patch Project

The Grass Patch Project is a 2,248km<sup>2</sup> tenement package located approximately 30km to 100km north of Esperance, Western Australia, comprising 4 granted exploration licences, being E63/2151, E63/2152, E63/2185 and E63/2154, and 2 exploration licence applications, being E63/2153 and E74/693. The Company expects E63/2153 and E74/693 to be granted shortly after its admission to the Official List. The Grass Patch town is located within the Tenements and supports the surrounding farming community.

The Grass Patch Project is predominantly on private agricultural land and covered with wheat and sheep farming, with cultivated topsoil cover of approximately 30cm. The Tenements have extensive calcrete formation which is up to 30cm in thickness with such calcrete material having been quarried and utilised for sheeting the secondary roads within the region.

The Grass Patch Project has had significant historical exploration undertaken including systematic soil geochemistry and follow up drilling, however the focus was on gold and no sampling was conducted for REE in the saprolite zone (prospective for REE ionic clay). Accordingly, the Grass Patch Project is considered an early-stage exploration project prospective for REE as defined by soil geochemistry and water bore anomalies.

The principal area is the Belgian Road prospect which has a 5km long neodymium-praseodymium soil anomaly in calcrete. Additional early-stage prospects include a second high grade neodymium-praseodymium single soil anomaly northeast of the Belgian Road prospect, an untested 12km magnetic feature potentially related to an untested ultramafic unit, and low-level gold targets.

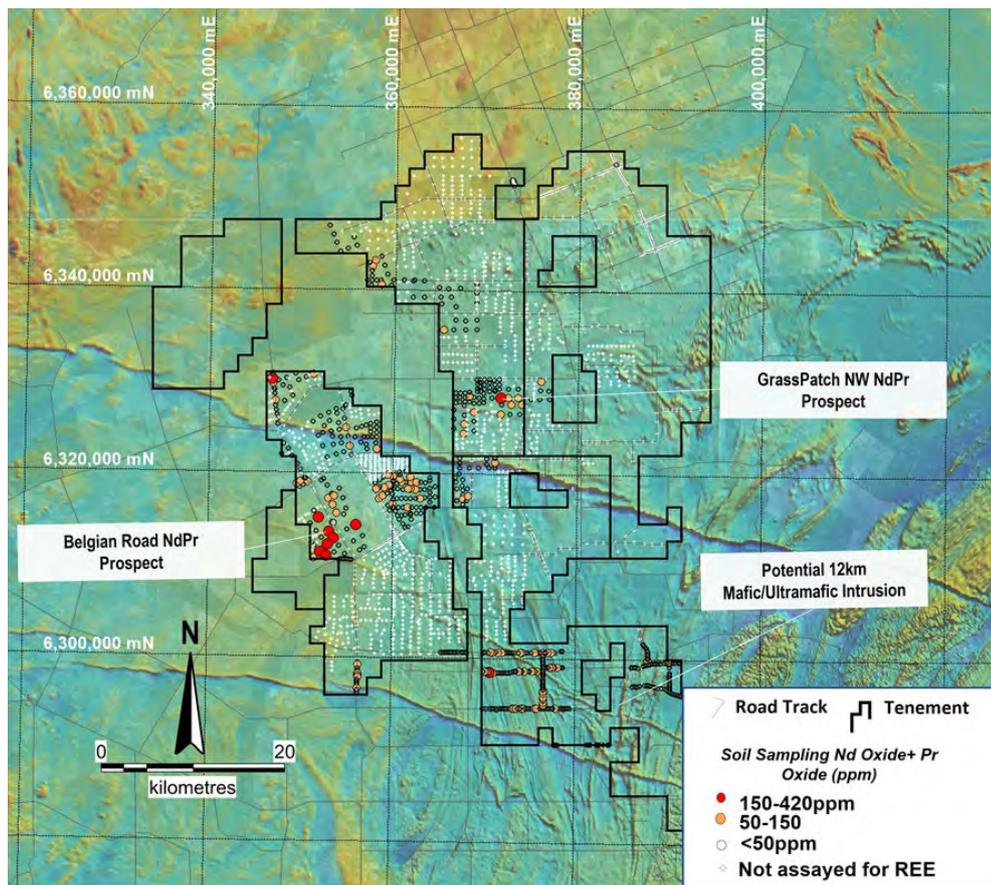


Figure 4: Grass Patch Prospective Area

### 3.3.4 Tenure

Details of the Tenements comprising the Group's Splinter Rock and Grass Patch Projects (all of which are 100% legally and beneficially owned by the Group) are set out below.

Tenement	Status	Registered Holder	Grant Date	Renewal Date	Area (km <sup>2</sup> )
<b>Splinter Rock Project</b>					
E63/2115	Granted	Odette Six Pty Ltd	4-Feb-22	3-Feb-27	362.3
E69/3904	Granted	Odette Six Pty Ltd	15-Feb-22	14-Feb-27	483.1
E69/3905	Granted	Odette Six Pty Ltd	15-Feb-22	14-Feb-27	575.1
E69/3907	Granted	Odette Six Pty Ltd	14-Feb-22	13-Feb-27	8.6
E69/3893	Granted	Odette Six Pty Ltd	20-Jan-22	19-Jan-27	575.1
E69/3894	Granted	Odette Six Pty Ltd	20-Jan-22	19-Jan-27	575.1
<b>Grass Patch Project</b>					
E63/2153	Application	Grass Patch Metals Pty Ltd	-	-	405.4
E74/693	Application	Grass Patch Metals Pty Ltd	-	-	195.5
E63/2151	Granted	Grass Patch Metals Pty Ltd	2-Dec-21	1-Dec-26	575.1
E63/2152	Granted	Grass Patch Metals Pty Ltd	3-Dec-21	2-Dec-26	575.1
E63/2154	Granted	Grass Patch Metals Pty Ltd	6-Dec-21	5-Dec-26	434.2
E63/2185	Granted	Grass Patch Metals Pty Ltd	1-Mar-22	28-Feb-27	63.3

Further information on the Splinter Rock Project and Grass Patch Project can be found in the Independent Geological Report at Attachment 1 and Solicitor Tenement Report at Attachment 2.

## 3.4 Business model

### 3.4.1 Overview

The Company is a speculative mineral exploration company. Upon completion of the Offers and admission of the Company to the Official List, the Company will be a publicly listed junior explorer.

Following admission to the Official List, the Company intends to systematically explore the Projects with the intention of discovering and proving an economic mineral resource. The primary objective is to discover and delineate an economic resource that has the potential to be developed into a mine, creating value for Shareholders. The success of exploration activities will be a key determining factor for the future allocation of funds towards the Projects.

At the outset, the Company will focus on exploring for REEs in the lanthanide series of the periodic table, being lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd), promethium (Pm), samarium (Sm), europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Y) and lutetium (Lu). These elements (in particular, Nd and Pr), are becoming increasingly important in the global economy, with uses including advanced electronics, permanent magnets in electric motors and electricity generators (such as wind turbines),

and battery technologies. Currently, clay REE deposits are primarily economically extracted in China, with several other projects under consideration elsewhere in the world.

The Esperance region also boasts excellent renewable energy prospects in its solar and wind potential. Accordingly, the Company intends to investigate the use of renewable energy sources in its operations, with a view to contributing to the advance of new industries seeking to rely on clean energy. In addition, each Project is located within 150km of Port of Esperance, which currently exports commodities including nickel, iron ore and grain.

In addition to commencing exploration on the Projects, the Company may actively evaluate additional projects for potential acquisition opportunities that it believes have the potential to create value for Shareholders.

The Company will benefit from the experience and skill set of its Directors who have a wealth of experience in the resources sector, in particular with the discovery, development and mining stages of resource operations as well as project acquisitions and joint venture operations.

### 3.4.2 Key dependencies and objectives

The Company considers that the key dependencies and objectives of its business model include:

- obtaining and maintaining title to the Tenements that comprise the Projects (including the successful grant of exploration licence applications);
- conducting exploration activities on the Projects, with the aim of discovering a commercially viable mineral deposit and, in particular:
  - conducting a drilling campaign stepping out from the best existing intersections at the Splinter Rock Project and regional reconnaissance drilling at the Splinter Rock Project and the Grass Patch Project; and
  - regional mapping and sampling of outcropping rocks, geophysics to map the thickness of clays across the Projects, and further and drilling targeting thick clay systems for new discoveries;
- undertaking research and development (**R&D**) activities, including:
  - designing and implementing detailed extraction studies pursuant to an R&D program; and
  - researching into the metallogenic origin of REEs in the area comprising the Projects to assist with further consolidation of Tenements;
- retaining and recruiting key personnel skilled in the mining and resource sector and, in particular, mineral exploration;
- raising additional capital to carry out exploration and any future development plans prior to the Company being in a position to generate income, including after the funds raised pursuant to this Prospectus have been spent;
- operating within pricing markets for REEs and other commodities that are sufficient to warrant the exploration and any future development of the Projects;
- entering into any required land access agreements with private landowners in relation to private land that overlaps some of the Tenements;
- complying with the terms of any Native Title and heritage agreements which the Company is party to;
- complying with current and future environmental regulations that govern its mineral exploration and any future development activities; and

- maintaining a social licence to conduct its mineral exploration and any future development activities.

### 3.4.3 Growth strategy

The Company's growth strategy includes:

- focussing on systematic exploration activities on the Projects for, subject to exploration results, the discovery and delineation of an economic mineral resource, scoping and feasibility studies and potential development of the Projects;
- investigating the use of renewable energy power sources in the Company's operations; and
- identification and pursuit of other strategic acquisitions in the resources sector in various jurisdictions to create additional Shareholder value, including REEs and other minerals. If and when a viable investment opportunity is identified, the Company may elect to acquire or exploit such opportunity by way of acquisition, joint venture or earn-in arrangement which may involve the payment of consideration in cash, equity or a combination of both. The Company will assess the suitability of investment opportunities by utilising its experience in evaluating projects. Naturally, there are uncertainties in the process of identifying and acquiring new and suitable projects.

### 3.5 Exploration programs and expenditure

Details of the Company's intended exploration programs over the 2 years following admission to the Official List are set out in the Independent Geological Report at Attachment 1. A summary of the Company's proposed expenditure for these programs is set out below.

Item	Minimum Subscription		Maximum Subscription	
	Year 1	Year 2	Year 1	Year 2
<b>Splinter Rock Project</b>				
Tenement Fees	\$201,000	\$201,000	\$201,000	\$201,000
Geophysics	\$200,000	-	\$500,000	-
Mapping and Geochemistry	\$50,000	-	\$100,000	-
Drilling and Assaying – Exploration	\$500,000	-	\$800,000	-
Drilling and Assaying – Resource Definition	\$700,000	\$1,000,000	\$900,000	\$2,000,000
R&D / Metallurgy	\$250,000	\$250,000	\$250,000	\$250,000
Project Studies and Permitting	\$100,000	\$500,000	\$100,000	\$500,000
<b>Subtotal</b>	<b>\$2,001,000</b>	<b>\$1,951,000</b>	<b>\$2,851,000</b>	<b>\$2,951,000</b>
<b>Grass Patch Project</b>				
Tenement Fees	\$155,000	\$155,000	\$155,000	\$155,000
Data Acquisition and Reprocessing of Geophysical Data	\$100,000	\$300,000	\$100,000	\$300,000
Drilling – Exploration	\$400,000	\$300,000	\$400,000	\$300,000

Project Studies and Permitting	\$100,000		\$100,000	
<b>Subtotal</b>	<b>\$755,000</b>	<b>\$755,000</b>	<b>\$755,000</b>	<b>\$755,000</b>
<b>Total</b>	<b>\$2,756,000</b>	<b>\$2,706,000</b>	<b>\$3,606,000</b>	<b>\$3,706,000</b>

The exploration and drilling programs and budgeted expenditure outlined in the Independent Geological Report are subject to modification on an ongoing basis and are contingent on circumstances, results and other opportunities. Expenditure may be reallocated as a consequence of such changes or new opportunities arising and will always be prioritised in accordance with due regard to geological merit and other business decisions related to the Company's activities. Ongoing assessment of the Projects may lead to increased or decreased levels of expenditure reflecting a change of emphasis.

At the date of this Prospectus, other than the usual on-going requirements for heritage surveys under the Heritage Agreements and work-programs to be approved by relevant native title holders and DMIRS, the Company confirms that there are no legal, regulatory, statutory or contractual impediments to entering the Tenements and carrying out exploration activities such that the Company will be able to spend its cash in accordance with its commitments for the purposes of satisfying Listing Rule 1.3.2(b).

Also see section 2.7 for further information regarding the Company's proposed expenditure.

For information on the Company's exploration strategy, please refer to the Independent Geological Report at Attachment 1.

### **3.6 Dividend policy**

The Company does not yet have a dividend policy. The Company anticipates that significant expenditure will be incurred in the exploration and evaluation of the Projects. These activities are expected to dominate the 2 year period following the date of admission to the Official List. Accordingly, the Company has no immediate intention to declare or distribute dividends and does not expect to declare any dividends during that period. Payment of future dividends will depend upon the future profitability and financial position of the Company.

## 4 Financial Information

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### 4.1 Introduction

This section 4 sets out the Financial Information of the Company. The Directors are responsible for the preparation and inclusion of all Financial Information in this Prospectus. The purpose of the inclusion of the Financial Information is to illustrate the effects of the Offers on the financial position of the Company. Hall Chadwick has prepared an Independent Limited Assurance Report in respect of the Financial Information, as set out in Attachment 3. Investors should note the scope and limitations of the Independent Limited Assurance Report.

The Financial Information and Independent Limited Assurance Report should be read in conjunction with the other information contained in this Prospectus, including:

- the risk factors described in section 5;
- the use of funds described in section 2.7;
- the indicative capital structure described in section 2.10; and
- the Independent Limited Assurance Report set out in Attachment 3.

Investors should also note that past performance is not an indication of future performance of the Company.

### 4.2 Basis and method of preparation

The historical financial information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards and the accounting policies adopted by the Company as detailed in Note 1 of section 4.8. The pro forma financial information has been derived from the historical financial information and assumes the completion of the pro forma adjustments as set out in Note 2 of section 4.8 as if those adjustments had occurred as at 31 December 2021.

The financial information contained in this section of this Prospectus is presented in an abbreviated form and does not contain all the disclosures that are provided in a financial report prepared in accordance with the Corporations Act and Australian Accounting Standards and Interpretations.

The Company was incorporated on 27 October 2021 while subsidiaries Odette Six Pty Ltd (ACN 649 360 430) (**OSPL**) and Grass Patch Metals Pty Ltd (ACN 654 535 823) (**GPM**) were incorporated on 12 April 2021 and 15 October 2021, respectively.

The financial information contained in this section 4 includes a summary of the following financial information in relation to the Company:

- the historical Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2021 for OSPL and 31 December 2021 for the Company;
- the historical Statement of Financial Position as at 30 June 2021 for OSPL and 31 December 2021 for the Company; and
- the historical Statement of Cash Flows for the period ended 30 June 2021 for OSPL and 31 December 2021 for the Company,

(together, the **Historical Financial Information**); and

- the pro forma statement of financial position as at 31 December 2021, prepared on the basis that the pro forma adjustments and subsequent events detailed in Note 2 of section 4.8 had occurred as at 31 December 2021; and
- the notes to the pro forma financial information,

(together, the **Pro Forma Financial Information**). The Historical Financial Information and Pro Forma Financial information are collectively referred to as the **Financial Information**.

The Historical Financial Information of OSPL and the Company have been extracted from the audited historical financial statements for 30 June 2021 and reviewed historical financial statements for 31 December 2021 respectively. The financial report for the period ended 30 June 2021 was audited by Hall Chadwick in accordance with Australian Auditing Standards. The half year financial report for the period ended 31 December 2021 was reviewed by Hall Chadwick. An unqualified audit opinion was issued for 30 June 2021 with a material uncertainty on going concern and an unqualified review conclusion was issued for 31 December 2021 with a material uncertainty on going concern.

#### 4.3 Forecast financial information

Mineral exploration is inherently uncertain. Consequently, there are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On these bases and after considering *ASIC Regulatory Guide 170*, the Directors do not believe they have a reasonable basis to reliably forecast future earnings and accordingly forecast financials are not included in this Prospectus.

The Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures, statements, comparative information and notes required in an annual financial report prepared in accordance with Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the Corporations Act.

#### 4.4 Historical statement of profit or loss and other comprehensive income

ODETTE SIX PTY LTD	Audited* period
	30 June 2021
	\$
Expenses	
Corporate costs	10,000
Exploration related expenditure	7,525
Consulting and accounting	10,250
General and administration expenditure	672
Legal fees	828
<b>Loss before income tax</b>	<b>29,275</b>
Income Tax Expense	-

<b>Loss after income tax</b>	<b>29,275</b>
<b>Other comprehensive income</b>	
Other comprehensive income for the year, net of tax	-
<b>Total comprehensive loss for the period</b>	<b>29,275</b>

\*Please refer to section 4.2 with respect to the audit opinion issued by Hall Chadwick on the historical financial information. The financial information should be read in conjunction with the accounting policies in section 4.8 and the Independent Limited Assurance Report in Attachment 3.

<b>OD6 METALS LIMITED</b>	<b>Reviewed* period</b>
	<b>Consolidated</b>
	<b>31 December 2021</b>
	<b>\$</b>
<b>Expenses</b>	
Corporate costs	-
Exploration related expenditure	436
Consulting and accounting	37,000
General and administration expenditure	4,062
Legal fees	6,341
<b>Loss before income tax</b>	<b>47,839</b>
Income Tax Expense	-
<b>Loss after income tax</b>	<b>47,839</b>
<b>Other comprehensive income</b>	
Other comprehensive income for the year, net of tax	-
<b>Total comprehensive loss for the period</b>	<b>47,839</b>

\*Please refer to section 4.2 with respect to the review conclusion issued by Hall Chadwick on the historical financial information. The financial information should be read in conjunction with the accounting policies in section 4.8 and the Independent Limited Assurance Report in Attachment 3.

#### 4.5 Historical statement of financial position

<b>ODETTE SIX PTY LTD</b>	<b>Audited* period</b>
	<b>30 June 2021</b>
	<b>\$</b>
<b>Current assets</b>	
Cash and cash equivalents	-
Other current assets	2,782
<b>Total current assets</b>	<b>2,782</b>
<b>Non-current assets</b>	
Exploration and evaluation assets	142,117
<b>Total non-current assets</b>	<b>142,117</b>
<b>TOTAL ASSETS</b>	<b>144,899</b>
<b>Current liabilities</b>	
Trade and other payables	30,831
Borrowings	143,342
<b>Total current liabilities</b>	<b>174,173</b>
<b>TOTAL LIABILITIES</b>	<b>174,173</b>
<b>NET ASSETS</b>	<b>(29,274)</b>
<b>EQUITY</b>	
Issued capital	1
Capital raised not yet issued	-
Accumulated losses	(29,275)
<b>TOTAL EQUITY</b>	<b>(29,274)</b>

\* Please refer to section 4.2 with respect to the audit opinion issued by Hall Chadwick on the historical financial information. The financial information should be read in conjunction with the accounting policies in section 4.8 and the Independent Limited Assurance Report in Attachment 3.

**Current assets**

Cash and cash equivalents	1,823,799
Other current assets	12,726
<b>Total current assets</b>	<b>1,836,525</b>

**Non-current assets**

Exploration and evaluation assets	316,112
<b>Total non-current assets</b>	<b>316,112</b>

<b>TOTAL ASSETS</b>	<b>2,152,637</b>
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**Current liabilities**

Trade and other payables	119,072
Borrowings	231,578
<b>Total current liabilities</b>	<b>350,650</b>

<b>TOTAL LIABILITIES</b>	<b>350,650</b>
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<b>NET ASSETS</b>	<b>1,801,987</b>
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**EQUITY**

Issued capital	44,101
Capital raised not yet issued	1,835,000
Accumulated losses	(77,114)
<b>TOTAL EQUITY</b>	<b>1,801,987</b>

\* Please refer to section 4.2 with respect to review conclusion issued by Hall Chadwick on the historical financial information. The financial information should be read in conjunction with the accounting policies in section 4.8 and the Independent Limited Assurance Report in Attachment 3.

4.6 Historical statement of cash flows

<b>ODETTE SIX PTY LTD</b>		<b>Audited* period</b>
		<b>30 June 2021</b>
		<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees (inclusive of GST)		-
<b>Net cash outflow from operating activities</b>		<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for related to exploration and evaluation		-
<b>Net cash outflow from investing activities</b>		<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares		-
Repayments of borrowings		-
<b>Net cash inflow from financing activities</b>		<b>-</b>
Net increase/(decrease) in cash and cash equivalents		-
Cash and cash equivalents at the beginning of the period		-
<b>Cash and cash equivalents at the end of the period</b>		<b>-</b>

\* Please refer to section 4.2 with respect to the audit opinion issued by Hall Chadwick on the historical financial information. The financial information should be read in conjunction with the accounting policies in section 4.8 and the Independent Limited Assurance Report in Attachment 3.

<b>OD6 METALS LIMITED</b>		<b>Reviewed* period</b>
		<b>Consolidated</b>
		<b>31 December 2021</b>
		<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees (inclusive of GST)		-
<b>Net cash outflow from operating activities</b>		<b>-</b>

## CASH FLOWS FROM INVESTING ACTIVITIES

Payments for related to exploration and evaluation	-
<b>Net cash outflow from investing activities</b>	<b>-</b>

## CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of shares	1,867,799
Repayments of borrowings	(44,000)
<b>Net cash inflow from financing activities</b>	<b>1,823,799</b>

Net increase/(decrease) in cash and cash equivalents	1,823,799
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	<b>1,823,799</b>

\* Please refer to section 4.2 with respect to the review conclusion issued by Hall Chadwick on the historical financial information. The financial information should be read in conjunction with the accounting policies in section 4.8 and the Independent Limited Assurance Report in Attachment 3.

### 4.7 Historical and pro-forma statement of financial position

OD6 METALS LIMITED		Reviewed* period 31 Dec 2021	Subsequent Events	Pro forma Adjustments		Pro forma balance	
Consolidated	Notes			Minimum	Maximum	Minimum	Maximum
		\$	\$	\$	\$	\$	\$
<b>Current assets</b>							
Cash and cash equivalents	3	1,823,799	(551,578)	5,446,453	7,344,202	6,718,674	8,616,423
Trade and other receivables		12,726	-	-	-	12,726	12,726
<b>Total current assets</b>		<b>1,836,525</b>	<b>(551,578)</b>	<b>5,446,453</b>	<b>7,344,202</b>	<b>6,731,400</b>	<b>8,629,149</b>
<b>Non-current assets</b>							
Exploration and evaluation assets	4	316,112	65,000	-	-	381,112	381,112
Total non-current assets		316,112	65,000	-	-	381,112	381,112
<b>TOTAL ASSETS</b>		<b>2,152,637</b>	<b>(486,578)</b>	<b>5,446,453</b>	<b>7,344,202</b>	<b>7,112,512</b>	<b>9,010,261</b>

<b>Current liabilities</b>							
Trade and other payables		119,072	(110,000)	-	-	9,072	9,072
Borrowings	5	231,578	(231,578)	-	-	-	-
<b>Total current liabilities</b>		<b>350,650</b>	<b>(341,578)</b>	<b>-</b>	<b>-</b>	<b>9,072</b>	<b>9,072</b>
<b>TOTAL LIABILITIES</b>		<b>350,650</b>	<b>(341,578)</b>	<b>-</b>	<b>-</b>	<b>9,072</b>	<b>9,072</b>
<b>NET ASSETS</b>		<b>1,801,987</b>	<b>(145,000)</b>	<b>5,446,453</b>	<b>7,344,202</b>	<b>7,103,440</b>	<b>9,001,189</b>

<b>EQUITY</b>							
Issued capital	6a	44,101	1,835,000	5,372,276	7,286,489	7,251,377	9,165,590
Capital raised not yet issued		1,835,000	(1,835,000)	-	-	-	-
Reserves	6b	-	28,675	837,277	837,277	865,952	865,952
Accumulated losses	6c	(77,114)	(173,675)	(763,101)	(779,565)	(1,013,890)	(1,030,354)
<b>TOTAL EQUITY</b>		<b>1,801,987</b>	<b>(145,000)</b>	<b>5,446,453</b>	<b>7,344,202</b>	<b>7,103,440</b>	<b>9,001,189</b>

\* Please refer to section 4.2 with respect to the review conclusion issued by Hall Chadwick on the historical financial information. The financial information should be read in conjunction with the accounting policies in section 4.8 and the Independent Limited Assurance Report in Attachment 3.

## 4.8 Notes to and forming part of the Historical Financial Information

### Note 1: Summary of significant accounting policies

The significant accounting policies adopted in the preparation of the Historical Financial Information and the Pro-forma Historical Statement of Financial Position are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

#### (a) Basis of preparation

These condensed interim financial statements for the period ending 31 December 2021 have been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This financial report also complies with IAS 34 Interim Financial Reporting, as issued by the International Accounting Standards Board.

These condensed interim financial statements do not include all the notes of the type normally included in an annual financial report.

The financial report has been prepared on a historical costs basis and has been presented in Australian Dollars (AUD) rounded to the nearest AUD1 unless otherwise stated.

#### (b) Going concern

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

The entity's ability to continue as a going concern is dependent on the success of Capital Raising. The Directors believe that the entity will continue as a going concern. As a result, the financial information has been prepared on a going concern basis. However, should the Capital Raising be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the entity not continue as a going concern.

(c) **Revenue recognition**

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

(d) **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(e) **Exploration and evaluation assets**

Acquisition, exploration and evaluation costs associated with mining tenements are accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful commercial development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

Each area of interest is also reviewed annually, and acquisition costs written off to the extent that they will not be recoverable in the future.

(f) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(g) **Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

(h) **Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

(i) **Issued capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(j) **Equity-settled compensation**

The Company operates an employee share and option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. The fair value of performance right options is determined using the satisfaction of certain performance criteria (Performance Milestones). The number of shares option and performance rights expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest. The fair value is determined using either a black-scholes or monte-carlo simulation model depending on the type of share-based payment

(k) **Goods and services tax (GST) and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are reported on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

(l) **Fair value of assets and liabilities**

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(m) **Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Note 2: Actual and proposed transactions to arrive at the Pro-Forma Financial Information**

The pro-forma historical financial information has been prepared by adjusting the statement of financial position of the Company as at 31 December 2021 to reflect the financial effects of the following subsequent events which have occurred since 31 December 2021:

- (a) The company repaid outstanding creditors of \$320,000.
- (b) The company repaid outstanding borrowings of \$231,578.
- (c) The Company completed the issue of 18,350,000 ordinary shares at \$0.10 per share of which funds of \$1,835,000 had been receipted.
- (d) The issue of 300,000 Recruiter Options to Acacia, each with an exercise price of \$0.30 and an expiry of 13 April 2025. These options have a valuation of \$28,675.

And the following pro forma transactions which are yet to occur, but are proposed to occur following completion of the capital raising:

- (a) the issue of a minimum of 30,000,000 Shares at \$0.20 per Share to raise \$6,000,000 (before costs) (**Minimum Subscription**) and up to 40,000,000 Shares at \$0.20 per Share to raise up to \$8,000,000 (before costs) (**Maximum Subscription**);
- (b) Costs of the Offers include capital raising fees payable to the Lead Manager and other costs of the Offers, which are estimated to be \$792,507 assuming the Minimum Subscription is raised, of which \$627,724 is offset against contributed equity and \$164,783 is recognised in Profit or Loss, or \$894,758 assuming the Maximum Subscription is raised, of which \$713,511 is offset against contributed equity and \$181,247 is recognised in Profit or Loss. Included in the costs are:
  - (i) Capital Raising Fees payable to the Lead Manager totalling \$300,000 (assuming the Minimum Subscription is raised) and \$400,000 (assuming the Maximum Subscription is raised), pertaining to 5% of all funds raised under the Capital Raising Offer; and
  - (ii) the issue to the Lead Manager of 2,500,000 Lead Manager Options exercisable at \$0.30 each with a term of 3 years from their date of issue. The Lead Manager Options are valued at \$0.0956 per Lead Manager Option, amounting to a total value of \$238,960.

- (c) the issue of 3,850,000 Incentive Options to the Directors and Management, each with an exercise price of \$0.30 and an expiry date of 31 March 2026. These options will be issued to the Directors and Management or their nominees with a valuation of \$430,200.

Recipient	Number
Brett Hazelden	1,500,000
Timothy Jones	900,000
Darren Holden	500,000
Piers Lewis	350,000
Mitch Loan	350,000
Troy Cavanagh	125,000
Joel Ives	125,000
<b>Total</b>	<b>3,850,000</b>

- (d) The issue of 2,500,000 MD Performance Rights to the Managing Director are valued at \$0.08 (Class A MD Performance Rights) and \$0.04 (Class B MD Performance Rights) each with a total valuation of \$140,000. Details of the probabilities assigned to the milestones attached to the MD Performance Rights are set out in Note 6(c).
- (e) The issue of 1,500,000 Performance Options to Non-Executive Director, Dr Mitch Loan, which are valued at \$0.0937 each. Management has assigned 20% probability to achieving the performance milestone and a value of \$28,118 was recognised.

### Note 3: Cash and cash equivalents

	Pro-forma balance	
	Minimum	Maximum
	\$	\$
Cash and cash equivalents	6,718,674	8,616,423
Reviewed balance as at 31 December 2021	1,823,799	1,823,799
<i>Subsequent events:</i>		
Repayment of borrowings	(231,578)	(231,578)
Repayment of trade creditors	(320,000)	(320,000)
<b>Total</b>	<b>(551,578)</b>	<b>(551,578)</b>

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*Pro-forma adjustments:*

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Proceeds from shares issued under the Capital Raising	6,000,000	8,000,000
Capital raising costs – cash settled	(553,547)	(655,798)
<b>Total</b>	<b>5,446,453</b>	<b>7,344,202</b>

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<b>Pro-forma Balance</b>	<b>6,718,674</b>	<b>8,616,423</b>
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**Note 4: Exploration and evaluation assets**

	Pro-forma balance	
	Minimum	Maximum
	\$	\$

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Exploration and evaluation assets	381,112	381,112
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Reviewed balance as at 31 December 2021	316,112	316,112
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*Subsequent events:*

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Exploration expenditure incurred	65,000	65,000
<b>Total</b>	<b>65,000</b>	<b>65,000</b>

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<b>Pro-forma Balance</b>	<b>381,112</b>	<b>381,112</b>
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**Note 5: Borrowings**

	Pro-forma balance	
	Minimum	Maximum
	\$	\$

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Borrowings	-	-
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Reviewed balance as at 31 December 2021	231,578	231,578
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*Subsequent events:*

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Repayment of loans	(231,578)	(231,578)
Total	(231,578)	(231,578)
<b>Pro-forma Balance</b>	-	-

## Note 6: Equity

### (a) Share capital

	Number of shares After Capital Raising		Pro-forma balance	
	Minimum	Maximum	Minimum	Maximum
			\$	\$
Share Capital	92,450,745	102,450,745	7,251,377	9,165,590
Reviewed balance as at 31 December 2021	44,100,745	44,100,745	44,101	44,101
<i>Subsequent events:</i>				
Issuance of fully paid ordinary share capital	18,350,000	18,350,000	1,835,000	1,835,000
<b>Total</b>	<b>18,350,000</b>	<b>18,350,000</b>	<b>1,835,000</b>	<b>1,835,000</b>
<i>Pro-forma adjustments:</i>				
Shares issued under the Capital Raising	30,000,000	40,000,000	6,000,000	8,000,000
Capital raising costs – cash settled	-	-	(388,764)	(474,551)
Capital raising costs – equity settled	-	-	(238,960)	(238,960)
<b>Total</b>	<b>30,000,000</b>	<b>40,000,000</b>	<b>5,372,276</b>	<b>7,286,489</b>
<b>Pro-forma Balance</b>	<b>92,450,745</b>	<b>102,450,745</b>	<b>7,251,377</b>	<b>9,165,590</b>

(b) Option reserve

	Number of options after Capital Raising	Number of options after Capital Raising	Pro-forma balance			
			Minimum	Maximum	Minimum	Maximum
					\$	\$
Option Reserve	30,200,371	30,200,371	725,952	725,952		
Reviewed balance as at 31 December 2021	22,050,371	22,050,371	-	-		
<i>Subsequent event adjustments:</i>						
Options issued prior to Prospectus Date[4]	300,000	300,000	28,674	28,675		
<i>Pro-forma adjustments:</i>						
Issuance of options to Lead Manager[3]	2,500,000	2,500,000	238,960	238,960		
Issuance of options to Managing Director[2]	1,500,000	1,500,000	167,646	167,646		
Issuance of options to Directors and Co Sec[1]	2,350,000	2,350,000	262,554	262,554		
Issuance of Performance Options[5]	1,500,000	1,500,000	28,118	28,118		
<b>Total</b>	<b>7,850,000</b>	<b>7,850,000</b>	<b>697,278</b>	<b>697,278</b>		
<b>Pro-forma Balance</b>	<b>30,200,371</b>	<b>30,200,371</b>	<b>725,952</b>	<b>725,952</b>		

(c) Options

	<sup>[1]</sup> Directors and Officer Options	<sup>[2]</sup> Managing Director	<sup>[3]</sup> Lead Manager Options	<sup>[4]</sup> Recruiter Options	<sup>[5]</sup> Performance Options
Number	1,450,000	1,500,000	2,500,000	300,000	1,500,000
Spot price	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20

	<sup>[1]</sup> Directors and Officer Options	<sup>[2]</sup> Managing Director	<sup>[3]</sup> Lead Manager Options	<sup>[4]</sup> Recruiter Options	<sup>[5]</sup> Performance Options
Exercise price	\$0.30	\$0.30	\$0.30	\$0.30	\$0.50
Expiry period	31 March 2026	31 March 2026	3 years	13 April 2025	31 March 2026
Expected volatility	90%	90%	90%	90%	90%
Risk free rate	2.61	2.61	0.78	0.78	2.61
Fair value	\$0.1117	\$0.1117	\$0.0956	\$0.0956	\$0.0937
Fair value (\$)	\$262,554	\$167,646	\$238,960	\$28,675	\$140,591
Model	Black-scholes Option Valuation	Black-scholes Option Valuation	Black-scholes Option Valuation	Black-scholes Option Valuation	Black-scholes Option Valuation
Probability*	N/A	N/A	N/A	N/A	20%
Vesting conditions	Immediately	Immediately	Immediately	Immediately	Immediately

**Note:** Performance Milestone: Performance Options vest upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20%.

(d) **Performance Rights**

	Number of Performance Rights After Capital Raising		Pro-forma balance	
	Minimum	Maximum	Minimum	Maximum
			\$	\$
Performance Rights	2,500,000	2,500,000	140,000	140,000
Reviewed balance as at 31 December 2021	-	-	-	-
<i>Pro-forma adjustments:</i>				
Performance Rights - Class A*	1,000,000	1,000,000	80,000	80,000

Performance Rights - Class B**	1,500,000	1,500,000	60,000	60,000
<b>Total</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>140,000</b>	<b>140,000</b>
<b>Pro-forma Balance</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>140,000</b>	<b>140,000</b>

Performance rights (**Performance Rights**) which convert into Shares on a 1:1 basis subject to the satisfaction of the Milestone as set out below. The Performance Rights have the following Milestones and Expiry Dates:

Class	Number	Milestone	Probability	Expiry Date
A	1,000,000	The Company announcing to ASX a JORC Code compliant inferred (or greater) Mineral Resource (as defined in the JORC Code) of not less than 250,000,000 tonnes (of which at least 100,000,000 tonnes must be an indicated Mineral Resource), grading a minimum of 800 ppm total rare earth oxides (TREO).	40%	5pm (AWST) on the date that is 2 years from the date of issue
B	1,500,000	Upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20%.	20%	5pm (AWST) on the date that is 3 years from the date of issue

(e) **Accumulated losses**

	Pro-forma balance	
	Minimum	Maximum
	\$	\$
Retained Earnings	(1,013,8990)	(1,030,354)
Reviewed balance as at 31 December 2021	(77,114)	(77,114)
<i>Subsequent events:</i>		
Operating expenditure between 31 December 2021 to date of offer	(173,675)	(173,675)

<b>Total</b>	<b>(173,675)</b>	<b>(173,675)</b>
<i>Pro-forma adjustments:</i>		
Share based payment expense	(598,318)	(598,318)
Capital raising costs – cash settled	(164,783)	(181,247)
<b>Total</b>	<b>(763,101)</b>	<b>(779,565)</b>
<b>Pro-forma Balance</b>	<b>(1,013,8990)</b>	<b>(1,030,354)</b>

**Note 7: Related parties**

Refer to section 6 of this Prospectus for the Board and Officer interests.

**Note 8: Subsequent events**

Other than disclosed above there have been no material events subsequent to balance date that we are aware of, other than those disclosed in this Prospectus.

## 5 Risk Factors

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### 5.1 Overview

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

There are specific risks which relate directly to Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of its Shares. The following is not intended to be an exhaustive list of the risk factors to which the Company is or may be exposed.

### 5.2 Specific risks

#### 5.2.1 Limited operational history

The Company was incorporated on 27 October 2021 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, the Projects or any other mining assets it has an interest in. Until the Company is able to realise value from the Projects or such mining assets, it is likely to incur operational losses.

#### 5.2.2 Future capital requirements

The Company is an exploration company and currently has no operating revenue and is unlikely to generate any operational revenue unless the Company's Tenements are successfully developed and exploited. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes the net proceeds of the Capital Raising Offer should be adequate to fund its initial business development activities, exploration programs and other Company objectives as outlined in this Prospectus.

In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the Prospectus Date. The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Any additional equity financing may be dilutive to Shareholders and may be undertaken at lower prices than the market price. Any debt financing, if available, may involve restrictions on financing and operating activities. There can be no assurance that additional finance will be available when needed.

Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of any exploration, development or production on the Company's Projects or even loss of interest in the Projects.

#### 5.2.3 Nature of mineral exploration

Mineral exploration and development are considered high-risk undertakings. There is no guarantee that exploration of the Projects will result in the discovery of an economically viable resource. Even if an apparently viable resource is discovered, there is no guarantee that the resource can be economically exploited.

Exploration on the Company's Projects may be unsuccessful, resulting in a reduction of the value of those Projects, diminution in the cash reserves of the Company and possible relinquishment of such Projects.

The proposed exploration costs of the Company summarised in section 3.5 are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice which may materially and adversely affect the Company's ability to complete the exploration programs as planned.

#### 5.2.4 Title risk

As at the Prospectus Date, exploration licence applications E63/2153 and E74/693 have not yet been granted. There is a risk that the exploration licences may not be granted in their entirety or only granted on conditions deemed unacceptable to the Company or that such grant will be delayed. See the Solicitor Tenement Report at Attachment 2 for further information.

#### 5.2.5 Private land, reserve land and land access risk

The Company's interests in the Tenements are subject to Commonwealth and applicable state legislation and cannot be guaranteed. The Company may be required to obtain the consent of and / or compensate holders of third party interests which overlay areas within the Tenements. The Tenements overlap certain third party interests that may limit the Company's ability to conduct exploration activities including Crown land, proposed Crown reserves, pastoral leases and areas covered by native title determinations.

The Grass Patch Project, comprising exploration licences E63/2151, E63/2152, E63/2153, E63/2154, E63/2185 and E74/693 falls principally on private agricultural land that is intersected by multiple road reserves. The Company has applied for, and obtained, permits from the Shire of Esperance to conduct exploratory drilling within the road reserves and expects to be able to proceed with initial exploration on the Grass Patch Project without the need for private land access agreements. Should substantial discovery be made, however, the Company will need to obtain the consent of any relevant private land owners and occupiers. This typically involves negotiating land access agreements with those parties which will likely require the Company to pay compensation to those parties for any exploration activities undertaken on it. Once this consent is obtained, the Company can apply to the Minister to obtain the right to access the top 30 metres of its exploration licences which encroach on private land.

Any delays in respect of conflicting third party rights, obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration activities within the affected areas.

See the Solicitor Tenement Report at Attachment 2 for further information.

#### 5.2.6 Metallurgy

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

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

#### 5.2.7 Shortage of available fresh water

The process plant is likely to be reliant on water for production. A potentially suitable source of water has not yet been identified. The total volume, extraction rate and quality of water is yet to be determined, which poses a risk to any project development and operation, and may incur additional costs in the sourcing, permitting and development of required bore fields.

#### 5.2.8 Project delays and cost overruns

The Company's ability to successfully explore and potentially develop or commercialise its Projects may be affected by factors including project delays and costs overruns. If the Company experiences project delays or cost overruns, this could result in the Company not realising any operational or development plans or result in such plans costing more than expected or taking longer to realise than expected.

#### 5.2.9 Inclement weather and natural disasters

The Company's operational activities are subject to a variety of risks and hazards which are beyond its control, including hazardous weather conditions such as excessive rain, flooding and fires. Any of the above occurrences will impact the Company's ability to realise any operational or developmental plans and may negatively impact profitability.

#### 5.2.10 Resource estimates may be inaccurate

The Company has not published resource estimates for any prospects. There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit.

Furthermore, resource estimates are expressions of judgement based on knowledge, experience, and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or technologies become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate and require adjustment. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to any development and mining plans which may, in turn, adversely affect the Company's operations.

#### 5.2.11 Reliance on historical data

The Company has used information sourced from previous tenement holders and reported in the Western Australia Mineral Exploration reporting system (**WAMEX**) to guide its proposed work plans. Although the Company and its consultants have no reason to doubt the integrity of the historical data, not all historical data is supported by adequate quality assurance and quality control (**QA/QC**) documentation. Accordingly, the Company cannot guarantee that the data sets do not contain errors or biases that could cause the Company to make erroneous assumptions and conclusions about the prospectivity of the Projects in the design of its exploration work programs.

#### 5.2.12 Development risk

The business of exploration, project development and mining contains risks by its very nature. To prosper, it depends on the successful exploration or acquisition of reserves, design and construction of efficient production and processing facilities, competent operation and managerial performance and proficient marketing of the product. In particular, exploration is a speculative endeavour and force majeure circumstances, cost over runs and other unforeseen events can hamper mining operations.

#### 5.2.13 Operational 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.

Even though the Directors have between them significant mineral exploration and operational experience, no assurance can be given that the Company will achieve commercial viability through the successful exploration and mining of its Tenements. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses.

#### 5.2.14 Dilution risk

In the future, the Company may elect to issue Securities in connection with fundraisings, including to raise proceeds to fund further exploration of its Projects or new projects. While the Company will be subject to the constraints of the Listing Rules regarding the percentage of its capital it is able to issue within a 12 month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues of Securities.

Upon admission to the Official List, the Company will have 29,300,371 Options and 2,500,000 MD Performance Rights on issue which, if exercised or converted (as applicable), will dilute the interests and voting power of Shareholders. Furthermore, although the Options have exercise prices ranging between \$0.30 and \$0.50 each, meaning the Company will receive additional funds if they are exercised (subject to any rights to cashless exercise), it is likely that they would only be exercised at times when the market price of Shares is less than their exercise price.

#### 5.2.15 Liquidity risk

Certain Securities on issue in the Company upon admission to the Official List will be subject to ASX imposed escrow restrictions (see section 2.11 for further details). During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner. The Company will announce to ASX full details (including quantity and duration) of the Securities required to be held in escrow prior to the Shares commencing trading on ASX.

#### 5.2.16 Potential acquisitions

Although the Company's immediate focus will be on the Projects, the Company may 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, tenement acquisitions and direct equity participation.

The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit 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 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 activities will remain.

#### 5.2.17 Competition risk

The Company competes with other companies, including major mining companies in Australia and internationally. Some of these companies have greater financial resources than the Company and, as a result, may be in a better position to compete for future business opportunities, including potential acquisitions. There can be no assurance that the Company can compete effectively with these companies.

#### 5.2.18 Commodity price and exchange rate 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 REEs 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 minerals which the Company plans to explore for could cause any development of, and eventually the commercial production from, the Company's Projects to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue any 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 REEs 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.

#### 5.2.19 Environmental risk

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 industry 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. Natural 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 programs or mining activities.

Furthermore, under the *Mining Rehabilitation Fund Act 2012 (WA)*, the Company is required to provide assessment information to DMIRS in respect of a mining rehabilitation levy payable for mining tenements granted under the Mining Act. The Company is required to contribute annually to the mining rehabilitation fund if its rehabilitation liability is above \$50,000.

#### 5.2.20 Workplace health and safety risk

The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Mining industry activities have inherent risks and hazards, which could adversely impact the Company and its financial position. The Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems.

A health and safety incident which results in serious injury, illness or death would involve regulatory investigations, potential regulatory intervention and may also expose the Company to significant penalties and the Company may be liable for compensation. These liabilities may not be covered by the Company's insurance policies or, if they are covered, may exceed the Company's policy limits or be subject to significant deductibles which may be a substantial financial cost to the Company. Also,

any claim under the Company's insurance policies could increase the Company's future costs of obtaining such insurance. Accordingly, any liabilities for workplace accidents could have a material adverse impact on the Company's liquidity and financial results and reputation.

The Company notes the *Work Health and Safety Act 2020 (WA) (WHS Act)* came into effect on 31 March 2022, which deals with the general health and safety requirements that are applicable to all workplaces. As the Company's mining activities will predominantly be carried out in Western Australia, the WHS Act will apply, together with the *Work Health and Safety (General) Regulations 2022* and *Work Health and Safety (Mines) Regulations 2022 (WHS Regulations)*. It is not possible to anticipate the effect on the Company's business of any further changes to workplace health and safety legislation or directions necessitated by concern for the health of the workforce. Such changes may have an adverse impact on the financial performance and / or financial position of the Company.

#### 5.2.21 Tenure risk

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 or performance of the Company.

There can be no guarantee that a renewal will be approved. If the Company is unable to secure a renewal for these Tenements this may impact the Company's exploration plans for the Projects and may adversely impact the Company or the value of its Shares.

Prior to any development on any of its Tenements, the Company must receive licences from appropriate governmental authorities. There is no certainty that the Group will hold all licences necessary to develop or continue operating at any particular Tenement.

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 tenure carry with them various obligations which the holder is required to comply with in order to ensure the continued good standing of the 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 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.

The Tenements may be relinquished either in total or in part even though a viable mineral deposit may be present, in the event that:

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

Further, a number of the Tenements are pending applications. There is a risk that the applications for Tenements may not be granted in their entirety or only granted on conditions unacceptable to the Company.

#### 5.2.22 Native title and Aboriginal heritage

In relation to the Tenements or any tenements that the Company may in the future acquire an interest in, there may be areas over which legitimate common law Native Title rights may exist. If such Native Title rights do exist, the ability of the Company to gain access to such tenements (through obtaining consent of any relevant native title holders) or to progress from the exploration phase to any development and mining phase of operations may be adversely affected.

As at the Prospectus Date, a number of the Tenements are subject to Native Title determinations and others are subject to Native Title claims. See the Solicitor Tenement Report in Attachment 2 for further details.

The grant of any future tenure to the Company over areas that are covered by registered claims or determinations will require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act.

In addition, determined native title holders may seek compensation under the Native Title Act for the impacts of acts affecting native title rights and interests after the commencement of the *Racial Discrimination Act 1975* (Cth) on 31 October 1975.

The State of Western Australia has passed liability for compensation for the impact of the grant of mining tenements under the Mining Act onto mining tenement holders pursuant to section 125A of the Mining Act. Outstanding compensation liability will lie with the current holder of the Tenements at the time of any award of compensation pursuant to section 125A of the Mining Act or, in the event there is no holder at that time, the immediate past holder of the relevant Tenements.

Compensation liability may be determined by the Federal Court or settled by agreement with native title holders, including through ILUAs (which have statutory force) and common law agreements (which do not have statutory force). At this stage, the Company is not able to quantify any potential compensation payments, if any.

In addition, the Company must comply with Aboriginal heritage legislation requirements which include the requirement to conduct heritage survey work prior to the commencement of operations.

The Company is aware of various areas of indigenous significance and Aboriginal heritage sites of considerable cultural value both to the local indigenous communities and the broader community which affect a number of Tenements. See the Solicitor Tenement Report at Attachment 2 for further information. It is also likely that additional Aboriginal heritage sites may be identified on the land the subject of the Tenements.

These Aboriginal heritage sites require the Company to comply with all relevant the Aboriginal heritage laws in respect of any ground disturbing activities and any applicable agreements that may be in place with the relevant Traditional Owners. The Company is a party to a standard form heritage agreement with the determined Native Title holders which covers a majority of the Tenements.

Prior to commencing significant ground disturbing activities, including exploration, the Company will need to consult with the relevant local Traditional Owners regarding the likely impact that the proposed activities may have on such areas. There is no guarantee that the Company will be able to deal with Aboriginal heritage issues in a satisfactory or timely manner and accordingly such issues may increase the proposed time periods for the conduct of the Company's proposed activities, lead to increased costs for such activities (in obtaining the required consents and / or approvals) and also limit the Company's ability to conduct its proposed activities on the relevant Tenement.

The *Aboriginal Cultural Heritage Act 2021* (WA) (**New Heritage Act**) came into effect on 22 December 2021. However, the majority of the operative provisions of the New Heritage Act will not come into effect until the conclusion of a transition period of 18 months, during which regulations will

be proclaimed and supporting guidance finalised. Until that time, the Aboriginal Heritage Act will continue to apply subject to some minor amendments under the New Heritage Act.

The New Heritage Act will recognise existing agreements and consents under the Aboriginal Heritage Act in some circumstances. However, those circumstances will not become clear until the regulations and supporting guidance for the New Heritage Act have been finalised. Further agreements, approvals and / or consents may be required in the future under the New Heritage Act. That New Heritage Act may impose constraints or more stringent requirements on the Company which could adversely impact the assets, operations, and financial performance of the Company, either directly or indirectly.

#### 5.2.23 Crown land and pastoral lease risk

The land covered by the Tenements overlaps with Crown land. Under the terms of the *Land Administration Act 1997* (WA), the State has the ability to reserve, sell or lease Crown land. If that occurs, the Company may need to consider entering into a compensation and access agreement with the relevant holders of that Crown land to ensure the requirements of the Mining Act are satisfied and to avoid any disputes arising. As at the Prospectus Date, the Crown land remains unallocated (other than any reserve land noted) and accordingly, Company has not entered into land access agreements with respect to any of the Tenements. In the absence of an agreement, the leaseholder or the Company itself can request that the Warden's Court determines the quantum of compensation payable to leaseholders if those activities have resulted in loss or damage to that leaseholder. The entry into these agreements may delay the undertaking of activities, including the development of any future mines, and may restrict the areas within which the Company can explore for mineral development.

#### 5.2.24 Sovereign risk

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Western Australia may change, resulting in impairment of rights and possible expropriation of the Company's properties without adequate compensation. If the Company was to extend its activities into jurisdictions other than Western Australia and Australia in the future, the risks described in this paragraph may be considerably increased.

#### 5.2.25 Climate change risk

There are several climate-related factors that may affect the operations and proposed activities of the Company. One of the climate change risks particularly attributable to the Company is the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its potential future profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Furthermore, climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

#### 5.2.26 Equipment availability

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source appropriate contractors with access to relevant drilling and other exploration and mining equipment. Equipment is not always available and the market for exploration and mining equipment experiences fluctuations in supply and demand. If the Company is unable to source appropriate

equipment economically or at all then this would have a material adverse effect on the Company's financial or trading position.

#### 5.2.27 Conflicts of interest

Certain Directors are also directors and officers of other companies engaged in mineral exploration and development, and mineral property acquisitions. These engagements are summarised in the Director profiles in section 6.2. Accordingly, mineral exploration opportunities or prospects of which these Directors become aware may not necessarily be made available to the Company in first instance.

Although these Directors have been advised of their fiduciary duties to the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in, other companies could detract from their efforts on behalf of the Company.

#### 5.2.28 Third party contractor risk

It is the Company's intention to outsource a substantial part of its exploration activities to third party contractors. The Company is unable to predict the risk of insolvency or managerial failure of 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.

#### 5.2.29 Reliance on key personnel

Recruiting and retaining qualified personnel are important to the Company's success. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons is strong. There can be no assurance that there will be no detrimental impact on the Company if such persons employed by the Company from time to time cease their employment with the Company.

#### 5.2.30 Insurance risk

The Company intends 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 mineral exploration and production is not always available and where available the costs can be prohibitive.

#### 5.2.31 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.

### 5.3 General risks

#### 5.3.1 Speculative investment

The Securities to be issued under this Prospectus should be considered highly speculative. There is no guarantee as to the payment of dividends, return of capital, the underlying market liquidity of the Company's Securities (i.e. the volume of Shares that may be able to be traded on ASX at any given price) or the market value of the Securities trading on ASX from time to time. The price at which an investor is able to trade Shares may be above or below the price paid for Shares under the Capital Raising Offer. Whilst the Directors commend the Offers, investors must make their own assessment of the risks, consult with professionals and determine whether an investment in the Company is appropriate in their own circumstances.

### 5.3.2 Economy risk

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

### 5.3.3 Market conditions

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

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital;
- fear of global pandemics; and
- terrorism or other hostilities.

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

### 5.3.4 Ukraine Conflict

The current evolving conflict between Ukraine and Russia (**Ukraine Conflict**) is impacting global economic markets. The nature and extent of the effect of the Ukraine Conflict on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine Conflict.

The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

### 5.3.5 Securities investment risk

Investors should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the price of the Company's Securities, regardless of its performance.

### 5.3.6 Force majeure

Events may occur within or outside the markets in which the Company operates that could impact upon the global and Australian economies, the operations of the Company and the market price of its

Securities. These events include acts of terrorism, outbreaks of international hostilities, fires, pandemics, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, and other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. Given the Company has only a limited ability to insure against some of these risks, its business, financial performance and operations may be materially adversely affected if any of the events described above occurs.

### 5.3.7 Government and regulatory risk

The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities and stakeholders to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities. While the Company believes that it is in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or potential development projects.

Obtaining necessary permits can be a time-consuming process and there is a risk that the Company will not obtain required permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with any development of a Project or any operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.

Under the Mining Act, a tenement holder must apply for and be granted a Programme of Work (**POW**) approval before conducting any ground disturbing activities with mechanised equipment. As described in the Independent Geological Report in Attachment 1, the Company intends to conduct non-ground disturbing activities (including ground based geophysics) and, if warranted, the Company will be required to submit a POW application to DMIRS for approval of selected drilling on its Tenements. A POW approval is considered to be in the ordinary course, and the Company is not aware of any reason why a POW approval would not be granted. In this regard, the Company notes that it has received 2 separate POW Approvals from DMIRS for the use of ground disturbing equipment on E63/2115, E69/3893, E69/3894, and E69/3904 and E69/3905 (being 5 of the 6 tenements which form the Splinter Rock Project).

In addition, the Company's capacity to undertake future mining operations may be affected by various factors such as:

- potential inability to obtain necessary consents and approvals to mine;
- delay to obtaining necessary consents and approvals to mine;
- increased costs in obtaining necessary consents and approvals to mine; and
- limited ground available for mining due to access restrictions and limitations.

### 5.3.8 Litigation risk

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

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

#### 5.3.9 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.

#### 5.3.10 COVID-19

The global economic outlook is facing uncertainty due to the COVID-19 pandemic, which has had and may continue to have a significant impact on capital markets and share prices. The Company's Share price may also be adversely affected by the economic uncertainty caused by COVID-19.

There is a risk that this uncertainty may continue for the foreseeable future, which could interrupt the Company's operations, its contractual obligations, cause disruptions to supply chains or interrupt the Company's ability to access capital.

### 5.4 Other risks

This list of risk factors above is not an exhaustive list of the risks faced by the Company or by investors in the Company. The risk factors described in this section as well as risk factors not specifically referred to above may in the future materially affect the financial performance of the Company and the value of its Shares. Therefore, the Securities offered under this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or their market value.

## 6 Key People and Corporate Governance

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### 6.1 Board of Directors

The Company's Board of Directors is responsible for:

- setting and reviewing strategic direction and planning;
- reviewing financial and operational performance;
- identifying principal risks and reviewing risk management strategies; and
- considering and reviewing significant capital investments and material transactions.

Collectively, the Board has significant experience across a range of industries, including the resources and mining, finance and corporate sectors.

### 6.2 Directors

#### **Brett Hazelden**

Managing Director  
BSc, MBA, AICD

Mr Hazelden is a Metallurgist who brings over 25 years' experience serving the Australasian resources industry. His experience includes being a Company Director, Managing Director, CEO, Project Manager, Study Manager and originally a Metallurgist in an operating environment.

Mr Hazelden brings a diverse range of capabilities from exploration, project development studies, research and development, project approvals, offtake agreements, equity raising, debt financing plus mergers and acquisitions. He has worked across multiple commodities including potash, gold, copper, zinc, lead, iron ore, tungsten, salt, diamond and now rare earth sectors. Most recently, Brett was the Co-founder and Managing Director/CEO of Kalium Lakes (ASX:KLL).

Mr Hazelden was appointed as a Director on 1 April 2022.

Mr Hazelden is not considered to be an independent Director as he is engaged in an executive capacity.

#### **Darren Holden**

Non-Executive Chairman  
BSc (Hons), PhD, FAusIMM

Dr Holden is a geologist and experienced director of 25 years of worldwide experience in mineral discovery and mineral exploration technologies.

Dr Holden is currently a Non-Executive Director of Aurumin Limited (ASX: AUN) And has previously held several other ASX directorships. He is a founder and director of private project generation businesses Marlee Minerals and Odette Geoscience.

Currently, Dr Holden runs GeoSpy Pty Ltd, a private mineral exploration advisory business with clients in Western Australia New South Wales, British Columbia and Fiji. He is a Fellow of the Australian Institute of Mining and Metallurgy.

Dr Holden was appointed as a Director on 27 October 2021.

Dr Holden is not considered to be an independent Director as he is a substantial holder of the Company.

**Piers Lewis**

Non-Executive Director  
BCom, ACA, FAICG

Mr Lewis has over 25 years corporate advisory experience with various ASX companies and Investment Banks. He founded SmallCap Corporate, which provides corporate advisory, IPO management, CFO and company secretary services.

Mr Lewis is currently Non-Executive Director and Company Secretary for a number of ASX listed companies, including Non-Executive Chair of Aurumin Ltd (ASX: AUN), and Non-Executive Director of Noronex Ltd (ASX: NRX), company secretary of Grange Resources Limited (ASX: GRR) and Almonty Industries Inc. (ASX: AII). Mr Lewis has also held senior management roles with Credit Suisse (London), Mizuho International, ABN Amro and NAB Capital.

Mr Lewis was appointed as a Director on 27 October 2021.

Although Mr Lewis holds Securities in the Company and will receive Incentive Options, Mr Lewis is considered to be an independent Director.

**Mitch Loan**

Non-Executive Director  
BSc (First Class Honours), PhD Curtin University, AAICD

Dr Loan is a mining executive with over 20 years of experience. Mitch has diverse experience in operational, commercial, strategy, stakeholder management, governance and technical and corporate development across the minerals industry. Dr Loan is currently the Global Director of Strategy and Business Development of Alcoa of Australia.

Dr Loan was appointed as a Director on 12 April 2022.

Although Dr Loan will receive Incentive Options and Performance Options, Dr Loan is considered to be an independent Director.

**6.3 Company Secretaries****Troy Cavanagh**

Joint Company Secretary and Financial Controller  
BCom, CA

Mr Cavanagh is a Chartered Accountant with 15 years' experience in the accounting and corporate finance industry. He is the founding director of LCP Group, which specialises in accounting, taxation and IPO management and provides CFO and company secretary services to a range of ASX listed and large private entities. Mr Cavanagh has performed roles as Chief Financial Officer and Company Secretary of various private resource exploration and technology companies, assisting with strategy, governance and dealings with other ASX listed entities.

**Joel Ives**

Joint Company Secretary  
BCom, CA

Mr Ives is a Chartered Accountant who has held numerous roles as Chief Financial Officer and Company Secretary of private and public start-up technology and resource exploration companies. He has assisted a number of ASX listing, via both IPOs and RTOs and has ensured ongoing regulatory compliance post-listing. Mr Ives is currently a Company Secretary of DigitalX Ltd (ASX:DCC), Kuniko Limited (ASX: KNI) and Green Technology Metals Limited (ASX:GT1).

## 6.4 Director interests

### 6.4.1 Overview

Other than as set out below or elsewhere in this Prospectus, no Director holds as at the Prospectus Date, or has held in the 2 years prior to the Prospectus Date, an interest in:

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

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to a Director to induce them to become, or qualify as, a Director or for services in connection with the formation or promotion of the Company or the Offers.

### 6.4.2 Remuneration

The Constitution provides that the remuneration of Non-Executive Directors will not be more than the aggregate fixed sum determined by a general meeting of Shareholders. As at the Prospectus Date, the maximum aggregate remuneration of the Non-Executive Directors is \$300,000 per annum. The remuneration of Directors is reviewed annually by the Company.

The Directors are also entitled to be reimbursed out of the funds of the Company such reasonable travelling, accommodation, and other expenses the Directors may incur when travelling to or from meetings or when otherwise engaged in the business of the Company.

The annual salaries (excluding statutory superannuation) payable to the Directors from the Company's admission to the Official List are set out below.

Director	Position	Amount
Darren Holden <sup>1,2</sup>	Non-Executive Chairman	\$48,000
Brett Hazelden <sup>3</sup>	Managing Director	\$320,000
Piers Lewis <sup>1</sup>	Non-Executive Director	\$36,000
Mitch Loan <sup>1</sup>	Non-Executive Director	\$36,000

#### Notes:

- 1 The remuneration payable to the Non-Executive Directors and Non-Executive Chairman only starts to accrue and becomes payable from the Company's admission to the Official List. See section 7.4.2 for further details of the letters of appointment for the Non-Executive Directors and Non-Executive Chairman.
- 2 In addition to the above remuneration, the Company has entered into a geological services agreement with GeoSpy Pty Ltd, an entity controlled by Dr Holden, pursuant to which GeoSpy Pty Ltd will receive a fee of \$10,000 (plus GST) per month in consideration of geological services to be provided by GeoSpy Pty Ltd until such time as the Company has engaged a full time exploration manager, subject to a reasonable handover period. Noting the expected commencement of an Exploration Manager (see Section 7.4.4) on 23 May 2022, it is anticipated that the geological services agreement will terminate on or about the date of the Company's admission to the Official List.
- 3 The Company has entered into an Employment Agreement with Mr Hazelden, pursuant to which the Company will pay a fee of \$320,000 per annum excluding statutory superannuation from 1 April 2022 for services provided by Mr Hazelden as Managing Director of the Company. See section 7.4.1 for further details of that agreement.

### 6.4.3 Security holdings

Set out below are the anticipated relevant interests of the Directors in the Securities of the Company upon completion of the Offers.

Director	Shares <sup>1</sup>	Voting Power <sup>2</sup>	Options <sup>3</sup>	Performance Rights <sup>4</sup>
Darren Holden <sup>5</sup>	6,937,425	7.50%	3,968,712	Nil
Brett Hazelden <sup>6</sup>	1,000,000	1.08%	1,500,000	2,500,000
Piers Lewis <sup>7</sup>	2,187,487	2.37%	1,193,743	Nil
Mitch Loan <sup>8</sup>	Nil	Nil	1,850,000	Nil

**Notes:**

- 1 The above table does not include any Shares applied for and received by a Director under the Capital Raising Offer. Each Director reserves the right to apply for Shares under the Capital Raising Offer. To the extent that a Director does participate, the number of Shares it holds (and therefore its voting power) upon completion of the Offers will increase accordingly.
- 2 Assumes only the Minimum Subscription is achieved.
- 3 See sections 8.2 for the terms of Founder Options, 8.5 for the terms of Incentive Options and 8.6 for the terms of Performance Options.
- 4 See section 8.7 for the terms of MD Performance Rights.
- 5 6,937,425 Shares and 3,468,712 Founder Options are held by Ms Leigh Sinclair <Holden Sinclair Family A/C> (Ms Sinclair being the spouse of Dr Holden). Further, 500,000 Incentive Options are to be issued to Dr Holden (or his nominees) under the Management Offer.
- 6 500,000 Shares are held by Mr Brett Hazelden & Ms Tanya Hazelden (Mr Hazelden's spouse) <Bozden Super Fund A/C> and 500,000 Shares are held by Hazelden Corporate Pty Ltd <Hazelden Investment A/C>, an entity controlled by Mr Hazelden. 1,500,000 Incentive Options and 2,500,000 MD Performance Rights are to be issued to Mr Hazelden (or his nominees) under the Management Offer.
- 7 2,187,487 Shares and 843,743 Founder Options are held by Cranley Consulting Pty Ltd, an entity controlled by Mr Lewis. Further, 350,000 Incentive Options are to be issued to Mr Lewis (or his nominees) under the Management Offer. It is noted that Mr Lewis and his associates intend to subscribe for 850,000 Shares under the Chairman's List Offer, which would increase Mr Lewis' voting power to 3.29% (based on the Minimum Subscription).
- 8 350,000 Incentive Options and 1,500,000 Performance Options are to be issued to Dr Loan (or his nominees) under the Management Offer.

## 6.5 Related party transactions

The Company has entered into the following related party transactions on arm's length terms:

- the Employment Agreement with Brett Hazelden (see section 7.4.1 for further details);
- the Engagement Letters with each of the Non-Executive Chairman and Non-Executive Directors (see section 7.4.2 for further details);
- the Geological Services Agreement with GeoSpy Pty Ltd (an entity controlled by Non-Executive Chairman, Darren Holden); and
- a deed of indemnity, insurance and access with each of the Directors and Officers (see section 7.4.5 for further details).

It is further noted that:

- Leigh Sinclair <Holden Sinclair Family A/C> (Ms Sinclair being the spouse of the Non-Executive Chairman, Darren Holden) acquired 6,937,425 Shares and 3,468,712 Founder Options for cash consideration of \$6,937 under the Founder Raising;
- Geobase Pty Ltd <CW Lloyd Family A/C> (an entity controlled by Colwin Lloyd, a Director of the Company from 27 October 2021 until 12 April 2022) acquired 6,937,425 Shares and 3,468,712 Founder Options for cash consideration of \$6,937 under the Founder Raising; and

- Cranley Consulting Pty Ltd (an entity controlled by Non-Executive Director, Piers Lewis) acquired 1,687,487 Shares and 843,743 Founder Options for cash consideration of \$1,687 under the Founder Raising, and 500,000 Shares for cash consideration of \$50,000 under the Seed Raising.

As at the Prospectus Date, no material transactions with related parties exist that the Directors are aware of, other than those disclosed in this Prospectus.

## 6.6 Major Shareholders

Upon admission to the Official List, the Company's largest Shareholders are expected to be Odette Geoscience Pty Ltd, Leigh Sinclair <Holden Sinclair Family A/C>, Geobase Pty Ltd <CW Lloyd Family A/C> and Milford Resources Pty Ltd as set out in section 8.9.

## 6.7 Corporate governance

### 6.7.1 Overview

The Board is responsible for the governance of the Company and oversees its operational and financial performance. It sets strategic direction, establishes goals for management and assesses the achievement of those goals, determines the appropriate risk profile and monitors compliance in terms of regulatory and ethical standards.

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

To the extent applicable, the Company has adopted the 4<sup>th</sup> edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**).

In light of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

Copies of the Company's main corporate governance documents, including its Constitution and full Corporate Governance Plan, are available in a dedicated corporate governance information section of the Company's website at [www.OD6metals.com.au](http://www.OD6metals.com.au). The Company's main corporate governance policies and practices as at the Prospectus Date are summarised below.

### 6.7.2 Board responsibilities

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

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

- appointment of the Managing Director/Chief Executive Officer and other senior executives and the determination of their terms and conditions including remuneration and termination;
- driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;

- approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- approving the annual, half yearly and quarterly accounts;
- approving significant changes to the organisational structure;
- approving the issue of any shares, options, equity instruments or other Securities in the Company (subject to compliance with the Listing Rules if applicable);
- ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them (in accordance with the Listing Rules if applicable); and
- meeting with the external auditor, at their request, without management being present.

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

#### 6.7.3 Board composition

Election of Board members is substantially the province of the Shareholders in a general meeting. Upon admission to the Official List, the Board will consist of 4 Directors (3 Non-Executive Directors and one Managing Director).

The Board considers an independent Director to be a Non-Executive Director who is not a substantial Shareholder or a member of management, and who is free of any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with the independent exercise of that Director's judgment.

The Board considers that each of Mr Piers Lewis and Dr Mitch Loan are free from any business, position, association or relationship that may influence or reasonably be perceived to influence, the independent exercise of the Director's judgment and that it is able to fulfil the role of independent Director for the purposes of the ASX recommendations.

The Board considers the current balance of skills and expertise to be appropriate given the current size and operations of the Company. The composition of the Board will be reviewed regularly to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction.

#### 6.7.4 Identification and management of risk

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

#### 6.7.5 Ethical standards

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

#### 6.7.6 Independent professional advice

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

#### 6.7.7 Remuneration arrangements

The remuneration of any Executive Director will be decided by the Board, without the affected Executive Director participating in that decision-making process.

In accordance with the Constitution, the total maximum remuneration of Non-Executive Directors is a sum not exceeding the aggregate sum from time to time determined by the Company in general meeting. As at the Prospectus Date, the maximum aggregate remuneration for Non-Executive Directors is \$300,000 per annum.

The Directors are also entitled to be reimbursed out of the funds of the Company such reasonable travelling, accommodation, and other expenses the Directors may incur when travelling to or from meetings or when otherwise engaged in the business of the Company.

In addition, subject to any necessary Shareholder approval, a Director may 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 (e.g. non-cash performance incentives such as options).

The Board reviews and approves the Company's remuneration policy in order to ensure that the Company is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

#### 6.7.8 Trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of Securities in the Company by its key management personnel (including Directors). The policy provides that any key management personnel (other than the Chairman) wishing to buy, sell or exercise rights in relation to the Company's Securities must obtain the prior written approval of the Chairman or the Board before doing so. If the Chairman wishes to buy, sell or exercise rights in relation to the Company's Securities, the Chairman must obtain the prior approval of the Board before doing so.

#### 6.7.9 Diversity policy

The Company and all its related bodies corporate are committed to workplace diversity. The Company recognises the benefits arising from employee and Board diversity, including a broader pool of high-quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent. Diversity includes, but is not limited to, gender, age, sexuality, ethnicity, identifying as an Australian Aboriginal person and cultural background. Accordingly, the Company has set in place a diversity policy. The Diversity Policy provides a framework for the Company to achieve:

- a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;
- a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
- a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity; and

- awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.

The Chairman will monitor the scope and development of this policy.

#### 6.7.10 Audit and risk committee

The Company will not have a separate audit or risk committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

#### 6.7.11 External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

#### 6.7.12 Whistleblower policy

The Company is committed to maintaining a positive culture of openness, responsible corporate governance and ethical behaviour where Company Staff are able to report incidents of corrupt, illegal or unethical work related conduct without fear of reprisal. Accordingly, the Company has adopted a whistleblower policy. The purpose of this policy is to promote the responsibility of Company staff to report suspected incidents of corrupt, illegal or unethical work-related behaviour in breach of the Company's Code of Conduct.

#### 6.7.13 Anti-bribery and corruption policy

The Company is committed to conducting its operations and business activities with integrity and preventing bribery or corruption by any of its Directors, officers, employees or any other party acting on its behalf. The Company is committed to complying with all laws that apply to it, including anti-bribery and corruption laws. Accordingly, the Company has adopted an anti-bribery and corruption policy. The purpose of this policy is to supplement the Company's code of conduct by setting out the conduct expected by the Company to minimise the risk of bribery or corruption occurring in connection with its operations and activities and to provide guidance on how to deal with instances of bribery or corruption.

#### 6.7.14 Environmental, Social and Governance (ESG) Policy

The Company is committed to conducting its business in an environmentally, social and sustainable manner. Accordingly, the Company had adopted an ESG policy. The purpose of the Policy is to ensure that the Company is able to recognise, administer and maintain its legal and other obligations associated with ESG to all stakeholders who are directly or indirectly impacted by the activities of the Company.

#### 6.7.15 Workplace Health & Safety Policy

The Company is committed to the protection, health and safety of all employees and contractors involved with the Company against workplace disease and injury. Accordingly, the Company has adopted a Workplace Health and Safety Policy. The purpose of the Policy is to mitigate the risks to employees and contractors of the Company associated with workplace health and safety matters, with the aim of eliminating workplace illnesses and injuries resulting from the activities of the Company.

## 6.7.16 Departures from ASX Recommendations

Following admission to the Official List, the Company will be required to report any departures from the ASX Recommendations in its annual financial report. The Company considers that its corporate governance policies comply with the ASX Recommendations as at the Prospectus Date, except to the extent set out below.

ASX Recommendation	Comments
<p>1.5 A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a diversity policy;</li> <li>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</li> <li>(c) disclose in relation to each reporting period: <ul style="list-style-type: none"> <li>(1) the measurable objectives set for that period to achieve gender diversity;</li> <li>(2) the entity's progress towards achieving those objectives; and</li> <li>(3) either: <ul style="list-style-type: none"> <li>i) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</li> <li>ii) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</li> </ul> </li> </ul> </li> </ul>	<p>The Board is committed to promoting equality and diversity in the workplace and aims to be an organisation where diversity is valued, respected and celebrated. All decisions relating to employees will be based strictly on merit, without regard to gender, ethnicity, age, relationship status or any other irrelevant factor not applicable to the position.</p> <p>Pursuant to Recommendation 1.5, the Company has established a Diversity Policy. However, due to the small size of the organisation and its current stage of operations, the introduction of specific measurable objectives at this stage has not been implemented. The Company does not currently have any women on the Board of Directors out of a total of four.</p> <p>Whilst the Board strongly endorses the concept of gender diversity (together with all forms of diversity), until the Company's human resource base has grown to a point where fully implementing specific measurable objectives will become more meaningful, the Company will, in accordance with its Diversity Policy, continue to recruit the best person for each role, regardless of gender, ethnicity, age, relationship status or any other irrelevant factor not applicable to the position.</p>
<p>1.6 A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</li> <li>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</li> </ul>	<p>At this point in time, the Company does not have formal process for the evaluation of the performance of the Board. The Company is a junior resources company and the Board believes that a formal performance evaluation is not required at this point in time and that no efficiencies or other benefits would be gained from a formal performance evaluation. The Chairman is responsible for evaluating the Board and informal discussions are undertaken during the course of the year. As the Company grows and develops, it will continue to consider the efficiencies and merits of a more formal performance evaluation of the Board, its committees and individual directors.</p>
<p>1.7 A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</li> <li>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in accordance with that process during or in respect of that period</li> </ul>	<p>The Company believes that the small size of the executive team and the current scale of the Company's activities make the establishment of a formal performance evaluation procedure unnecessary. Performance evaluation is a discretionary matter for consideration by the entire Board. In the normal course of events the Board reviews performance of Directors and management as a whole.</p> <p>Achievement of goals and business development and compliance issues are evaluated regularly on an informal basis.</p> <p>Notwithstanding, the Company notes that the Executive Services Agreement between the Company and Mr Brett Hazelden (the Managing Director) provides for the evaluation of Mr Hazelden's performance to be undertaken every 12 months and therefore the Company intends to establish a formal process for performance evaluation of its executives (including relevant assessment criteria) following admission to the Official List.</p>

ASX Recommendation	Comments
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least 3 members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>Neither the Company nor the Board is currently of a sufficient size and structure to establish a nomination committee. At present, the full Board carries out the duties that would ordinarily be assigned to a nomination committee under the Company's nomination committee charter.</p> <p>The Board is responsible for the appointment of the Managing Director and other senior executives and the determination of their terms and conditions including remuneration and termination.</p> <p>The Board regularly reviews the composition of the Board to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction.</p> <p>As the Company grows in size, it is planned that the Company will establish a separate nomination committee.</p>
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>Currently, independent directors do not form a majority of the Board as only 2 of the 4 Directors are considered to be independent directors. The Board will continue to assess the Company's needs as it grows in size and if appropriate, appoint additional non-executive and independent directors.</p>
<p>2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>The Board does not currently consider that the chair should be an independent Director given the nature of the Company's business, the Company's size, and the Company's limited scale of activities. However, the Company's Board Charter recognises that, at a time when the size of the Company and its activities warrant such a structure, the chair should be an independent Director.</p>
<p>4.1 The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least 3 members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>The Board is not currently of a sufficient size and structure to establish an audit committee. At present, the full Board carries out the duties that would ordinarily be assigned to an audit committee under the written terms of reference for that committee.</p> <p>As the Company grows in size, it is planned that the Company will establish a separate audit committee with its own audit committee charter.</p> <p>Under the Board's charter, the specific responsibilities of the Board include to recommend to shareholders the appointment of the external auditor and to meet with the external auditor when required and without management being present.</p> <p>The Board meets with the Company's auditors at regular intervals to continually assess and monitor the performance of the external auditors.</p>

ASX Recommendation	Comments
<p>7.1 The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>The Board currently determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.</p> <p>The Board as a whole is ultimately responsible for undertaking and assessing risk management and internal control effectiveness. Due to the size and early phase of the Company, the Board believes that no efficiencies or other benefits would be gained by establishing a separate risk committee.</p> <p>As the Company grows in size, it is planned that the Company will establish a separate audit and risk committee with its own committee charter.</p>
<p>7.3 A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>The Company does not have an internal audit function.</p> <p>The full Board oversees the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements.</p> <p>The Board reviews the efficiency and effectiveness of risk management and associated internal compliance and control procedures.</p> <p>When the Company and the Board is of a sufficient size and nature, it will establish and delegate to an Audit and Risk Committee responsible for implementing the Company's risk management system.</p>
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least 3 members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>The full Board is responsible for the determination of the remuneration of directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p> <p>Where considered necessary, the Board may engage a remuneration consultant to assist with setting and reviewing the Company's executive and non-executive remuneration policies to ensure the Company attracts and retains executives and Directors who will create value for shareholders.</p> <p>As the Company grows in size, it is planned that the Company will establish a separate remuneration committee with its own remuneration committee charter.</p>

## 7 Material Contracts

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### 7.1 Overview

Set out in this section 7 is a summary of the material contracts to which the Company is a party that may be material in terms of the Offers, for the operation of the business of the Company, or otherwise may be relevant to a potential investor in the Company.

The whole of the provisions of the contracts are not repeated in this Prospectus and any intending applicant who wishes to gain full knowledge of the content of the material contracts should inspect the same at the registered office of the Company.

### 7.2 Heritage Agreements

#### 7.2.1 Esperance Nyungar Proponent Standard Heritage Agreements

Each of OSPL and GPM are parties to separate Esperance Nyungar Proponent Standard Heritage Agreements (**ENPSHAs**) with Esperance Tjaltjraak Native Title Aboriginal Corporation. Entry into an ENPSHA is mandatory pursuant to the condition imposed by DMIRS on any mining tenement granted within the area of Esperance Nyungar Government Indigenous Land Use Agreement (WI2014/006).

OSPL and GPM, as the case may be, must comply with the terms of the ENPSHA when undertaking (or proposing to undertake) activities within the areas of E63/2115, E69/3893 and E69/3905 (in relation to OSPL) and E63/2151, E63/2152, E63/2153, E63/2154, E63/2185 and E74/693 (in relation to GPM) which fall within the area of the Esperance Nyungar Government Indigenous Land Use Agreement (WI2014/006).

The obligations under the ENPSHA include providing an outline of the nature, location and timing of any activities planned ahead of each field season. Where OSPL and GPM, as the case may be, intend to undertake activities, they must issue a notice to the Esperance Tjaltjraak Native Title Aboriginal Corporation particularising those proposed activities. A notice is not required for "Minor Impact Activities" (being activities that involve negligible or no ground disturbance).

The Esperance Tjaltjraak Native Title Aboriginal Corporation must, following receipt of the notice of activities, advise whether an Aboriginal heritage survey is required. Any required Aboriginal heritage survey is to be undertaken pursuant to the framework outlined in the ENPSHA.

The ENPSHA does not include any requirement to offer preferential employment and contracting opportunities or contain ongoing financial benefits (outside of the Aboriginal heritage survey framework).

See the Solicitor Tenement Report at Attachment 2 for further details of the ENPSHAs.

#### 7.2.2 Ngadju Heritage Protection Agreement

OSPL is party to a Ngadju Heritage Protection Agreement with the Ngadju Native Title Aboriginal Corporation. OSPL must comply with the terms of the Ngadju Heritage Protection Agreement when undertaking (or proposing to undertake) activities on OSPL's tenements to the extent the tenements fall within the Ngadju (WCD2014/004) native title determination area.

The Ngadju Heritage Protection Agreement includes terms to the effect that OSPL must:

- not lodge any application under sections 16 or 18 of the *Aboriginal Heritage Act 1972 (WA)* (**WA Heritage Act**) without the Ngadju Native Title Aboriginal Corporation's consent;
- agree to notify the Ngadju Native Title Aboriginal Corporation of any third party seeking to access the Tenements (and, if requested by the Ngadju Native Title Aboriginal Corporation, ensuring that third party agrees to be bound by the terms of the agreement);

- provide the Ngadju Native Title Aboriginal Corporation with any environmental report or plan as submitted to a governmental body;
- provide notice of contracting opportunities relating to the Tenements to the Ngadju Native Title Aboriginal Corporation; and
- provide a notice outlining the location, nature, objectives and timing of proposed activities (**Activity Notice**).

Where the Activity Notice is in respect of non-ground disturbing activities, the Ngadju Native Title Aboriginal Corporation may provide a notice that it considers the activities are in fact ground disturbing activities or may impact an Aboriginal site. OSPL and the Ngadju Native Title Aboriginal Corporation must consult to resolve the matter. An Aboriginal heritage survey will be required if they agree the activities are in fact ground disturbing activities or may impact an Aboriginal site. Otherwise, or if the Ngadju Native Title Aboriginal Corporation does not issue a notice within 7 days of receiving OSPL's initial notice, OSPL may undertake the non-ground disturbing activities.

Where Activity Notice is in respect of ground disturbing activities, the Ngadju Native Title Aboriginal Corporation may provide a notice that it considers an Aboriginal heritage survey is required. Any required Aboriginal heritage survey is to be undertaken pursuant to the framework outlined in the Ngadju Heritage Protection Agreement.

The Ngadju Heritage Protection Agreement is to be reviewed after it has been on foot for five years.

See the Solicitor Tenement Report at Attachment 2 for further details of the Ngadju Heritage Protection Agreement.

### 7.3 Lead Manager Mandate

On 4 April 2022, the Company and Canaccord entered into a mandate agreement pursuant to which the Company appointed Canaccord as the lead manager with respect to the Capital Raising Offer on an exclusive basis (**Lead Manager Mandate**).

The material terms and conditions of the Lead Manager Mandate are summarised below.

- (**Term**): The Lead Manager Mandate commenced on 4 April 2022 (**Commencement Date**) and continues until the date the Company is admitted to the Official List, unless terminated prior in accordance with its terms.
- (**Fees**): The following fees are payable to the Lead Manager (or its nominees) pursuant to the Lead Manager Mandate:
  - the Company will pay to the Lead Manager a fee equal to 5% (comprising a 2% management fee and 3% capital raising fee) of the amount raised under the Capital Raising Offer, noting that the 3% capital raising fee will not be payable in respect of funds raised through the Chairman's List (being an offer of up to 10,000,000 Shares to raise up to \$2,000,000). Assuming no proceeds are raised under the Chairman's List, these fee arrangements equate to \$300,000 on Minimum Subscription and \$400,000 on Maximum Subscription; and
  - the Company will issue 2,500,000 Lead Manager Options to the Lead Manager, which have an exercise price of \$0.30 each and expire 3 years from the Company's admission to the Official List (see section 8.4 for their full terms). This proposed issue of Lead Manager Options is being undertaken via the Lead Manager Offer under this Prospectus.
- (**Expenses**): The Company has agreed to reimburse the Lead Manager for:
  - reasonable travel expenses incurred in performing its role under the Lead Manager Mandate, with any travel expenses exceeding \$2,000 requiring the prior approval of

the Chairman (or his nominee), with such approval not to be unreasonably withheld; and

- the Lead Manager's legal advisers and of any other professional adviser retained by the Lead Manager for costs and disbursements arising under the Lead Manager Mandate, to be capped at \$15,000 unless otherwise approved by the Company in writing in advance.
- **(Chairman's List)** The Chairman's List comprises investors directly introduced by the Company (including existing Shareholders, Company employees and officeholders) up to a maximum of 10,000,000 Shares to raise up to \$2,000,000.
- **(Termination)**: Either the Company or the Lead Manager may terminate the Lead Manager Mandate by giving the other party 7 days written notice. Upon termination, the Lead Manager will be entitled to the Withdrawal Fee (defined below) and any accrued fees, costs and expenses.
- **(Withdrawal Fee)**: If the Lead Manager Mandate is terminated on the earlier of 6 months of the Commencement Date or on completion of the Capital Raising Offer for reasons other than negligence, recklessness, breach of contract, wilful misconduct or fraud of the Lead Manager, and the Company:
  - undertakes any alternative form of equity or hybrid capital raising other than the IPO, other than from existing Shareholders or their related bodies corporate or affiliates; or
  - enters into an agreement with a third party pursuant to which the third party agrees to acquire 50% or more of the Company (whether by way of share, business or asset purchase),

the Company is required to pay the Lead Manager a withdrawal fee of \$120,000 within 14 days of the withdrawal event occurring (**Withdrawal Fee**).

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including in relation to representations and warranties, confidentiality and indemnities).

## 7.4 Director Agreements

### 7.4.1 Employment Agreement

The Company has entered into an Employment Agreement with Mr Brett Hazelden, pursuant to which Mr Hazelden will serve as Managing Director of the Company (**Employment Agreement**).

A summary of the key terms of the Employment Agreement are set out below.

- **(Term)**: The Employment Agreement commenced on 1 April 2022 (**Commencement Date**) and continues until terminated by Mr Hazelden or the Company in accordance with its terms.
- **(Remuneration)**: The remuneration payable to Mr Hazelden from the Commencement Date is \$320,000 per annum (plus statutory superannuation) (**Base Salary**).
- **(Long Term Incentive)**: The issue of 1,500,000 Incentive Options, each with an exercise price of \$0.30 and an expiry date of 31 March 2026 and 2,500,000 MD Performance Rights to be issued in connection with the Company's admission to ASX, subject to any required Shareholder and regulatory approvals. Mr Hazelden will also be eligible to participate in incentive arrangements offered by the Company from time to time, including participation in the Plan, which are expected to include an ongoing annual issue of Options and / or performance rights on terms to be agreed with the Board from time to time, subject always to Shareholder approval.

- **(Expenses)**: Mr Hazelden is entitled to be reimbursed for all reasonable travel expenses and the costs of any professional memberships required by Mr Hazelden for the performance of his services, provided documentary evidence of such expenses is provided to the Company and Mr Hazelden complies with any applicable expenses and authority level policy of the Company in force from time to time.
- **(Responsibilities)**: Mr Hazelden's role includes, amongst other things, managing the day-to-day operations of the Company, preparing and implementing a strategic plan for the Company, coordinating fundraising, establishing and maintaining management and administrative systems for the Company, overseeing exploration programs, and marketing and promoting the Company to shareholders and the broader equity market.
- **(Non-Compete)**: During the term of the Employment Agreement (and for a period of up to 12 months following termination of the Employment Agreement), Mr Hazelden is restricted, without the prior consent of the Company, from being concerned, either as employee, director, partner, agent, consultant, owner, partner, joint venture partner in any business undertaking which competes with the Company, may cause Mr Hazelden to fail to properly discharge his obligations to the Company or create a conflict between the interests of Mr Hazelden and the Company.
- **(Termination by Company)**: The Company may terminate the Employment Agreement:
  - without cause by providing at least 6 months written notice or salary in lieu of notice;
  - in certain circumstances, such as Mr Hazelden wilfully engaging in serious misconduct or committing a material breach of the Employment Agreement, with immediate effect and without any obligation to provide any notice or make any payment in lieu of notice; or
  - summarily without notice where, in the reasonable opinion of the Company, Mr Hazelden has acted in a manner which would seriously and detrimentally affect the Company or its reputation.
- **(Termination by Mr Hazelden)**: Mr Hazelden may terminate the Employment Agreement without cause by providing at least 6 months' written notice.
- **(Consequences of Termination)**: Upon termination of the Employment Agreement, however occurring, Mr Hazelden will be required, at the request of the Company or its designated nominee, to resign without claim from any offices held by Mr Hazelden in the Company or any member of the Group.
- **(Change of Control)**: In the event of a Change of Control occurring in relation to the Company, Mr Hazelden will receive a bonus payment comprising of a lump sum gross payment of 6 months' Base Salary. If, within 12 months of such Change of Control, Mr Hazelden resigns other than in circumstances which would constitute constructive dismissal under applicable employment laws or if Mr Hazelden's employment is otherwise terminated by the Company for cause, Mr Hazelden will not be entitled to any notice of termination or payment in lieu of notice.

For the purposes of the above, "Change of Control" means the occurrence of any of the following events:

- the acquisition by any person, alone or together with any other persons with whom it is acting jointly or in concert, of beneficial ownership of, or the power to exercise control or direction over, directly or indirectly, securities (or securities convertible into or exchangeable for such securities) representing fifty percent (50%) or more of the votes exercisable by holders of the then-outstanding securities generally entitled to vote for the election of directors (**Voting Shares**) of the Company;

- any persons that previously were not acting jointly or in concert commencing to acting jointly or in concert, where such persons together beneficially own, or have the power to exercise control or direction over, directly or indirectly, securities (or securities convertible into or exchangeable for such securities) representing 50% or more of the Voting Shares;
- any merger, amalgamation, consolidation or reorganisation of the Company into or with another person where, as a result of such reorganisation or business combination, securities representing 50% or more of the votes exercisable by holders of the Voting Shares, or such person into which the Voting Shares is converted immediately after such transaction, are held by a person alone or together with any other persons with whom that person is acting jointly or in concert, and such person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by the holders of Voting Shares immediately prior to such transaction;
- any reorganisation of the capital of the Company where, as a result of such reorganisation, securities representing 50% or more of the votes exercisable by holders of the Voting Shares or such person into which the Voting Shares is converted immediately after such transaction, are held by a person alone or together with any other persons with whom that person is acting jointly or in concert, and such person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by the holders of the Voting Shares immediately prior to such transaction;
- the Company sells, transfers or otherwise disposes of all or substantially all of its assets, except that no Change of Control will be deemed to occur if such sale or disposition is made to an affiliate or affiliates of the Company or to a subsidiary or subsidiaries of the Company; or
- the individuals who constitute the Directors of the Company as at the date of a relevant agreement ceasing to form the majority of the Company's Directors.

For the purposes of the above definition, references to the Company shall include successors to the Company as a result of any merger, amalgamation, consolidation or reorganisation of the Company into or with another person.

The Employment Agreement is otherwise on terms that are considered customary for an agreement of this nature.

#### 7.4.2 Engagement Letters

The Company has entered into letters of appointment with Dr Darren Holden, Mr Piers Lewis and Dr Mitch Loan, pursuant to which they have each been engaged as Non-Executive Chairman and Non-Executive Directors, respectively, of the Company (**Engagement Letters**).

A summary of the key terms of the Engagement Letters are set out below.

- **(Commencement Date):** The commencement date of the Engagement Letters are as follows:
  - Darren Holden – on incorporation (27 October 2021).
  - Piers Lewis – on incorporation (27 October 2021).
  - Mitch Loan – on 12 April 2021.
- **(Remuneration):** Dr Holden, Mr Lewis and Dr Loan will be remunerated as follows on and from the Company being admitted to the Official List:

- Dr Holden will receive cash fees of \$48,000 (excluding superannuation) per annum for his role as Non-Executive Chairman.
  - Mr Lewis will receive cash fees of \$36,000 (excluding superannuation) per annum for his role as Non-Executive Director; and
  - Dr Loan will receive cash fees of \$36,000 (excluding superannuation) per annum for his role as Non-Executive Director.
- **(Incentive Options):** Dr Holden, Mr Lewis and Dr Loan will be issued 500,000, 350,000 and 350,000 Incentive Options, respectively, under the Plan as part of their remuneration package and to incentivise performance. A summary of the terms and conditions of the Incentive Options is set out in section 8.5.
  - **(Performance Options):** Dr Loan will be issued 1,500,000 Performance Options under the Plan as part of his remuneration package and to incentivise his performance. A summary of the terms and conditions of the Performance Options is set out in section 8.6.
  - **(Intellectual Property):** Dr Holden, Mr Lewis and Dr Loan acknowledge and agree that all intellectual property rights (present or future) created, discovered or coming into existence as a result of, for the purposes of or in connection with their respective roles as Directors or their respective Engagement Letter will vest in the Company and will be the Company's property as and when created.

The Engagement Letters are otherwise on terms that are considered customary for agreements of this nature.

#### 7.4.3 Geological Services Agreement

The Company has entered into a geological services agreement with GeoSpy Pty Ltd, an entity controlled by Dr Holden, pursuant to which GeoSpy Pty Ltd will receive a fee of \$10,000 (plus GST) per month (which commenced in January 2022) in consideration of geological services provided by GeoSpy Pty Ltd until such time as the Company has engaged a full time exploration manager, subject to a reasonable handover period (**Geological Services Agreement**). Noting the expected commencement of an Exploration Manager (see Section 7.4.4) on 23 May 2022, it is anticipated that the Geological Services Agreement will terminate on or about the date of the Company's admission to the Official List.

Under the Geological Services Agreement, GeoSpy Pty Ltd is entitled to reimbursement of reasonable expenses such as travel, accommodation, vehicle hire, and specialised software or equipment hire. The agreement is otherwise on terms that are considered customary for agreements of this nature.

#### 7.4.4 Exploration Manager Employment Agreement

The Company entered into an employment agreement with Mr Timothy Jones on 5 May 2022 in respect of his employment by the Company as Exploration Manager (**Exploration Manager Employment Agreement**).

A summary of the key terms of the Exploration Manager Employment Agreement are set out below.

- **(Term):** The Exploration Manager Employment Agreement commences on 23 May 2022 (**Commencement Date**) and continues until terminated by Mr Jones or the Company in accordance with its terms.
- **(Probation Period)** The Exploration Manager Employment Agreement is subject to a probationary period of 3 months, during which the Company or Mr Jones may terminate Mr Jones' employment by giving 1 week's written notice.

- **(Remuneration):** The remuneration payable to Mr Jones from the Commencement Date is \$200,000 per annum (plus statutory superannuation) (**Base Salary**).
- **(Long Term Incentive):** The issue of 900,000 Incentive Options, each with an exercise price of \$0.30 and an expiry date of 31 March 2026 to be issued in connection with the Company's admission to ASX. Mr Jones will also be eligible to participate in incentive arrangements offered by the Company from time to time, including participation in the Plan.
- **(Expenses):** Mr Jones is entitled to be reimbursed for reasonable relocation costs prior to Mr Jones' Commencement Date, together with all reasonable expenses incurred during performance of Mr Jones' duties. In addition, Mr Jones will be provided with a mine compliant Company utility vehicle for work related travel between Esperance and the Company's Projects.
- **(Responsibilities):** Mr Jones' role includes, amongst other things:
  - assisting the Managing Director to develop appropriate health and safety, environment and community policies, guidelines and procedures etc;
  - managing the Project sites and executing earthmoving contractors associated with access routes and other field-based activities, etc.;
  - assisting in the development of scopes of work, undertake technical evaluations etc. and oversee awarded contracts associated with field-based activities;
  - contributing to ASX announcements and reporting;
  - managing and executing the exploration drilling programs for resource development;
  - managing the collection and interpretation of exploration data from drilling, geophysical, geochemical and associated geological programs;
  - overseeing field mapping, drill hole logging and geophysical programs; and
  - leading the design of follow-up exploration programs.
- **(Termination by Company):** The Company may terminate the Exploration Manager Employment Agreement:
  - without cause by providing at least 3 months written notice or salary in lieu of notice; and
  - in certain circumstances, such as Mr Jones engaging in serious or wilful misconduct or committing a serious or persistent breach of the Exploration Manager Employment Agreement, with immediate effect and without any obligation to provide any notice or make any payment in lieu of notice.

Upon Mr Jones completing 12 months' continuous service to the Company, Mr Jones will be entitled to redundancy pay in accordance with the National Employment Standards in the event a genuine redundancy occurs.

- **(Termination by Mr Jones):** Mr Jones may terminate the Exploration Manager Employment Agreement without cause by providing at least 3 months' written notice.

#### 7.4.5 Deeds of Indemnity, Insurance and Access

The Company has entered deeds of indemnity, insurance and access with each Director and Officer which confirms the Director's or Officer's right of access to certain books and records of the Company for a period of 7 years after it ceases to hold office. This 7 year period can be extended where certain proceedings or investigations commence before the it expires.

The deeds require the Company to indemnify the Director or Officer for liability it incurs as an officer of the Company, to the maximum extent permitted by law. Further, the Company must arrange and maintain director and officer insurance during the Director's or Officer's period of office and for a period of 7 years after it ceases to hold office. Again, this 7 year period can be extended where certain proceedings or investigations commence before it expires.

The deeds are otherwise on terms and conditions considered customary for deeds of this nature in Australia.

## **7.5 Escrow agreements**

See section 2.11 for details of the escrow agreements to be entered into by the Company prior to admission to the Official List. The escrow agreements will be on ASX's standard terms and conditions as set out in the Listing Rules.

## 8 Additional Information

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### 8.1 Rights attaching to Shares

A summary of the rights and liabilities attaching to Shares is set out 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 the Shares in any specific circumstances, the Shareholder should seek legal advice.

- **Voting rights**

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every fully paid up Share held by them. In the case of a partly paid share, a fraction of a vote equivalent to the proportion which the amount paid up on that member's share bears to the total amounts paid and payable (excluding amounts credited) on that share.

- **Dividends**

Subject to the Corporations Act, and the terms of issue or rights of any shares with special rights to dividends, the Directors may determine or declare that a dividend is payable, fix the amount and the time for payment and authorise the payment or crediting by the Company to, or at the direction of, each Shareholder entitled to that dividend. Interest is not payable by the Company on a dividend.

All dividends are to be paid apportioned and paid proportionately to the amounts paid on the shares during any portion or portions of the period for which the dividend is paid, but, if any share is issued on terms providing that it will rank for dividend as from a particular date, that share ranks for dividend accordingly.

The Directors may deduct from any dividend payable to, or at the direction of, a Shareholder any sums presently payable by that Shareholder to the Company on account of calls or otherwise in relation to shares in the Company.

- **Winding up**

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

- **Issue of Shares**

The issue of Shares in the Company is under the control of the Directors who may issue, allot and cancel or otherwise dispose of Shares in the Company, grant options over unissued Shares in the Company, reclassify or convert Shares and settle the manner in which fractions of a Share, however arising, are to be dealt with, subject to the Corporations Act, the Listing Rules and any special rights conferred on the holders of any shares or class of shares.

- **Variation of rights**

The rights attached to any class of Shares may, unless their terms of issue state otherwise, be varied:

- with the written consent of the holders of 75% of the Shares of the class; or
- by a special resolution passed at a separate meeting of the holders of Shares of the class.

- **Transfer of Shares**

Subject to the Company's Constitution, the Corporations Act or any other applicable laws of Australia and the Listing Rules, the Shares are freely transferable. The Directors may refuse to register a transfer of Shares only in limited circumstances, such as where the Listing Rules require or permit the Company to do so.

- **Notice and meetings**

Each shareholder is entitled to receive notice of, and to attend and vote at, annual general meetings of the Company and to receive all notices, accounts and other documents required to be furnished to shareholders under the Company's Constitution, the Corporations Act and Listing Rules.

Subject to applicable laws, the Constitution permits the Company to hold general meetings of Shareholders virtually using technology and without necessarily having a physical venue.

- **Sale of non-marketable holdings**

The Company may take steps in respect of non-marketable holdings of Shares in the Company to effect an orderly sale of those Shares by giving notice to the relevant holders and in the event that holders do not take steps to retain their holdings.

The Company may only take steps to eliminate non-marketable holdings in accordance with the Constitution and the Listing Rules.

- **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.

- **Shareholder liability**

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

## 8.2 Terms of Founder Options

The terms of the Founder Options are set out below.

- **Issue price**

Each Option has an issue price of nil.

- **Entitlement**

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

- **Exercise Price**

The amount payable upon exercise of each Option is \$0.30 (**Exercise Price**).

- **Expiry Date**

Each Option will expire at 5:00pm (AWST) on 31 October 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

- **Exercise Notice**

An Option may be exercised prior to the Expiry Date by written notice to the Company in any manner specified on the Option certificate (**Exercise Notice**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

- **Exercise Date**

An Exercise Notice is only effective on and from the later of the date of receipt of the Exercise Notice and the date of receipt of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

- **Timing of Shares issued on exercise**

Within 5 Business Days after the Exercise Date, 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 and for which cleared funds have been received by the Company;
- if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- if admitted to the Official List of ASX at the time, apply for quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under the above is not effective (for any reason) to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- **Ranking of Shares**

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

- **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

- **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising their Options.

- **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

- **Quotation**

Unless the Board determines otherwise (and subject to satisfaction of all Listing Rule requirements) the Company will not apply for quotation of the Options on ASX.

### 8.3 Terms of Recruiter Options

The terms of the Recruiter Options are set out below.

- **Issue price**

Each Option has an issue price of nil.

- **Entitlement**

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

- **Exercise Price**

The amount payable upon exercise of each Option is \$0.30 (**Exercise Price**).

- **Expiry Date**

Each Option will expire at 5:00pm (AWST) on 13 April 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

- **Exercise Notice**

An Option may be exercised during prior to the Expiry Date by written notice to the Company in any manner specified on the Option certificate (**Exercise Notice**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

- **Exercise Date**

An Exercise Notice is only effective on and from the later of the date of receipt of the Exercise Notice and the date of receipt of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

- **Timing of Shares issued on exercise**

Within 5 Business Days after the Exercise Date, 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 and for which cleared funds have been received by the Company;
- if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all

such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- if admitted to the Official List of ASX at the time, apply for quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under the above is not effective (for any reason) to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- **Ranking of Shares**

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

- **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

- **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising their Options.

- **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

- **Quotation**

Unless the Board determines otherwise (and subject to satisfaction of all Listing Rule requirements) the Company will not apply for quotation of the Options on ASX.

#### **8.4 Terms of Lead Manager Options**

The terms of Lead Manager Options are set out below.

- **Issue price**

Each Option has an issue price of nil.

- **Entitlement**

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

- **Exercise Price**

The amount payable upon exercise of each Option is \$0.30 (**Exercise Price**).

- **Expiry Date**

Each Option will expire at 5:00pm (AWST) on the date that is 3 years from the date that the Company is admitted to the Official List (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

- **Exercise Notice**

An Option may be exercised prior to the Expiry Date by written notice to the Company in any manner specified on the Option certificate (**Exercise Notice**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

- **Exercise Date**

An Exercise Notice is only effective on and from the later of the date of receipt of the Exercise Notice and the date of receipt of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

- **Timing of Shares issued on exercise**

Within 5 Business Days after the Exercise Date, 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 and for which cleared funds have been received by the Company;
- if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- if admitted to the Official List of ASX at the time, apply for quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under the above is not effective (for any reason) to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- **Ranking of Shares**

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

- **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

- **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising their Options.

- **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

- **Quotation**

Unless the Board determines otherwise (and subject to satisfaction of all Listing Rule requirements) the Company will not apply for quotation of the Options on ASX.

## 8.5 Terms of Incentive Options

The terms of Incentive Options are set out below.

- **Plan**

The Options are granted by the Company under the Plan. In the event of any inconsistency between the Plan and these terms and conditions, these terms will apply to the extent of the inconsistency.

- **Issue price**

Each Option has an issue price of nil.

- **Entitlement**

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

- **Exercise Price**

The amount payable upon exercise of each Option is \$0.30 (**Exercise Price**).

- **Expiry Date**

Each Option will expire at 5:00pm (AWST) on 31 March 2026 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

- **Exercise Notice**

An Option may be exercised prior to the Expiry Date by written notice to the Company in any manner specified on the Option certificate (**Exercise Notice**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

- **Exercise Date**

An Exercise Notice is only effective on and from the later of the date of receipt of the Exercise Notice and the date of receipt of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

- **Cashless exercise of Options**

The holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder that number of Shares (rounded down to the nearest whole number) equal in value to the difference between the total Exercise Price otherwise payable for the Options on the Options being exercised and the then market value of Shares at the time of exercise (determined as the volume weighted average of the prices at which Shares were traded on the ASX during the 5 trading-day period immediately preceding the exercise date) calculated in accordance with the following formula:

$$S = A \times (\text{MSP} - \text{EP})$$

MSP

Where:

**S** = Number of Shares to be issued on exercise of the Options

**A** = Number of Options

**MSP** = Market value of Shares (calculated using the volume weighted average of the prices at which Shares were traded on the ASX during the 5 trading day-period immediately preceding the exercise date)

**EP** = Exercise Price

If the difference between the total Exercise Price otherwise payable for the Shares on the Options being exercised and the then market value of Shares at the time of exercise (calculated in accordance with the formula above) is zero or negative, then the holder will not be entitled to cashless exercise of the Options.

- **Timing of Shares issued on exercise**

Within 15 Business Days after the later of the following:

- valid exercise of an Option; and
- if a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**) is required, when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- issue the Shares pursuant to the exercise of the Options;
- if required, give ASX a Cleansing Notice; and
- do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the Listing Rules

If the Company is unable to deliver a Cleansing Notice (to the extent required) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue with ASIC a "cleansing prospectus" prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. Where this clause applies, any Shares issued on exercise of Options will be subject to a holding lock until the earlier of such time as a prospectus is issued by the Company or 12 months from the date of issue of the Shares.

- **Ranking of Shares**

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

- **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

- **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising their Options.

- **Transferability**

The Options are not transferable, except where Special Circumstances (as defined in the Plan) apply.

- **Quotation**

Unless the Board determines otherwise (and subject to satisfaction of all Listing Rule requirements) the Company will not apply for quotation of the Options on ASX.

- **Leaver**

The Options will not lapse where the holder of the Options (or the relevant Eligible Participant in the case of a Permitted Nominee under the Plan) is no longer employed, or their office or engagement is discontinued with the Group.

## 8.6 Terms of Performance Options

- **Plan**

The Performance Options will be issued under the Plan. In the event of any inconsistency between the Plan and these terms, these terms will apply to the extent of the inconsistency.

- **Entitlement**

Each Performance Option entitles the holder to subscribe for one fully paid ordinary share (**Share**) upon exercise of the Performance Option.

- **Exercise Price**

Subject to the terms and conditions set out below, the amount payable upon exercise of each Performance Option will be \$0.50.

- **Expiry Date**

Each Performance Option will expire at 5:00pm (WST) 31 March 2026.

- **Vesting Condition**

The Performance Options will vest upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20% (**Milestone**). The Milestone must be satisfied on or before 5pm (AWST) on the date that is 3 years from the date of issue (**Milestone Expiry Date**).

- **Vesting and Independent Verification**

Unless otherwise determined by the Board in accordance with the Plan, subject to the relevant Eligible Participant remaining an officeholder, or employed or engaged by the Group

at the date of achievement of the Milestone, the Performance Options will vest on the date the relevant Milestone has been satisfied.

The Milestones must be independently verified by a Competent Person (as defined in the JORC Code) (**Independent Verification**) prior to the Performance Options being able to be exercised. Following Independent Verification, the Company will notify the holder in writing (**Vesting Notice**) within a reasonable period of time of becoming aware that the Milestone has been satisfied.

- **Expiry and Lapse**

Each Performance Option will lapse upon the earlier to occur of:

- the Milestone not being satisfied on or before the Milestone Expiry Date;
- any vested Performance Options not having being exercised before the Expiry Date;  
or
- the Performance Options lapsing and being forfeited under the Plan or in accordance with their terms.

- **Exercise Period**

Subject to satisfaction of the Milestone and receipt of a Conversion Notice, the Performance Options are exercisable at any time and from time to time on or prior to the Expiry Date.

- **No cash consideration**

The Performance Options will be issued for nil consideration.

- **Quotation of the Performance Options**

The Performance Options will be unquoted.

- **Transferability of the Performance Options**

The Performance Options are not transferable, except where Special Circumstances (as defined in the Plan) apply.

- **Notice of Exercise**

The Performance Options may be exercised by notice in writing to the Company in the manner specified on the Performance Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Performance Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company, including cashless exercise as described below.

Any Notice of Exercise of a Performance Option received by the Company will be deemed to be a notice of the exercise of that Performance Option as at the date of receipt.

- **Cashless exercise of Performance Options**

The holder of Performance Options may elect not to be required to provide payment of the Exercise Price for the number of Performance Options specified in a Notice of Exercise but that on exercise of those Performance Options the Company will transfer or allot to the holder that number of Shares (rounded down to the nearest whole number) equal in value to the difference between the total Exercise Price otherwise payable for the Performance Options on the Performance Options being exercised and the then market value of Shares at the time of exercise (determined as the volume weighted average of the prices at which

Shares were traded on the ASX during the 5 trading-day period immediately preceding the exercise date) calculated in accordance with the following formula:

$$S = A \times (\text{MSP} - \text{EP})$$

MSP

Where:

**S** = Number of Shares to be issued on exercise of the Options

**A** = Number of Performance Options

**MSP** = Market value of Shares (calculated using the volume weighted average of the prices at which Shares were traded on the ASX during the 5 trading day-period immediately preceding the exercise date)

**EP** = Exercise Price

If the difference between the total Exercise Price otherwise payable for the Shares on the Options being exercised and the then market value of Shares at the time of exercise (calculated in accordance with the formula above) is zero or negative, then the holder will not be entitled to cashless exercise of the Performance Options.

- **Timing of Shares issued on exercise**

Within 15 Business Days after the later of the following:

- valid exercise of a Performance Option; and
- if a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**) is required, when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- issue the Shares pursuant to the exercise of the Performance Options;
- if required, give ASX a Cleansing Notice; and
- do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the Listing Rules

If the Company is unable to deliver a Cleansing Notice (to the extent required) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of the Performance Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue with ASIC a "cleansing prospectus" prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. Where this clause applies, any Shares issued on exercise of Performance Options will be subject to a holding lock until the earlier of such time as a prospectus is issued by the Company or 12 months from the date of issue of the Shares.

- **Shares issued on exercise**

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

- **Quotation of Shares on exercise**

Application will be made by the Company to ASX, on the business day the Shares are issued, for quotation of the Shares issued upon the exercise of the Performance Options.

- **Dividend and voting rights**

The Performance Options do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

- **Participation in new issues**

There are no participation rights or entitlements inherent in the Performance Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be the minimum number of business days required by ASX (from time to time) after the issue is announced. This will give the holders of Performance Options the opportunity to exercise their Performance Options prior to the date for determining entitlements to participate in any such issue.

- **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):

- the number of Shares which must be issued on the exercise of a Performance Option will be increased by the number of Shares which the Performance Option holder would have received if the Performance Option holder had exercised the Performance Option before the record date for the bonus issue; and
- no change will be made to the Exercise Price.

- **Adjustment for entitlements issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which the above paragraph will apply) there will be no adjustment of the Exercise Price of a Performance Option or the number of Shares over which the Performance Options are exercisable.

- **Adjustments for reorganisation**

In the event that the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all the holder's rights as a holder of Performance Options will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the holder's economic and other rights are not diminished or terminated.

- **No rights to return of capital**

The Performance Options do not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

- **Rights on winding up**

The Performance Options do not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

- **Leaver**

Where the holder of the Performance Options (or the relevant Eligible Participant in the case of a Permitted Nominee) of the Performance Options is no longer employed, or their office or engagement is discontinued with the Group, any unvested Performance Options will automatically lapse and be forfeited by the holder, unless the Board otherwise determines in its discretion in accordance with the Plan.

- **Change of Control**

If prior to the earlier of the vesting of the Performance Options or the Milestone Expiry Date a Change in Control Event occurs, then each Performance Option will automatically vest, regardless of whether the Milestone has been satisfied.

For the purposes of these terms, a Change of Control Event occurs if:

- the Company announces that its Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
- a Takeover Bid (as defined in the Corporations Act):
  - has become unconditional; and
  - the person making the Takeover Bid has a Relevant Interest (as defined in the Corporations Act) in fifty percent (50%) or more of the issued Shares; or
- any person acquires a Relevant Interest in fifty and one-tenths percent (50.1%) or more of the issued Shares by any other means.

## 8.7 Terms of MD Performance Rights

- **Plan**

The Performance Rights will be issued under the Plan. In the event of any inconsistency between the Plan and these terms, these terms will apply to the extent of the inconsistency.

- **Entitlement**

Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder, on conversion, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

- **Conditions**

The Performance Rights have the following Milestones and Expiry Dates:

Class	Number	Milestone	Expiry Date
A	1,000,000	The Company announcing to ASX a JORC Code compliant inferred (or greater) Mineral Resource (as defined in the JORC Code) of not less than 250,000,000 tonnes (of which at least 100,000,000 tonnes must be an indicated Mineral Resource), grading a minimum of 800 ppm total rare earth oxides ( <b>TREO</b> ).	5pm (AWST) on the date that is 2 years from the date of issue

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B	1,500,000	Upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return ( <b>IRR</b> ) of more than 20%.	5pm (AWST) on the date that is 3 years from the date of issue
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- **Vesting and Independent Verification**

Unless otherwise determined by the Board in accordance with the Plan, subject to the relevant Eligible Participant remaining an officeholder, or employed or engaged by the Group at the date of achievement of the relevant Milestone, the Performance Rights will vest on the date the relevant Milestone has been satisfied.

The Milestones must be independently verified by a Competent Person (as defined in the JORC Code) (**Independent Verification**) prior to the Performance Rights being able to be converted into Shares. Following Independent Verification, the Company will notify the holder in writing (**Vesting Notice**) within a reasonable period of time of becoming aware that the Milestone has been satisfied.

- **Expiry and Lapse**

Each Performance Right will lapse upon the earlier to occur of:

- the Milestone not being satisfied on or before the relevant Expiry Date; or
- the Performance Right lapsing and being forfeited under the Plan or these terms.

- **Conversion**

Upon achievement of the relevant Milestone and receipt of a Vesting Notice, each Performance Right will, at the election of the holder, convert into one Share.

- **Shares issued on conversion**

Shares issued on conversion of the Performance Rights rank equally with the then Shares of the Company.

- **No cash consideration**

The Performance Rights will be issued for nil consideration and no consideration will be payable upon the issue of Shares after conversion.

- **Quotation of Performance Rights**

The Performance Rights will be unquoted.

- **Transferability of Performance Rights**

The Performance Rights are not transferable.

- **Timing of issue of Shares**

Within 15 business days after the later of the following:

- the date the Company issues the holder a Vesting Notice; and

- if a Cleansing Notice is required, when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- issue the Shares pursuant to the conversion of the Performance Rights;
- if required and subject to the paragraph titled “restriction on transfer of shares” below, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the Listing Rules.

- **Restriction on transfer of Shares**

If the Company is unable to deliver a Cleansing Notice (to the extent required) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on conversion of the Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue with ASIC a "cleansing prospectus" prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. Where this clause applies, any Shares issued on conversion of Performance Rights will be subject to a holding lock until the earlier of such time as a prospectus is issued by the Company or 12 months from the date of issue of the Shares.

- **Quotation of Shares on conversion**

Application will be made by the Company to ASX, on the business day the Shares are issued, for quotation of the Shares issued upon the conversion of the Performance Rights.

- **Dividend and voting rights**

The Performance Rights do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

- **Participation in entitlements and bonus issues**

Subject always to the rights in respect of bonus issues and reorganisations (set out below) holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

- **Adjustment for bonus issue**

If securities are issued pro-rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Performance Rights to which the holder is entitled will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder had converted to Shares immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Listing Rules at the time of the bonus issue.

- **No rights to return of capital**

The Performance Rights do not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

- **Rights on winding up**

The Performance Rights do not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

- **Adjustments for reorganisation**

In the event that the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all the holder's rights as a holder of Performance Rights will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the holder's economic and other rights are not diminished or terminated.

- **Leaver**

Where the holder of the Performance Rights (or the relevant Eligible Participant in the case of a Permitted Nominee) of the Performance Rights is no longer employed, or their office or engagement is discontinued with the Group, any unvested Performance Rights will automatically lapse and be forfeited by the holder, unless the Board otherwise determines in its discretion in accordance with the Plan.

- **Change of Control**

If prior to the earlier of the conversion of Performance Rights or the Expiry Date a Change in Control Event occurs, then each Performance Right will automatically vest, regardless of whether the Milestones have been satisfied.

For the purposes of these terms, a Change of Control Event occurs if:

- the Company announces that its Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
- a Takeover Bid (as defined in the Corporations Act):
  - has become unconditional; and
  - the person making the Takeover Bid has a Relevant Interest (as defined in the Corporations Act) in fifty percent (50%) or more of the issued Shares; or
- any person acquires a Relevant Interest in fifty and one-tenths percent (50.1%) or more of the issued Shares by any other means.

## 8.8 Employee Securities Incentive Plan

The Company has adopted an employee securities incentive plan (**Plan**). The full terms of the Plan may be inspected at the registered office of the Company during normal business hours. It is intended that both the Executive and Non-Executive Directors will participate in the Plan.

No Securities have been issued under the Plan as at the Prospectus Date, however it is intended that 3,850,000 Incentive Options, 1,500,000 Performance Options and 2,500,000 MD Performance Rights will be issued under the Plan pursuant to the Management Offer (see section 2.4.2 for further information).

For the purposes of Listing 7.2 (Exception 13), following admission to the Official List, the Company proposes to issue a maximum of either 13,867,612 Securities (assuming the Minimum Subscription is raised) and 15,367,612 (assuming the Maximum Subscription is raised) under the Plan (in addition to the 3,850,000 Incentive Options, 1,500,000 Performance Options and 2,500,000 MD Performance

Rights to be issued pursuant to the Management Offer), equating to 15% of the total Shares on issue upon completion of the Offers.

A summary of the Plan is set out below:

- **(Purpose of Plan):** The purpose of the Plan is to:
  - assist in the reward, retention and motivation of Eligible Participants;
  - link the reward of Eligible Participants to Shareholder value creation; and
  - align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Related Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Awards (being securities exercisable for Shares, including options and performance rights).
- **(Eligibility to participate):** An Eligible Participant means a person that:
  - is an "eligible participant" (as defined in *ASIC Class Order [CO 14/1000]*) in relation to the Company or any Related Body Corporate (as defined in the Corporations Act) (n.b. this includes Directors); and
  - has been determined by the Board to be eligible to participate in the Plan from time to time.
- **(Administration of Plan):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its absolute discretion. The Board may delegate its powers and discretion.
- **(Offers of Awards):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an offer to that Eligible Participant to apply for Options or Performance Rights (**Awards**).
- **(Applications for Awards):** An Eligible Participant who wishes to apply to participate in the Plan in response to an Offer must provide a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the Offer, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation in order for that nominee to be granted the Awards the subject of the Offer.
- **(Grant of Awards):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Awards, subject to the terms and conditions set out in the Offer, the Plan rules and any ancillary documentation required.
- **(Terms of Awards):** Each Award represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to an Award being exercised, a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Award by virtue of holding the Award.
- **(Vesting of Awards):** Any vesting conditions applicable to the grant of Awards will be described in the Offer. If all the vesting conditions are satisfied or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Awards have vested. Unless and until the vesting notice is issued by the Company, the Awards will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to an Award are not satisfied or otherwise waived by the Board, that Award will lapse.
- **(Delivery of Shares):** As soon as practicable after the valid exercise of an Award by a Participant, the Company will issue or cause to be transferred to that Participant the number

of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Awards held by that Participant.

- **(Exercise of Awards):** In the case of an Award which is an Option, to exercise an Award, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Awards (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. In the case of an Award which is a Performance Right, following the issue of a Vesting Notice, a vested Performance Right will automatically be exercised within the period specified by the Board in the relevant Offer.

The Participant may elect not to be required to provide payment of the exercise price for the number of Awards specified in a notice of exercise, but that on exercise of those Awards the Company will transfer or issue to the Participant that number of Shares as are equal in value to the difference between the total Exercise Price otherwise payable for the Awards on the Awards being exercised and the then market value of Shares at the time of exercise (determined as the volume weighted average of the prices at which Shares were traded on the ASX during the 5 trading-day period immediately preceding the exercise date) calculated in accordance with the following formula:

$$S = A \times (MSP - EP) / MSP$$

Where:

- **S** = Number of Shares to be issued on exercise of the Awards;
- **A** = Number of Awards;
- **MSP** = Market value of Shares (calculated using the volume weighted average price (as that term is defined in the Listing Rules) at which Shares were traded on the ASX during the 5 trading day-period immediately preceding the exercise date); and
- **EP** = Exercise Price.

If the difference between the total Exercise Price otherwise payable for the Awards on the Awards being exercised and the then market value of Shares at the time of exercise (calculated in accordance with the formula above) is zero or negative, then a holder will not be entitled to use the Cashless Exercise Facility.

- **(Restrictions on dealing):** A Participant may not sell, transfer, assign, grant a security interest over, option, swap, alienate or otherwise deal with an Award that has been granted to them.

The Board may impose a restriction on dealing with Shares allocated on exercise or vesting of an Award. The Board may implement any procedure it considers appropriate to ensure the compliance by the Participant with this restriction, including the imposition of a holding lock or requiring that Shares be held in trust on behalf of the Participant.

- **(Forfeiture of Awards):** Where a Participant who holds Awards ceases to be an Eligible Participant or becomes insolvent, all unvested Awards will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Awards to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Awards held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- any Awards which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and

- any Awards which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- **(Change of control):** If a change of control event occurs in relation to the Company the Board may in its absolute discretion determine that:
  - all or a specified number of a Participant's unvested Awards are deemed to have vested;
  - all or a specified number of a Participant's Options may be exercised for a period specified by the Board, and if not exercised within that period, will lapse;
  - dealing restrictions or any other terms which apply to the Award cease to apply; and
  - dealing restrictions which apply to Shares allocated on the vesting of or exercise of an Award (as applicable) cease to apply.
- **(Rights):** All Shares issued under the Plan or issued or transferred to a Participant upon the valid exercise of an Award, will rank equally in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Shares. A Participant may exercise any voting rights attaching to Shares.
- **(Disposal restrictions):** The Board may, in its absolute discretion, impose a restriction on dealings with Shares allocated to the Participant on vesting of an Award under the Plan. The Board may implement any procedure that it considers appropriate to ensure compliance by the Participant with this restriction, including the imposition of a holding lock or requiring the Shares to be held on trust on behalf of the Participant. If any such Shares are subject to disposal restrictions, the Participant must not:
  - transfer, encumber or otherwise dispose of or have a security interest granted over such Shares; and
  - take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
- **(Adjustment for capital reconstructions):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Awards will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Awards is entitled, upon exercise of the Awards, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Awards are exercised.

Unless otherwise determined by the Board, a holder of Awards does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

- **(Participation in new issues):** There are no participation rights or entitlements inherent in the Awards and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Awards without exercising the Awards.
- **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including the terms upon which any Awards have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- **(Term of Plan):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

## 8.9 Substantial holders

The following persons have or are anticipated to have a voting power of at least 5% in the Company either currently or on completion of the Offers (as applicable).

Holder	Shares <sup>1</sup>	Voting Power		
		Current	Minimum Subscription	Maximum Subscription
Leigh Sinclair <Holden Sinclair Family A/C> <sup>2</sup>	6,937,425	11.11%	7.50%	6.77%
Geobase Australia Pty Ltd <CW Lloyd Family A/C> <sup>2</sup>	6,937,425	11.11%	7.50%	6.77%
Milford Resources Pty Ltd <sup>2</sup>	6,937,425	11.11%	7.50%	6.77%
Odette Geoscience Pty Ltd <sup>3</sup>	4,285,074	6.86%	4.63%	4.18%

### Notes:

- 1 Assumes that none of the above holders participates in the Capital Raising Offer.
- 2 Leigh Sinclair (being the spouse of Director, Darren Holden) holds 3,468,712 Founder Options. In addition, Darren Holden will hold a further 500,000 Incentive Options upon admission to the Official List. If these Options were exercised into Shares, the voting power of Leigh Sinclair/Darren Holden based on the number of Shares on issue at completion of the Offers (assuming the Minimum Subscription is achieved) would be 11.31%. See section 8.2 for the terms of the Founder Options and section 8.5 for the terms of the Incentive Options.
- 3 Geobase Australia Pty Ltd and Milford Resources Pty Ltd each hold 3,468,712 Founder Options. If one of these Shareholders exercised its Options into Shares, the voting power of that respective Shareholder based on the number of Shares on issue at completion of the Offers (assuming the Minimum Subscription is achieved) would be 10.85%. See section 8.2 for the terms of the Founder Options.
- 4 Odette Geoscience Pty Ltd also holds 2,642,537 Founder Options. If these Options were exercised into Shares, Odette Geoscience Pty Ltd's voting power based on the number of Shares on issue at completion of the Offers (assuming the Minimum Subscription is achieved) would be 7.29%. See section 8.2 for the terms of the Founder Options.

Prior to quotation of its Shares, the Company will announce to ASX details of its top 20 Shareholders by number of Shares.

## 8.10 Expert and adviser interests

Other than as set out below or elsewhere in this Prospectus, no expert, promoter, underwriter or other person named in this Prospectus who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds, as at the Prospectus Date, or has held in the 2 years prior to the Prospectus Date, an interest in:

- the formation or promotion of the Company;

- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offers; or
- the Offers,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such persons for services in connection with the formation or promotion of the Company or the Offers.

Canaccord has acted as the Lead Manager to the Capital Raising Offer. Details of the payments to the Lead Manager for these and other services are set out in sections 2.9 and 7.3. During the 2 years before the Lodgement Date, the Lead Manager has not received any other payments from the Company.

Hall Chadwick has been appointed to act as auditor to the Company. The Company estimates that it will pay Hall Chadwick a total of \$5,000 (excluding GST) for these services. During the 2 years before the Prospectus Date, Hall Chadwick has not provided any other services to the Company.

Hall Chadwick has prepared the Independent Limited Assurance Report included at Attachment 3 of this Prospectus. The Company estimates that it will pay Hall Chadwick a total of \$9,000 (excluding GST) for these services. During the 2 years before the Prospectus Date, Hall Chadwick has not provided any other services to the Company.

Sahara Operations has acted as independent geologist to the Company and has prepared the Independent Geological Report included at Attachment 1 of this Prospectus. The Company estimates that it will pay Sahara Operations a total of \$17,405 (excluding GST) for these services. The Company has not paid Sahara Operations any other fees during the 2 years before the Prospectus Date.

Lawton MacMaster has prepared the Solicitor Tenement Report included at Attachment 2 of this Prospectus. The Company estimates that it will pay Lawton MacMaster a total of \$5,000 (excluding GST) for these services. During the 2 years before the Prospectus Date, the Company has otherwise paid Lawton MacMaster legal fees of \$9,503.03 (inclusive of GST). The Company has not paid Lawton MacMaster any other fees during the 2 years before the Prospectus Date other than as set out in this section.

AGH Law has acted as legal adviser to the Company in relation to the Offers. The Company estimates that it will pay AGH Law a total of \$65,000 (excluding GST) for these services. The Company has not paid AGH Law any other fees during the 2 years before the Prospectus Date.

Computershare has been appointed as the Company's Share Registry for the Offers. The Company estimates it will pay Computershare a total of \$2,000 (excluding GST) for the initial processing of Securities issued pursuant to this Prospectus. During the 2 years before the Prospectus Date, Computershare has not provided any other services to the Company.

## **8.11 Consents**

Each of the parties referred to below:

- does not make the Offers;
- has not authorised or caused the issue of this Prospectus;
- does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below.

Canaccord has given, and has not before the Prospectus Date withdrawn, its written consent to be named in this Prospectus as the lead manager to the Capital Raising Offer in the form and context in which it is named.

Hall Chadwick has given, and has not before the Prospectus Date withdrawn, its written consent to be named in this Prospectus as the auditor to the Company in the form and context in which it is named.

Hall Chadwick has given, and has not before the Prospectus Date withdrawn, its written consent to be named in this Prospectus in the form and context in which it is named and to the inclusion of the Independent Limited Assurance Report attached to this Prospectus in the form and context in which it is included.

Sahara Operations has given, and has not before the Prospectus Date withdrawn, its written consent to be named in this Prospectus in the form and context in which it is named and to the inclusion of the Independent Geological Report attached to this Prospectus in the form and context in which it is included.

Lawton MacMaster has given, and has not before the Prospectus Date withdrawn, its consent to be named in this Prospectus and to the inclusion of the Solicitor Tenement Report attached to this Prospectus.

AGH Law has given, and has not before the Prospectus Date withdrawn, its written consent to be named in this Prospectus as legal adviser to the Company in relation to the Offers in the form and context in which it is named.

Computershare has given, and has not before the Prospectus Date withdrawn, its written consent to be named in this Prospectus as the share registry to the Company in the form and context in which it is named.

There are a number of persons referred to elsewhere in this Prospectus who have not made statements included in this Prospectus and there are no statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in this Prospectus and did not authorise or cause the issue of this Prospectus.

## 8.12 Offer expenses

The estimated cash expenses of the Offers (excluding GST) are set out below.

Item	Minimum Subscription	Maximum Subscription
Lead Manager fees <sup>1</sup>	\$300,000	\$400,000
Investigating accountant fees	\$9,000	\$9,000
Independent geologist fees	\$17,405	\$17,405
Legal fees	\$70,000	\$70,000
IPO management fees <sup>2</sup>	\$25,000	\$25,000
ASX listing fees	\$93,936	\$96,187
ASIC lodgement fees	\$3,206	\$3,206
Website, design, printing, and registry costs	\$35,000	\$35,000
<b>Total</b>	<b>\$553,547</b>	<b>\$655,798</b>

**Notes:**

- 1 See sections 2.9 and 7.3 for details regarding payments to the Lead Manager. The above expenses assume that no proceeds are raised under the Chairman's List.
- 2 The Company has entered into an agreement with LCP Corporate Pty Ltd for the provision of project management services in connection with the Company's IPO, which commenced in January 2022, pursuant to which the Company will pay LCP Corporate Pty Ltd a fee of \$5,000 per month (plus GST). LCP Corporate Pty Ltd is controlled by each of the Joint Company Secretaries, Troy Cavanagh and Joel Ives.

**8.13 Legal proceedings**

As at the Prospectus Date, the Company is not involved in any material legal proceedings and no Director is aware of any material legal proceedings that are pending or threatened against the Company.

**8.14 Regulatory relief and waivers**

No ASIC waivers have been obtained or relied upon in relation to the Offers.

The Company has applied for and obtained an in-principle waiver from Listing Rule 1.1 Condition 12 confirming that ASX would, on receipt of an application for admission to the Official List, likely grant a waiver to the extent necessary to permit the Company to have on issue 2,500,000 MD Performance Rights to be issued to the Managing Director, Mr Brett Hazelden, with a nil exercise price on the condition that the material terms and conditions of the Performance Rights are clearly disclosed in this Prospectus. Those terms have been disclosed in section 8.7.

The Company has applied for and obtained in-principle confirmation that ASX would, on receipt of an application for admission to the Official List, likely confirm that the terms of the 2,500,000 MD Performance Rights are appropriate and equitable for the purposes of Listing Rule 6.1 subject to certain conditions.

For the purpose of those conditions, the Company confirms the following in relation to the MD Performance Rights:

- Mr Hazelden is to be issued 2,500,000 MD Performance Rights.
- Mr Hazelden is the Managing Director of the Company.
- The MD Performance Rights are being issued to remunerate or incentivise Mr Hazelden as Managing Director.
- The performance milestones of the MD Performance Rights are outlined in section 8.7. As the Managing Director, Mr Hazelden will have primary responsibility for managing the Company's business following Admission and, in that capacity, will play a central role in the Company's activities which influence the delineation of a JORC Code compliant mineral resource and a positive scoping study, and consequently influence whether those vesting conditions will be satisfied.
- Details of the total remuneration package of Mr Hazelden is outlined in sections 6.4.2 and 7.4.1.
- Details of the holdings of Securities of Mr Hazelden and any of his associates as at the Prospectus Date are detailed in section 6.4.3. The consideration paid by Mr Hazelden and his associates for the 1,000,000 Shares was \$100,000, which was paid to a shareholder that participated in the Founder Raising in consideration for that shareholder transferring 1,000,000 Shares to Mr Hazelden.
- The reason why the Company considered it necessary and appropriate to further remunerate and incentivise Mr Hazelden to achieve the applicable performance milestones, by issuing the MD Performance Rights was to conserve cash, align Mr Hazelden's interests with those of other Shareholders and to incentivise Mr Hazelden to strive for the Company's success.

- The number of MD Performance Rights to be issued to Mr Hazelden prior to admission to the Official List were calculated taking into account Mr Hazelden's relevant experience, reputation and skillset and taking into account Mr Hazelden's cash salary (as detailed in sections 6.4.2 and 7.4.1).
- The Company considers the number of MD Performance Rights to be issued to Mr Hazelden, to be appropriate and equitable, having regard to the objectives of limiting the dilution of existing Shareholders upon the conversion of the MD Performance Rights whilst also appropriately incentivising Mr Hazelden and having regard to the services that Mr Hazelden will provide to the Company as the Company's key executive and Managing Director following Admission.
- Up to 2,500,000 additional Shares may be issued if the MD Performance Rights are converted into Shares (if the MD Performance Rights' milestones are satisfied as detailed in section 8.7). The impact that would have on the Company's capital structure would be to increase the total number of Shares on issue by 2,500,000 additional Shares, whilst reducing the number of MD Performance Rights accordingly. The MD Performance Rights to be issued to Mr Hazelden are anticipated to comprise (in aggregate):
  - 2.63% (Minimum Subscription) and 2.38% (Maximum Subscription) of the Company's undiluted issued share capital upon admission to the Official List; and
  - 2.01% (Minimum Subscription) and 1.86% (Maximum Subscription) of the Company's fully diluted share capital upon admission to the Official List.

In addition, ASX has confirmed that, given the exercise price of the Performance Options (being \$0.50), formal Listing Rule 6.1 confirmation is not required in respect of the Performance Options.

#### **8.15 Continuous disclosure**

The Company will be a "disclosing entity" for the purposes of Part 1.2A of the Corporations Act. As such, it will be subject to regular reporting and disclosure obligations which will require it to disclose to ASX any information which it is or becomes aware of concerning the Company and which a reasonable person would expect to have a material effect on the price or value of the Securities of the Company.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company will post information on its website after ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

#### **8.16 Electronic Prospectus**

Pursuant to *ASIC Regulatory Guide 107*, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Securities in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an electronic Prospectus, make sure that you have received the entire Prospectus accompanied by the relevant Application Form. If you have not, you may contact the Company and it will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company and the Lead Manager reserve the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the relevant electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

#### **8.17 Documents available for inspection**

Copies of this Prospectus and the Constitution are available for inspection during normal business hours at the registered office of the Company.

#### **8.18 Director statements**

The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in section 4, there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

## 9 Definitions

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**Acacia** means Camps Bay Pty Ltd (ACN 607 933 620), trading as Acacia.

**Additional Offers** means the Lead Manager Offer and the Management Offer (as applicable).

**Application Form** means the relevant application form for an Offer provided with a copy of this Prospectus.

**Application Monies** means the amount of money paid or made available by an applicant under an Application Form.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange (as applicable).

**ASX Settlement** means ASX Settlement Pty Limited (ABN 49 008 504 532).

**ASX Settlement Operating Rules** means the official settlement and operating rules of ASX Settlement.

**AWST** means Western Standard Time, being the time in Perth, Western Australia.

**Broker Firm Application Form** means the Application Form in respect of the Broker Firm Offer.

**Broker Firm Offer** has the meaning given in section 2.1.

**Broker** means any ASX participating organisation selected by the Lead Manager and the Company to act as a broker to the Broker Firm Offer (including the Lead Manager).

**Board** means the board of Directors of the Company.

**Business Day** means a day on which banks are open for business in Perth, Western Australia excluding a Saturday, Sunday or public holiday.

**Capital Raising Offer** means the offer of 30,000,000 to 40,000,000 Shares under this Prospectus at an issue price of \$0.20 each to raise a minimum of \$6,000,000 and maximum of \$8,000,000 (before costs), which comprises the Broker Firm Offer, Chairman's List Offer and Public Offer.

**CHES** means the Clearing House Electronic Subregister System operated by ASX Settlement.

**Closing Date** means the date that the Offers close, being 5:00pm (AWST) on 24 May 2022, or any other time and date determined by the Company.

**Chairman** means the chairman of the Board, being Dr Darren Holden as at the date of this Prospectus.

**Chairman's List** means selected investors in the Permitted Jurisdictions (including existing Shareholders, Company employees and officeholders) who have received an invitation from the Chairman or the Company.

**Chairman's List Offer** has the meaning given in section 2.1.

**Chairman's List Application Form** means the Application Form in respect of the Chairman's List Offer.

**Company** or **OD6** means OD6 Metals Limited (ACN 654 839 602).

**Company Secretary** means a company secretary of the Company.

**Constitution** means the constitution of the Company.

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

**DMIRS** means the Department of Mines, Industry Regulation and Safety in Western Australia.

**Director** means a director of the Company.

**Employment Agreement** means the agreement between the Company and Brett Hazelden for his services as Managing Director as summarised in section 7.4.1.

**Engagement Letters** means the engagement letters with the Non-Executive Chairman and Non-Executive Directors summarised in section 7.4.2.

**Exposure Period** means the period of 7 days after the Prospectus Date, which period may be extended by up to a further 7 days.

**Founder Option** means an Option on the terms set out in section 8.2.

**Founder Raising** means the placement of 44,100,742 Shares at an issue price of \$0.001 each, together with 22,050,371 attaching Founder Options to various professional and sophisticated investors to raise \$44,101.74, as described in section 3.1.

**Grass Patch Project** means the "Grass Patch" mineral exploration project described in section 3.3 (including the Tenements listed in section 3.3.3).

**GPM** means Grass Patch Metals Ltd (ACN 654 535 823).

**Group** means the Company and the Subsidiaries.

**Incentive Option** means an Option on the terms set out in section 8.5.

**Independent Geological Report** means the independent geological report at Attachment 1.

**Independent Geologist** means Sahara Operations (Australia) Pty Ltd (ACN 639 873 975).

**Institutional Investor** means:

- if in Australia, Shares can be offered or sold without the need for a disclosure document pursuant to section 708 of the Corporations Act (other than section 708(1)); or
- institutional or professional investors (and any person for whom it is acting) in Permitted Jurisdictions other than Australia, and in particular:
  - if in New Zealand, it (and any such person) is a person who (i) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act, (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act, (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act, (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act or (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act (and, if an eligible investor, have provided the necessary certification);
  - if in Hong Kong, it (and any such person) is a "professional investor" (as defined in the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong);

- if in Singapore, it (and any such person) is an "institutional investor" or an "accredited investor" (as such terms are defined in the Securities and Futures Act 2001 of Singapore ("SFA")); and
- if in the United Kingdom, it (and any such person) is (i) a "qualified investor" within the meaning of Article 2(e) of the UK Prospectus Regulation; and (ii) within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended.

**Independent Limited Assurance Report** means the independent limited assurance report prepared by the Investigating Accountant at Attachment 3.

**Investigating Accountant** or **Hall Chadwick** means Hall Chadwick WA Audit Pty Ltd (ACN 121 222 802).

**JORC Code** means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia, effective December 2012.

**Lead Manager** or **Canaccord** means Canaccord Genuity (Australia) Limited (ACN 075 071 466) (Australian Financial Services Licence 234666).

**Lead Manager Mandate** means the lead manager mandate between the Company and the Lead Manager summarised in section 7.3.

**Lead Manager Offer** means the offer of 2,500,000 Lead Manager Options under this Prospectus to the Lead Manager (or its nominees).

**Lead Manager Offer Application Form** means an application form accompanying this Prospectus in respect of the Lead Manager Offer.

**Lead Manager Option** means an Option on the terms set out in section 8.4.

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

**Management** means the Directors, Officers and Exploration Manager (as applicable).

**Management Offer** means the offer of 3,850,000 Incentive Options and 1,500,000 Performance Options to Directors and Management (or their nominees) and 2,500,000 MD Performance Rights to the Managing Director under this Prospectus and pursuant to the Plan.

**Management Offer Application Form** means an application form accompanying this Prospectus in respect of the Management Offer.

**Maximum Subscription** means the subscription of 40,000,000 Shares at an issue price of \$0.20 each to raise \$8,000,000 (before costs) under the Capital Raising Offer.

**MD Performance Right** means a performance right in the Company on the terms set out in section 8.7.

**Minister** means the Minister for Mines and Petroleum, Energy, Corrective Services and Industrial Relations in Western Australia.

**Mining Act** means the *Mining Act 1978* (WA).

**Minimum Subscription** means the subscription of 30,000,000 Shares at an issue price of \$0.20 each to raise \$6,000,000 (before costs) under the Capital Raising Offer.

**Offers** means the Capital Raising Offer, the Management Offer and the Lead Manager Offer (as applicable).

**Officer** means an officer of the Company (including a Director or Company Secretary).

**Official List** means the official list of ASX.

**Opening Date** means the date that the Offers open, being 9:00am (AWST) on 18 May 2022 (subject to any extension of the Exposure Period), or any other time and date determined by the Company.

**Option** means an option to acquire a Share.

**OSPL** means Odette Six Pty Ltd (ACN 649 360 430).

**Performance Option** means an Option on the terms set out in section 8.6.

**Permitted Jurisdictions** mean Australia, New Zealand, Hong Kong, Singapore and the United Kingdom.

**Plan** means the employee securities incentive plan adopted by the Company and summarised in section 8.8.

**Projects** means the Splinter Rock Project and the Grass Patch Project (as applicable).

**Prospectus** means this prospectus (including any supplementary or replacement prospectus in relation to this document).

**Prospectus Date** means the date on which this Prospectus is lodged with ASIC, being 10 May 2022.

**Public Offer** has the meaning given in section 2.1.

**Public Offer Application Form** means an application form accompanying this Prospectus (including any electronic form provided by an online application facility) in respect of the Public Offer.

**Recruiter Option** means an Option on the terms set out in section 8.3.

**REE** means rare earth element.

**Security** means an equity security (as defined in the Listing Rules) of the Company.

**Seed Raising** means the placement of 18,350,000 Shares at \$0.10 each to various professional and sophisticated investors to raise \$1,835,000, as described in section 3.1.

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

**Share Registry** or **Computershare** means Computershare Investor Services Pty Limited (ACN 078 279 277).

**Shareholder** means a holder of one or more Shares.

**Solicitor Tenement Report** means the solicitor tenement report at Attachment 2.

**Splinter Rock Project** means the "Splinter Rock" mineral exploration project described in section 3.3 (including the Tenements listed in section 3.3.2).

**Subsidiaries** means OSPL and GPM (as applicable).

**Official List** means the official list of the ASX.

**Tenement** means a mining tenement within a Project (as applicable).

**Attachment 1 – Independent Geological Report**

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On behalf of:

**OD6 Metals Limited (OD6)**

**Independent Geological Report  
Grass Patch and Splinter Rock REE Projects,  
Western Australia**

---

Effective Date: 29<sup>th</sup> April 2022

Job Code: AU-CSL-OSM01



## Document Information Page

<b>Competent Persons</b>	Beau Nicholls	Principal Consultant (Sahara)	BSc (Geo) MAIG
<b>Signed by</b>			
<b>Peer Review</b>	Michael Cantey	Technical Services Manager (Sahara)	BSc (Geo) MAIG
<b>Signed by</b>			
<b>Effective Date</b>	29 <sup>th</sup> April 2022		
<b>Versions / Status</b>	FINAL		
<b>Copies</b>	OD6 Metals (OD6)	(1)	

## Table of Contents

<b>1</b>	<b>SUMMARY</b> .....	<b>1</b>
1.1	Introduction .....	1
1.2	Location .....	1
1.3	Ownership and Permitting .....	2
1.4	Project Overview.....	3
1.4.1	Splinter Rock project.....	3
1.4.2	Grass Patch Project.....	5
1.5	Conclusions and Recommendations .....	7
1.6	Use of Funds .....	8
<b>2</b>	<b>Introduction</b> .....	<b>10</b>
2.1	Forward Looking Information .....	10
2.2	Principal Sources of Information.....	11
2.3	Qualifications and Experience .....	12
2.4	Units of Measurements and Currency .....	12
2.5	Competent Persons Statement.....	12
2.6	Abbreviations .....	13
<b>3</b>	<b>Reliance on Other Experts</b> .....	<b>14</b>
<b>4</b>	<b>Property Description, Location Physiography and Climate</b> .....	<b>15</b>
4.1	Physiography and Climate.....	16
4.1.1	Local Infrastructure and Services .....	18
<b>5</b>	<b>Tenement Status and Agreements</b> .....	<b>20</b>
5.1.1	Tenement Schedule.....	20
5.2	Agreements and Liabilities.....	22
<b>6</b>	<b>Projects</b> .....	<b>23</b>
6.1	Splinter Rock Project .....	23
6.1.1	Location and Access.....	23
6.1.2	Regional Geology .....	25
6.1.3	Project Geology .....	26
6.1.4	Mineralisation.....	28
6.1.5	Exploration and Mining History .....	31
6.1.6	Exploration Potential .....	42
6.2	Grass Patch Project.....	45
6.2.1	Location and Access.....	45
6.2.2	Regional Geology .....	47
6.2.3	Project Geology .....	47
6.2.4	Mineralisation.....	48
6.2.5	Exploration and Mining History .....	49
6.2.6	Grass Patch Exploration Potential .....	58
<b>7</b>	<b>Conclusions and Recommendations</b> .....	<b>59</b>
7.1	Use of Funds .....	60
<b>8</b>	<b>References</b> .....	<b>62</b>

<b>9</b>	<b>JORC Tables</b> .....	<b>63</b>
9.1	Splinter Rock project.....	63
9.2	Grass Patch Project.....	67
<b>10</b>	<b>Significant Intercepts</b> .....	<b>71</b>
10.1	Splinter Rock project.....	71
10.2	Grass Patch Project.....	73

## List of Tables

---

Table 7_1 – Exploration and Development Budget .....	8
Table 2.6_1 – List of Abbreviations .....	13
Table 5.1_1 – Odette Six - Tenement Schedule.....	21
Table 5.2_1 – Listed Aboriginal Heritage sites .....	22
Table 7_1 – Exploration and Development Budget .....	60
Table 9.1_1 – JORC Tables Section 1 – Sampling Techniques and Data .....	63
Table 9.1_2 – JORC Tables Section 2 – Reporting of Exploration Results.....	65
Table 9.1_1 – JORC Tables Section 1 – Sampling Techniques and Data .....	67
Table 9.1_2 – JORC Tables Section 2 – Reporting of Exploration Results.....	69
Table 10_1 – Splinter Rock Significant Intercepts .....	72
Table 10_2 – Grass Patch - Significant Intercepts .....	73

## List of Figures

---

Figure 1_1 –Location Plan .....	1
Figure 1_2 –Tenement Plan .....	2
Figure 1_4 – Cross Section of >30km AC traverse .....	5
Figure 1_5– Grass Patch Prospects.....	6
Figure 4_1 –Location Plan .....	15
Figure 4.1_1 – Cape Arid range taken from Splinter Rock project .....	16
Figure 4.1_2– Average Annual Temperatures and Precipitation .....	17
Figure 4.1_3– Esperance Port.....	18
Figure 4.1_4– Wind Turbines .....	19
Figure 5.1_1 –Tenement Plan .....	20
Figure 6.1_1 – Access to Splinter Rock project.....	23
Figure 6.1_2 –Physiography and Access .....	24
Figure 6.1_3 – Regional Geology.....	25
Figure 6.1_4 –Project Geology.....	26
Figure 6.1_5 – Booanya Granite Outcrop.....	27
Figure 6.1_6 – Booanya Granite .....	27
Figure 6.1_7 – Metallogenic Model .....	29
Figure 6.1_7 – Drill Log of Hole SAC227 .....	30
Figure 6.1_8 – Rock chip samples .....	32
Figure 6.1_9 – Drilling Rigs Used.....	33
Figure 6.1_10 – Drillhole Collar Plan.....	34
Figure 6.1_12 – >30km of Anomalous REE in historical Aircore .....	43
Figure 6.1_13 – Cross Section of >30km AC traverse .....	44
Figure 6.2_1–Location and Access Plan .....	45
Figure 6.2_2– Access Roads and infrastructure.....	46
Figure 6.2_3–Project Geology.....	47
Figure 6.2_4–Project Geology Observed .....	48
Figure 6.2_5– Water Bore Geochemistry - NdPr.....	50
Figure 6.2_6 – Soil Geochemistry for Au (ppb) .....	51
Figure 6.2_7– Geochemistry NdPr .....	52
Figure 6.2_8– Belgium NdPr Prospect .....	53
Figure 6.2_7 – Drillhole collar plan .....	54
Figure 6.2_7 – Drilling .....	55
Figure 6.2_8– Max DH Assay NdPr .....	56

## 1 SUMMARY

### 1.1 Introduction

OD6 Metals (**OD6**) has commissioned Sahara Operations (Australia) Pty Ltd (Sahara), to prepare an Independent Geological Report (IGR) for the following REE Projects, located in Western Australia:

 Splinter Rock REE project (Splinter Rock project); and

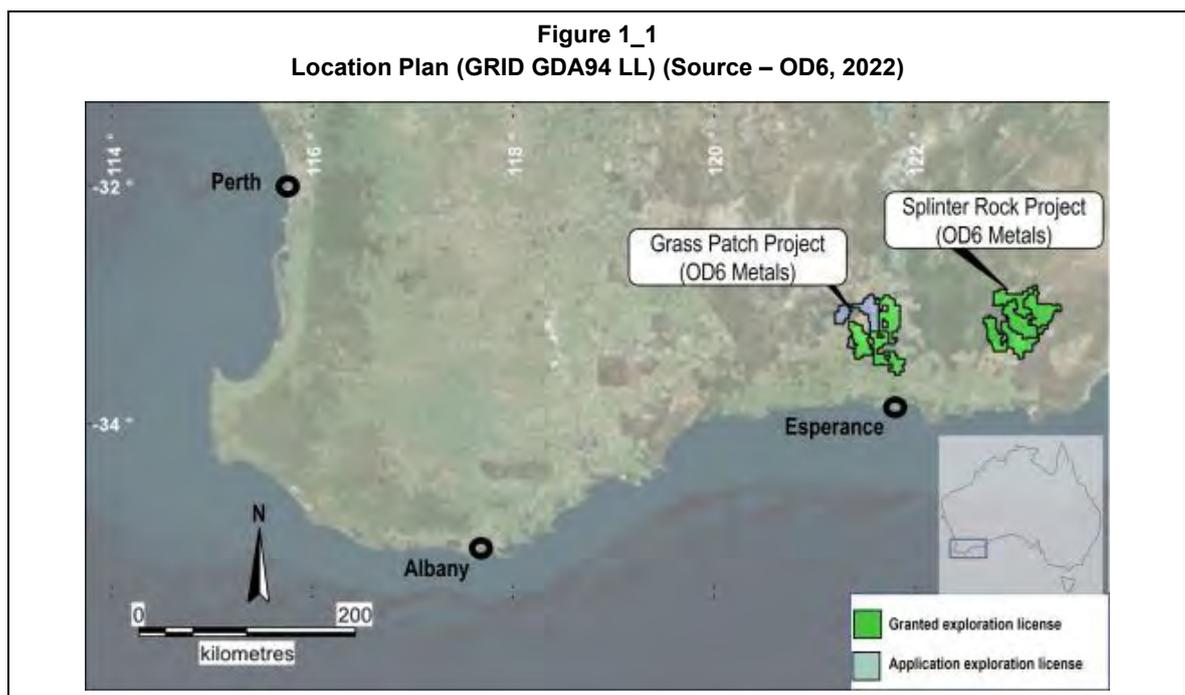
 Grass Patch REE project (Grass Patch project).

This IGR has been prepared by Sahara for use in a prospectus to support an initial public offering (IPO) of shares (30 million to 40 million fully paid ordinary shares at an issue price of \$0.20 per share to raise between A\$6 million and A\$8 million) for OD6, to enable a listing on the Australian Securities Exchange (ASX).

This IGR is prepared applying the guidelines and principles of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves—the 2012 JORC Code, the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets - the 2015 VALMIN Code and the rules and guidelines issued by such bodies as ASIC and ASX pertaining to Independent Expert Reports.

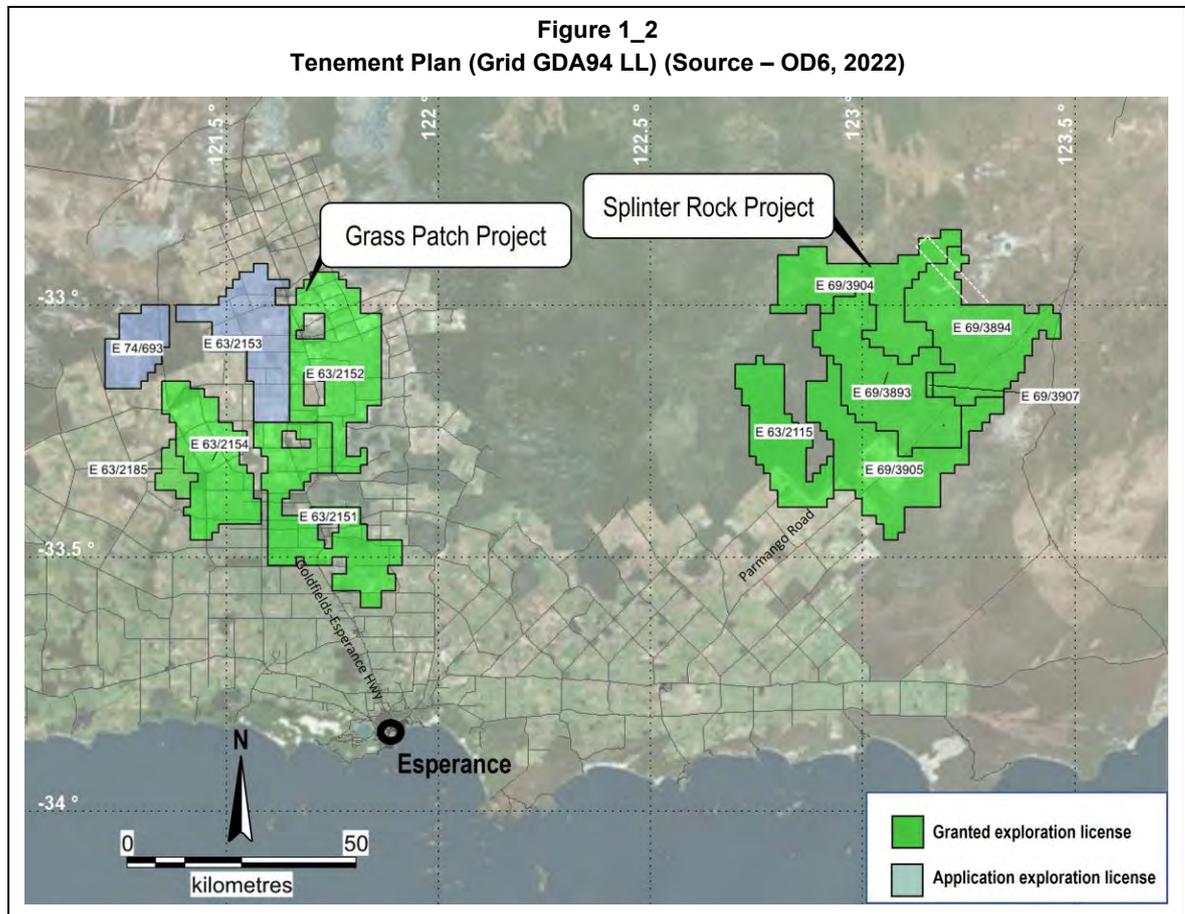
### 1.2 Location

The location of the OD6's REE Projects are shown in the figure below. The projects are all located in Western Australia and accessible from Perth (~700km) or the regional centre Esperance (~50 to 150km).



### 1.3 Ownership and Permitting

OD6 (through its subsidiaries) have acquired a 100% legal and/or beneficial interest in 12 tenements (2 applications and 10 granted) for a total of 4,828km<sup>2</sup>. (Figure below)



## 1.4 Project Overview

### 1.4.1 Splinter Rock project

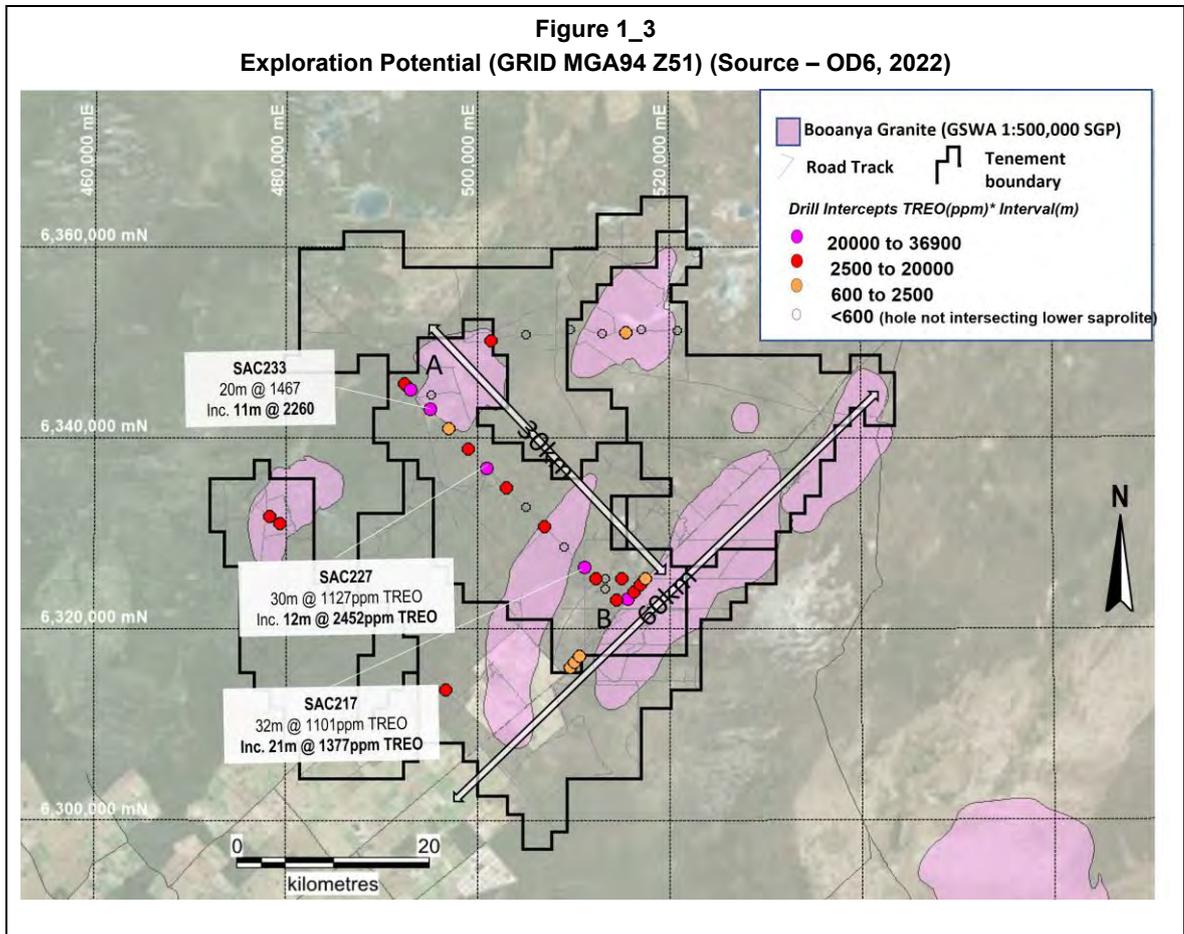
The REE mineralisation at the Splinter Rock Project occurs in the weathered profile (in-situ regolith) adjacent to Booanya granitic basement rocks which are enriched in REE.

A >30km historical air core drill traverse through the middle of the Splinter Rock tenement that has intersected an enriched REE saprolitic zone between 5m and 37m in thickness with holes ranging between 300ppm to 600ppm NdPr, suggesting the potential for a large-scale mineral system. Additional holes analysed for REE are 10km northeast (Hole SAC244 with 13m @ 477ppm TREO with 93ppm NdPr), 20km to the northeast (hole SAC251 with 6m @ 351ppm TREO with 67ppm NdPr) and 10km to 21km to the southwest (Hole SAC198 with 21m @ 719ppm TREO with 145ppm NdPr, SAC200 with 5m @ 850ppm TREO with 156ppm NdPr, SAC201 5m @ 1109ppm TREO with 170ppm NdPr). This provides a large exploration potential area for clay hosted REE of ~30km (traverse across strike) x ~40km (along strike) as defined by the historical air core drilling.

Significant intercepts within this historical air core drilling include: -

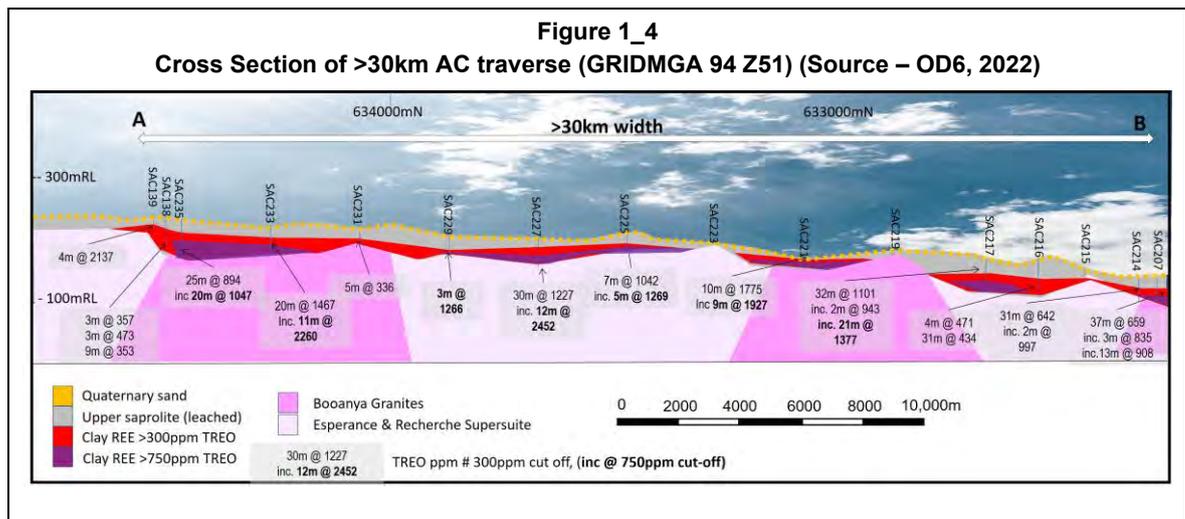
-  Hole SAC217 with 32m @ 1101ppm TREO with 239ppm NdPr
  - including 21m @ 1377ppm TREO with 306ppm NdPr
-  Hole SAC227 with 30m @ 1227ppm TREO with 270ppm NdPr
  - including 12m @ 2452ppm TREO with 564ppm NdPr
-  Hole SAC233 with 20m @ 1467ppm TREO with 300ppm NdPr
  - including 11m @ 2260ppm TREO with 453ppm NdPr

The Figure below highlights the exploration potential with air core drilling along the A-B traverse and shown in a cross section in the following figure.



The cross section in the Figure below highlights the >30km air core traverse which highlights the TREO intercepts within the REE rich saprolite zone. This traverse is perpendicular to the Booanya granite main northeast trending elongation. The cross section is defined between points A and B as highlighted in the Figure above.

The air core holes are between 2km and 4km apart, and consistently intercept an enriched REE saprolitic clay between 5m and 37m thick.



#### 1.4.2 Grass Patch Project

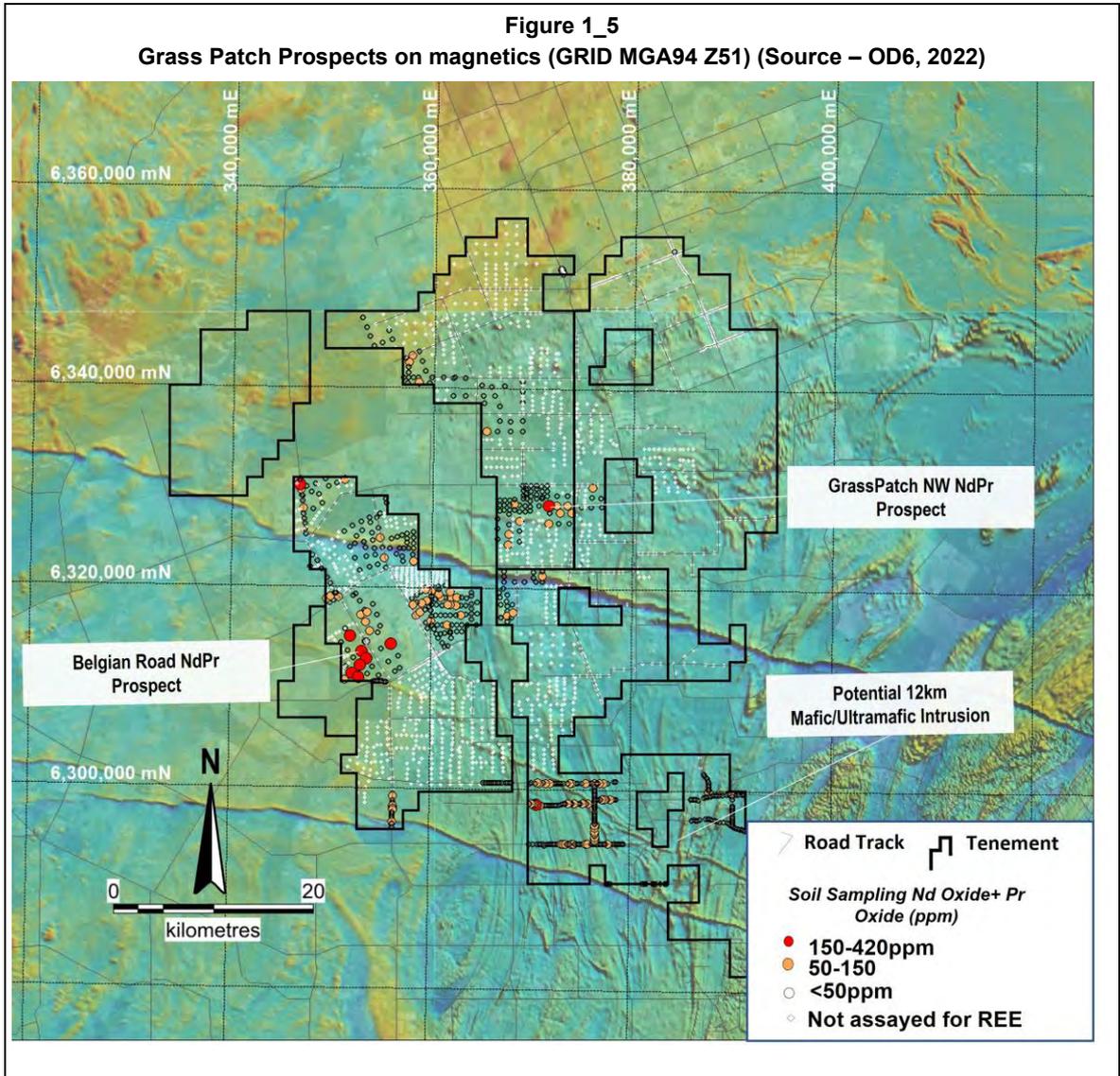
The Grass Patch project has had historical exploration undertaken including soil geochemistry and follow up drilling. The focus of this work was primarily for gold, with limited sampling for REE.

Sahara consider the Grass Patch project to be an advanced exploration project for gold but given the drilling did not sample for REE in the saprolite zone (prospective for REE clay) then it is classed as early-stage exploration for REE.

There are 4 prospective areas that warrant further exploration defined to date within the Grass Patch Project including: -

- 🌅 the Belgian Road NdPr prospect with soil geochemistry highlighting a 5km long NdPr anomaly returned from a calcrete horizon. This target has been drilled for gold but not analysed for REE in the saprolite zone
- 🌅 A second high grade NdPr single sample soil anomaly northeast of the Belgian Road prospect
- 🌅 A possible 12km long north-south striking magnetic feature that can possibly be an ultramafic unit. This is untested may be prospective for PGE's Ni and Cu.
- 🌅 The project has presented low level gold targets across a large area, drilling to date has been unsuccessful to define any economic gold mineralisation.

**Figure 1\_5**  
**Grass Patch Prospects on magnetics (GRID MGA94 Z51) (Source – OD6, 2022)**



## 1.5 Conclusions and Recommendations

The OD6 projects are all located within excellent infrastructure and proximity to Esperance port facilities. In addition, State and Federal Governments (together with private equity) have made various commitments to establish large renewable energy sources utilising the abundant wind and solar resources within the Esperance region.

Sahara considers the OD6 projects to be primarily prospective for REE. Clay REE deposits offer the potential for large scale and low-cost mining compared to hard rock REE deposits (Van Gosen *et al*, 2018). This style of mineralisation has not been explored extensively except for China based operations.

Sahara make the following conclusions on each project below: -

### Splinter Rock project

- - is an advanced-stage exploration project that is prospective for clay REE. The project has demonstrated a large tonnage potential as shown by ~30km by ~40km of historical air core drilling and regional geology that has intersected a 5 to 37m thick saprolitic zone enriched in REEs.
- Preliminary metallurgical testwork by other companies with similar styles of clay REE in the region have demonstrated that REE can be extracted by potentially low-cost acid extraction methods similar to those used in China. This metallurgical testwork is early stage, and further work is required to determine viability of the economics of extraction.

### Grass Patch project

- is an early-stage exploration project prospective for REE as defined by extensive soil geochemistry and water bore anomalies. The principal prospect is the Belgian Road prospect which has a 5km long NdPr soil anomaly in calcrete.
- Additional early-stage targets include an untested 12km magnetic feature potentially related to an untested ultramafic unit and low-level gold targets.

## 1.6 Use of Funds

OD6 have provided a staged 2-year exploration and development budget shown in the table below. The table is based on the systematic exploration program proposed by OD6 below. All stages are dependent on positive results from the prior stage of work. The following works are planned if a \$6M IPO is achieved (if a \$8M IPO is achieved then drilling will be increase).

### Splinter Rock REE

- Airborne or ground electromagnetics (EM) to map out clay profile
- Aircore drilling
- Metallurgical testwork and research and development
- Scoping level study

### Grass Patch REE

- Airborne EM to map the clay profile
- Aircore drilling

The following table shows a staged 2-year exploration and development budget. The program is results based with year 2 proposed work being reliant on positive results from year one.

		6M AU\$ IPO			8M AU\$ IPO		
	Item	Year 1:	Year 2	TOTAL	Year 1:	Year 2	TOTAL
<b>Splinter Rock</b>	Tenement Fees	\$201,000	\$201,000	<b>\$402,000</b>	\$201,000	\$201,000	<b>\$402,000</b>
	Geophysics	\$200,000	-	<b>\$200,000</b>	\$500,000	-	<b>\$500,000</b>
	Mapping and Geochemistry	\$50,000	-	<b>\$50,000</b>	\$100,000	-	<b>\$100,000</b>
	Drilling and Assaying - Exploration	\$500,000	-	<b>\$500,000</b>	\$800,000	-	<b>\$800,000</b>
	Drilling and Assaying - Resource Definition	\$700,000	\$1,000,000	<b>\$1,700,000</b>	\$900,000	\$2,000,000	<b>\$2,900,000</b>
	R&D / Metallurgy	\$250,000	\$250,000	<b>\$500,000</b>	\$250,000	\$250,000	<b>\$500,000</b>
	Project Studies and Permitting	\$100,000	\$500,000	<b>\$600,000</b>	\$100,000	\$500,000	<b>\$600,000</b>
	<b>Total:</b>	<b>\$2,001,000</b>	<b>\$1,951,000</b>	<b>\$3,952,000</b>	<b>\$2,851,000</b>	<b>\$2,951,000</b>	<b>\$5,802,000</b>
<b>Grass Patch</b>	Tenement Fees	\$155,000	\$155,000	<b>\$310,000</b>	\$155,000	\$155,000	<b>\$310,000</b>
	Data Acquisition and Reprocessing of Geophysical data	\$100,000	\$300,000	<b>\$400,000</b>	\$100,000	\$300,000	<b>\$400,000</b>
	Drilling - Exploration	\$400,000	\$300,000	<b>\$700,000</b>	\$400,000	\$300,000	<b>\$700,000</b>
	Project Studies and Permitting	\$100,000	-	<b>\$100,000</b>	\$100,000	-	<b>\$100,000</b>
		<b>Total:</b>	<b>\$755,000</b>	<b>\$755,000</b>	<b>\$1,510,000</b>	<b>\$755,000</b>	<b>\$755,000</b>
<b>TOTAL ALL PROJECTS</b>		<b>\$2,756,000</b>	<b>\$2,706,000</b>	<b>\$5,462,000</b>	<b>\$3,606,000</b>	<b>\$3,706,000</b>	<b>\$7,312,000</b>

OD6 have provided an exploration and development budget of AU\$2.76M in year 1 and AU\$2.71M in year 2 (AU\$6,000,000 IPO) and AU\$3.61M in year 1 and AU\$3.71M in year 2 (AU\$8,000,000 IPO), The total budget is AU\$5.46M (AU\$6,000,000 IPO) and AU\$7.31M (AU\$8,000,000 IPO). Sahara consider the budget appropriate to adequately test the exploration and development potential of the OD6 projects.

## 2 INTRODUCTION

OD6 has commissioned Sahara, to prepare an IGR on the following REE Projects located in Western Australia:

-  Splinter Rock project; and
-  Grass Patch project.

This IGR has been prepared by Sahara for use in a prospectus to support an initial public offering (IPO) of shares (30 million to 40 million fully paid ordinary shares at an issue price of \$0.20 per share to raise between A\$6 million and A\$8 million) for OD6, to enable a listing on the Australian Securities Exchange (ASX).

This IGR is prepared applying the guidelines and principles of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code, and the rules and guidelines issued by such bodies as ASIC and ASX pertaining to Independent Expert Reports.

### 2.1 Forward Looking Information

This report has been prepared by Sahara at the request of, and for the sole benefit of OD6. Its purpose is to provide an IGR of OD6's REE Projects in Western Australia.

The report is to be included in its entirety or in summary form within a prospectus to be prepared by OD6 in connection with an IPO. It is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The statements and opinions contained in this report are given in good faith and in the belief, they are not false or misleading. The conclusions are based on the effective date of this report and could alter over time depending on exploration results, mineral prices, and other relevant market factors.

This report contains "forward-looking information" within the meaning of applicable Australian securities legislation. Forward-looking information includes, but is not limited to, statements related to the capital and operating costs of the OD6 projects, the price assumptions with respect to gold, production rates, the economic feasibility and development of the OD6 projects and other activities, events, or developments which OD6 expects or anticipates will or may occur in the future. Forward-looking information is often identified by the use of words such as "plans", "planning", "planned", "expects" or "looking forward", "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate", or "belief", or describes a "goal", or variation of such words and phrases or state certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information is based on several factors and assumptions made by the authors and management, which are considered reasonable at the time such information is made, and forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements to be materially different from those expressed or implied by the forward-looking information. Such factors include, among others,

obtaining all necessary financing, permits to explore and develop the project; successful definition and confirmation based on further studies and additional exploration work of an economic mineral resource base at the project.

Although OD6 has attempted to identify important factors which could cause actual actions, events, or results to differ materially from those described in forward-looking information, there may be other factors which cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance forward-looking information will prove to be accurate. The forward-looking statements contained herein are presented for the purposes of assisting investors in understanding OD6' plan, objectives and goals and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking information. OD6 and the authors do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

## 2.2 Principal Sources of Information

Site visits were undertaken by Mr Beau Nicholls (Sahara Principal Consultant) to the Grass Patch and Splinter Rock projects between 12<sup>th</sup> January and 15<sup>th</sup> January 2022. In addition to the site visits completed, the author relied on information provided by OD6, along with discussions with OD6 technical personnel and on information obtained from publicly available sources including primarily the Western Australian mineral exploration archive (WAMEX). In addition, Mr Gavin Beer (Associate Principal Consultant- Metallurgy), one of Australia's leading metallurgists specialising in REE, has reviewed metallurgical testwork completed at other, potentially comparable, projects in the Esperance Region.

The author has made enquiries to establish the completeness and authenticity of the information provided and identified. The author has taken all appropriate steps in his professional judgement, to ensure the work, information, or advice contained in this report is sound and the author does not disclaim any responsibility for this report.

Additional information relied upon during the completion of the technical work have been listed in the references section of this IGR.

This report contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports which are publicly available from either government departments or the ASX. The authors of these previous reports have not consented to the statements' use in this report, and these statements are included in accordance with ASIC Corporations (Consents to Statements) Instrument 2016/72.

## 2.3 **Qualifications and Experience**

The “Competent person” (as defined in JORC 2012) for this report is Mr. Beau Nicholls (Sahara Principal Consultant).

Mr. Nicholls is a Principal Consultant for Sahara with more than 25 years’ experience in the exploration and mining sector. Mr. Nicholls is a registered Member of the Australian Institute of Geosciences (MAIG) and is responsible for all sections of this report.

The Competent person of this report does not have any material interest in OD6 or related entities or interests. His relationship with OD6 is solely one of professional association between client and independent consultant. This report is prepared in return for fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this report.

## 2.4 **Units of Measurements and Currency**

Metric units are used throughout this report unless noted otherwise. Currency is Australian dollars ("Au\$").

## 2.5 **Competent Persons Statement**

The information in this report relating to Exploration Results is based on information compiled by Mr. Nicholls a Competent Person who is a Member of the Australian Institute of Geosciences. Mr. Nicholls is a Principal Consultant for Sahara. Mr. Nicholls has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activities being undertaken to qualify as a Competent Person defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Nicholls consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## 2.6 Abbreviations

A full listing of abbreviations used in this report is provided in Table 2.6\_1 and below the table provides REO specific abbreviations.

Description	Description
\$	Australian dollars
"	Inches
μ	microns
3D	three dimensional
4WD	four-wheel drive
AAS	atomic absorption spectrometry
Au	Gold
bcm	bank cubic metres
CC	correlation coefficient
Cr	Chromium
Co	Cobalt
CRM	certified reference material or certified standard
Cu	Copper
CV	coefficient of variation
DDH	diamond drill hole
DTM	digital terrain model
E (X)	Easting
EDM	electronic distance measuring
Fe	Iron
G	Gram
g/m <sup>3</sup>	grams per cubic metre
g/t	grams per tonne of gold
HARD	Half the absolute relative difference
HDPE	High density polyethylene
HQ <sub>2</sub>	Size of diamond drill rod/bit/core
Hr	Hours
HRD	Half relative difference
HREO	Heavy rare earth oxides
ICP-AES	inductivity coupled plasma atomic emission spectroscopy
ICP-MS	inductivity coupled plasma mass spectroscopy
ISO	International Standards Organisation
kg	Kilogram
kg/t	kilogram per tonne
km	Kilometres
km <sup>2</sup>	square kilometres
kWhr/t	kilowatt hours per tonne
l/hr/m <sup>2</sup>	litres per hour per square metre
API	American Petroleum Units
M	million
m	metres
Ma	thousand years
Mg	Magnesium
ml	millilitre
mm	millimetres
Mtpa	million tonnes per annum
NdPr	Neodymium+Praseodymium oxides
N (Y)	northing
NPV	net present value
NQ <sub>2</sub>	Size of diamond drill rod/bit/core
°C	degrees centigrade
OK	Ordinary Kriging
P <sub>80</sub> -75μ	80% passing 75 microns
Pd	palladium
ppb	parts per billion
ppm	parts per million
psi	pounds per square inch
PVC	poly vinyl chloride
QC	quality control
QQ	quantile-quantile
RC	reverse circulation
(T) REE	(Total) rare earth elements
RL (Z)	reduced level
ROM	run of mine
RQD	rock quality designation
SD	standard deviation
SG	Specific gravity
Si	silica
SMU	selective mining unit
Sn	Tin
t	tonnes
t/m <sup>3</sup>	tonnes per cubic metre
Ta	tantalum
tpa	tonnes per annum
UC	Uniform conditioning
w:o	waste to ore ratio

**Rare Earths Oxides (REO):** Oxides of the rare earth's elements. Grades of rare earths oxides are commonly quoted as parts per million (ppm) or percent (%) of TREO where: -

- 🌅 **TREO** is the sum of the oxides of the so-called heavy rare earths elements (HREO) and the so-called light rare earths elements (LREO).
- 🌅 **HREO** is the sum of the oxides of the heavy rare earths elements europium (Eu), gadolinium (Gd), terbium (Tb), dysprosium (Dy), holmium (Ho), erbium (Er), thulium (Tm), ytterbium (Yb), lutetium (Lu), and yttrium (Y).
- 🌅 **LREO** is the sum of the oxides of the light rare earths elements lanthanum (La), cerium (Ce), praseodymium (Pr), neodymium (Nd), and samarium (Sm). The HREO are less common than the LREO and are generally of higher value.
- 🌅 **CREO** is a set of oxides the US Department of Energy, in December 2011 defined as **critical** due to their importance to clean energy requirements and their supply risk. They are Nd, Dy, Eu, Y and Tb.
- 🌅 **Neodymium-Praseodymium (NdPr)** oxide is the key input to rare-earth magnets needed in the motors and generators of electric and hybrid vehicles, wind turbines, and a variety of other clean energy applications. These rare-earth magnets are 10 times the strength for the same weight as conventional magnets, and there is currently no known substitute.

### 3 RELIANCE ON OTHER EXPERTS

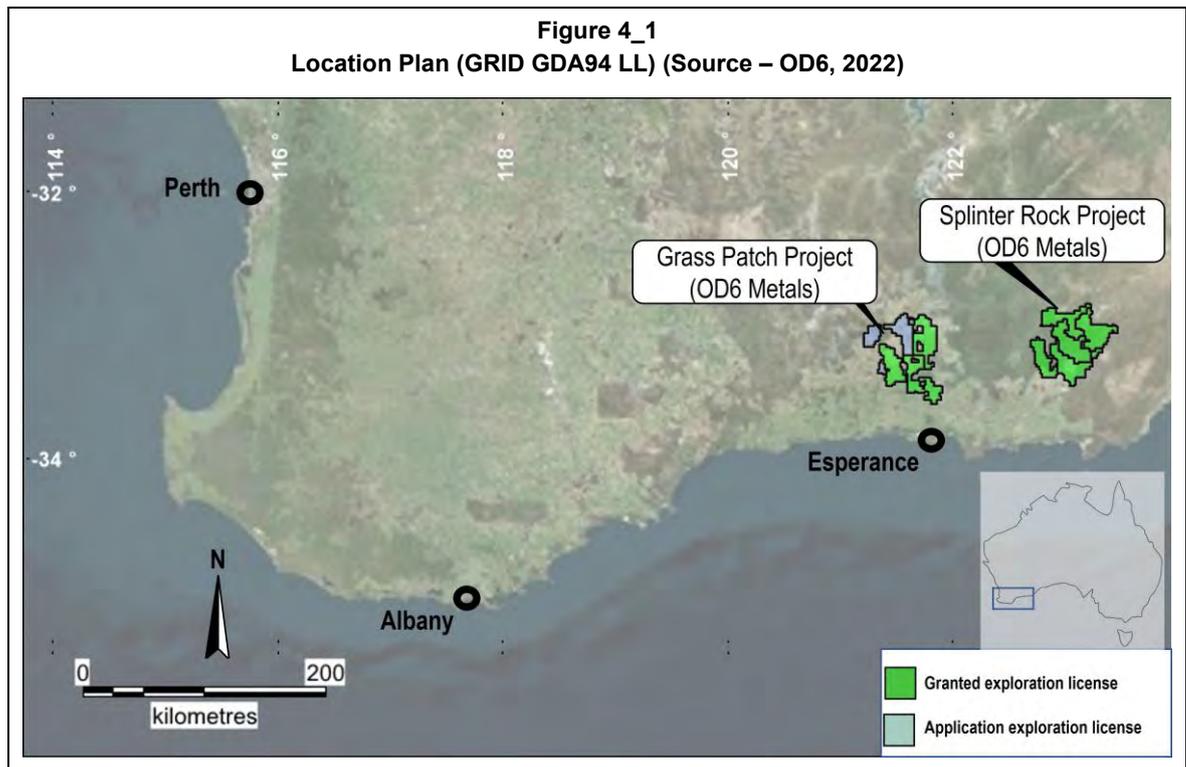
The authors have relied on legal documents provided by OD6 pertaining to the title of the tenements. Sahara has not independently verified the title and ownership aspects of the tenements.

The metallurgical section of this report has been reviewed by Mr Gavin Beer, a metallurgist specialising in REE extraction.

This report includes information sourced from previous companies and reported in the Western Australia Mineral Exploration reporting system (WAMEX), rather than data produced by OD6. Whilst the information has been considered for context and reasonableness, it has not been possible to fully test the previously reported results with, for example, by twinning of holes or further metallurgical test work. It is noted that the OD6 intends to conduct drill testing at its projects in the next year.

## 4 PROPERTY DESCRIPTION, LOCATION PHYSIOGRAPHY AND CLIMATE

The location of the OD6's REE Projects are shown in the figure below. The projects are all located in Western Australia and accessible from Perth (~700km) or the regional centre Esperance (~150km).

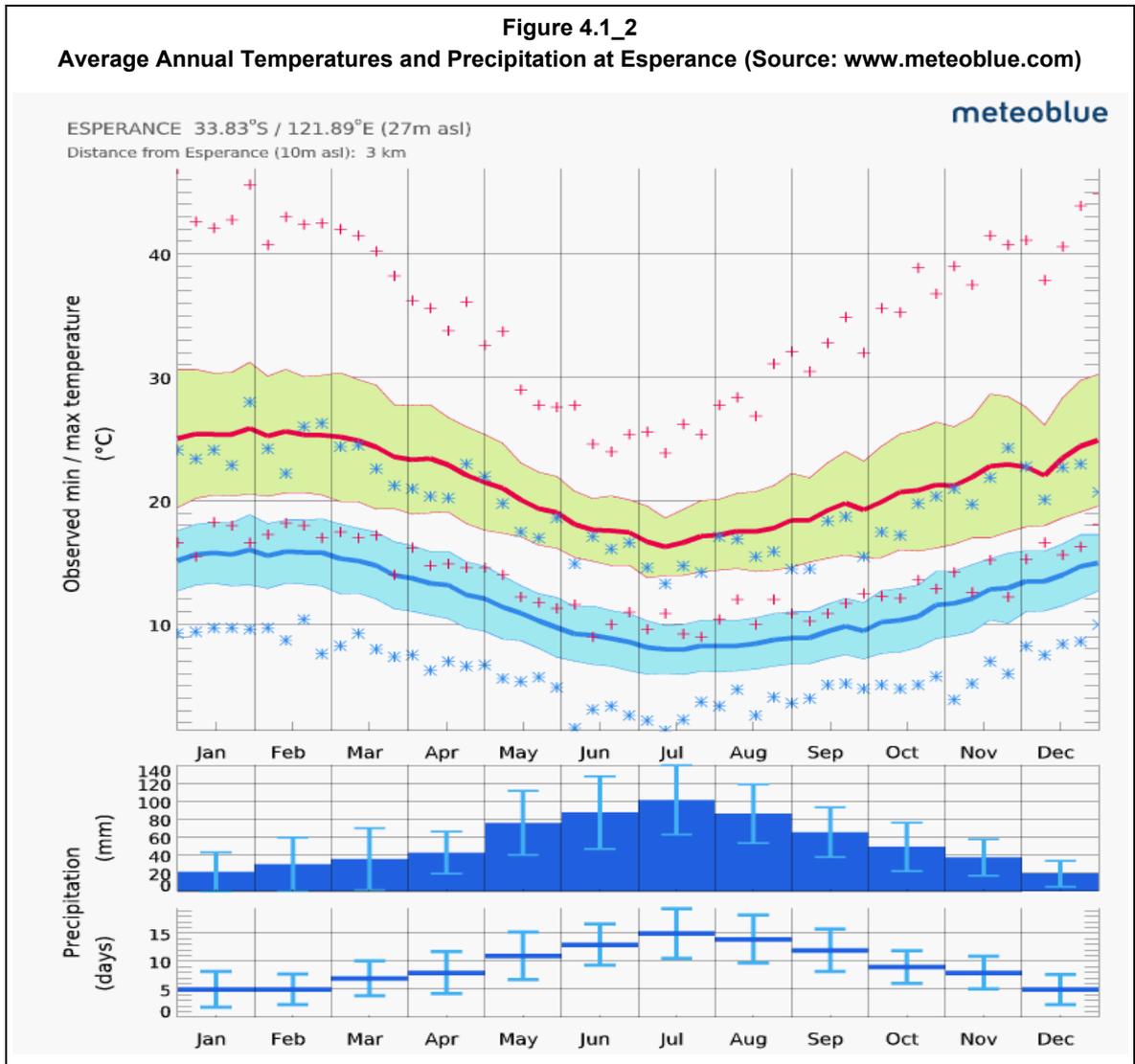


#### 4.1 Physiography and Climate

The Esperance region is located within an area of relatively moderate topographic relief ranging between 50m and 600m above sea level. The figure below shows the Cape Arid range around 50km to the east, with the photo taken from the Splinter Rock project during the Sahara site visit.



The Esperance region experiences a Mediterranean climate with warm, dry summers and cool, wet winters. It is subject to wide variations in the weather, from hot summer days when northerly winds arrive from the interior of the state, to cold, wet winter days with southerly winds from the Great Southern Ocean.



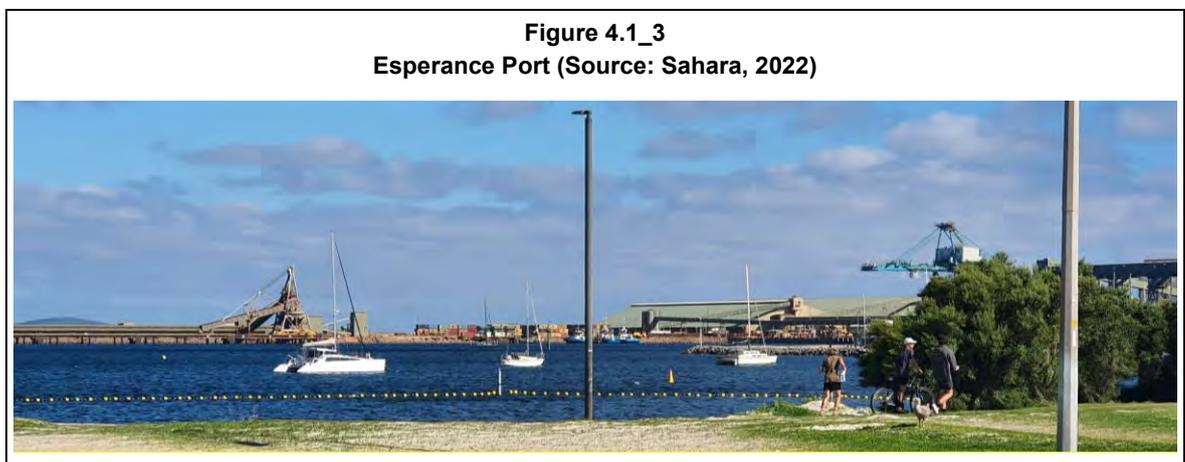
#### 4.1.1 Local Infrastructure and Services

The main regional centre to the project is Esperance. Esperance has a population of ~12,145 people as at the June 2018 census. The town is located within 150km of both projects. The economy of the region is agriculture and fishing based, consisting primarily of wheat and sheep farming. Other major industries that contribute to the local economy are mining and tourism.

##### Esperance Port

The Port of Esperance (Figure below) is a vital trade hub, connecting key industries in regional WA with the rest of the world. It is the largest exporter of nickel concentrate in the Southern Hemisphere, making it an important international gateway to Australia's nickel mining industry.

The Port exported a record 15 million tonnes of product in 2014/15 with its major exports being iron ore, nickel and grain. ([www.southernports.com.au/esperance/trade-data](http://www.southernports.com.au/esperance/trade-data))



### Esperance Power Project

Esperance's future power solution, as reported by Horizon Energy, is in the process of combining a new, more efficient, power station with a significant increase in renewables.

A new hybrid LNG facility is being constructed and will reportedly reduce the carbon footprint of power supply to Esperance by almost 50% per annum compared to the existing power supply arrangements.

A new renewables hub is being constructed, bringing together solar and wind power to generate up to 46% of Esperance's electricity. Two new 185m wind turbines with a combined capacity of 9 megawatts were near completion during the Sahara site visit. ([www.horizonpower.com.au/your-community/getting-future-ready/](http://www.horizonpower.com.au/your-community/getting-future-ready/)).

**Figure 4.1\_4**  
**1 of 2 New Wind Turbines in Esperance (Source: Horizon Power - 2022)**



## 5 TENEMENT STATUS AND AGREEMENTS

### 5.1.1 Tenement Schedule

OD6 (through its subsidiaries Odette Six Pty Ltd and Grass Patch Pty Ltd) have acquired a 100% legal and beneficial interest in 12 tenements (2 applications and 10 granted) for a total of 4,828km<sup>2</sup>. (Figure and Table below)

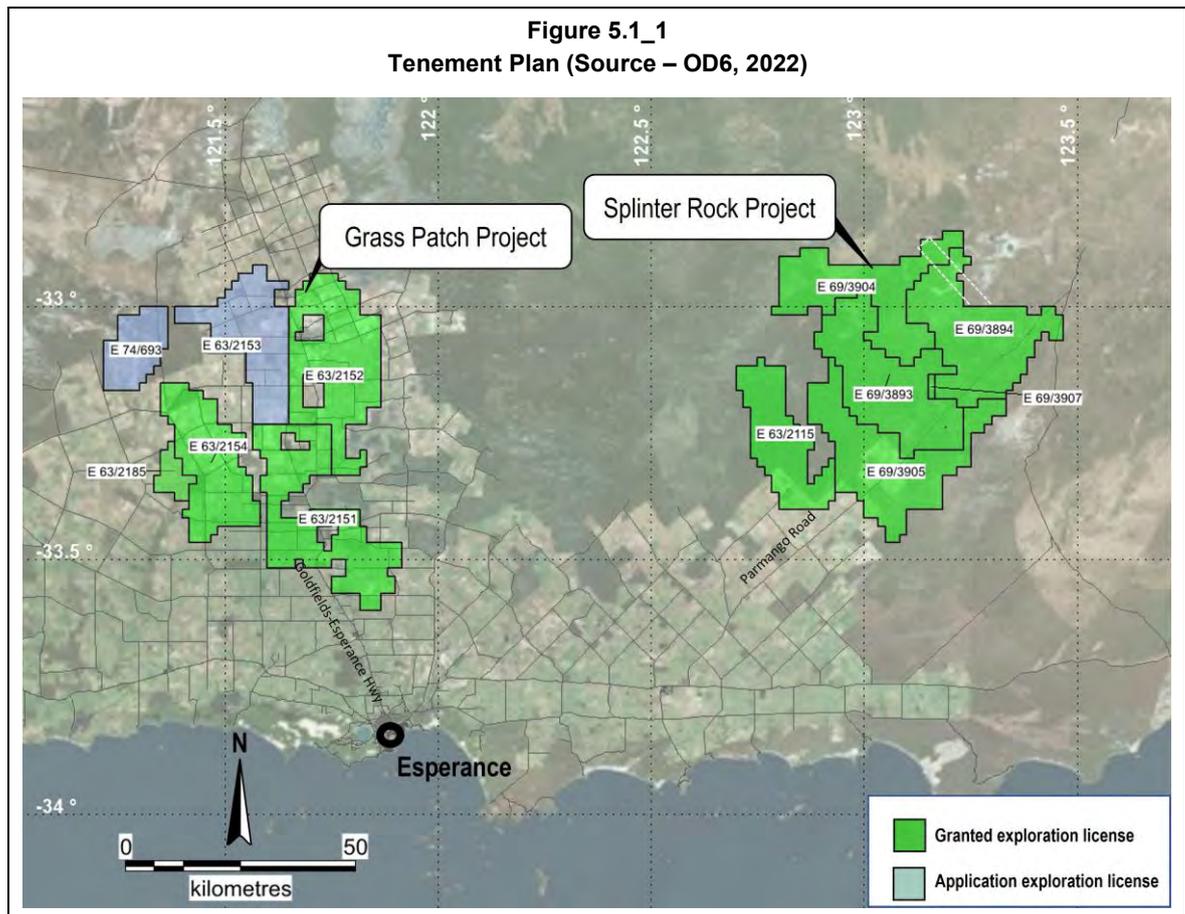


Table 5.1_1 OD6 - Tenement Schedule						
Tenement Name/ Number	Tenement Type	Status	Registered Holder	Grant Date	Renewal Date	Area (km2)
E 63/2153	Exploration	Application	GRASS PATCH METALS PTY LTD			405.4
E 63/2185	Exploration	Granted	GRASS PATCH METALS PTY LTD	1-Mar-22	28-Feb-27	63.3
E 74/693	Exploration	Application	GRASS PATCH METALS PTY LTD			195.5
E 63/2151	Exploration	Granted	GRASS PATCH METALS PTY LTD	2-Dec-21	1-Dec-26	575.1
E 63/2152	Exploration	Granted	GRASS PATCH METALS PTY LTD	3-Dec-21	2-Dec-26	575.1
E 63/2154	Exploration	Granted	GRASS PATCH METALS PTY LTD	6-Dec-21	5-Dec-26	434.2
E 63/2115	Exploration	Granted	ODETTE SIX PTY LTD	4-Feb-22	3-Feb-27	362.3
E 69/3904	Exploration	Granted	ODETTE SIX PTY LTD	15-Feb-22	14-Feb-27	483.1
E 69/3905	Exploration	Granted	ODETTE SIX PTY LTD	15-Feb-22	14-Feb-27	575.1
E 69/3907	Exploration	Granted	ODETTE SIX PTY LTD	14-Feb-22	13-Feb-27	8.6
E 69/3893	Exploration	Granted	ODETTE SIX PTY LTD	20-Jan-22	19-Jan-27	575.1
E 69/3894	Exploration	Granted	ODETTE SIX PTY LTD	20-Jan-22	19-Jan-27	575.1
						4,828

## 5.2 Agreements and Liabilities

A heritage protection agreement with the Ngadju Native Title Aboriginal Corporation for the bulk of the Splinter Rock Project has been completed by OD6. In addition, the Grass Patch project is subject to the standard Esperance Nyungar Heritage Agreement (Esperance Tjaltjraak Native Title Aboriginal Corporation). Both agreements have standard requirements for heritage clearances before ground disturbing work takes place. There are six small sites noted in the “Aboriginal Heritage Inquiry System” (extract January 2021). All sites are not located in the principal areas of interest.

<b>Place ID</b>	<b>Name</b>	<b>Legacy ID</b>	<b>Status</b>	<b>Type</b>
491	MT BURAMINYA.	W02249	Registered Site	Man-Made Structure, Water Source
1459	RED LAKE	W01742	Registered Site	Artefacts / Scatter
2159	BALD ROCK	W01087	Lodged	Artefacts / Scatter
1641	DERALINYA.	W01545	Lodged	Artefacts / Scatter, Historical, Camp, Water Source
1642	BREEBOORINIA.	W01546	Registered Site	Artefacts / Scatter, Natural Feature, Water Source
26266	Lort River		Registered Site	Mythological, Other: weir type fish traps

The Grass Patch project is principally located within privately owned agricultural land. Agricultural landowners have not yet been approached for access. The Shire of Esperance allows application for exploration (including drilling) within road-reserves, and OD6 intends to conduct exploration along road-reserves prior to entering private-owner land access agreements.

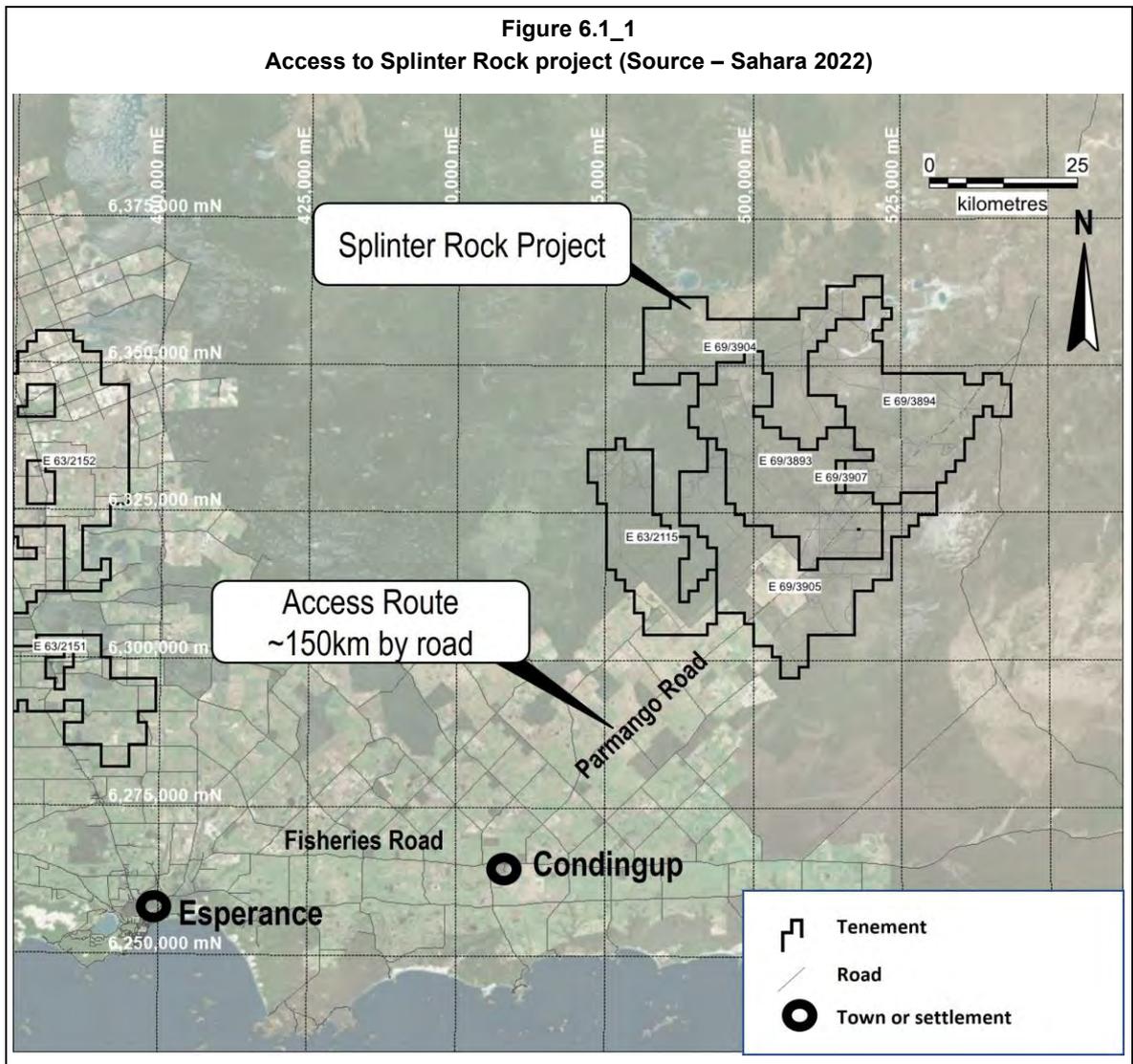
Sahara is not aware of any other agreements or liabilities associated with the projects.

## 6 PROJECTS

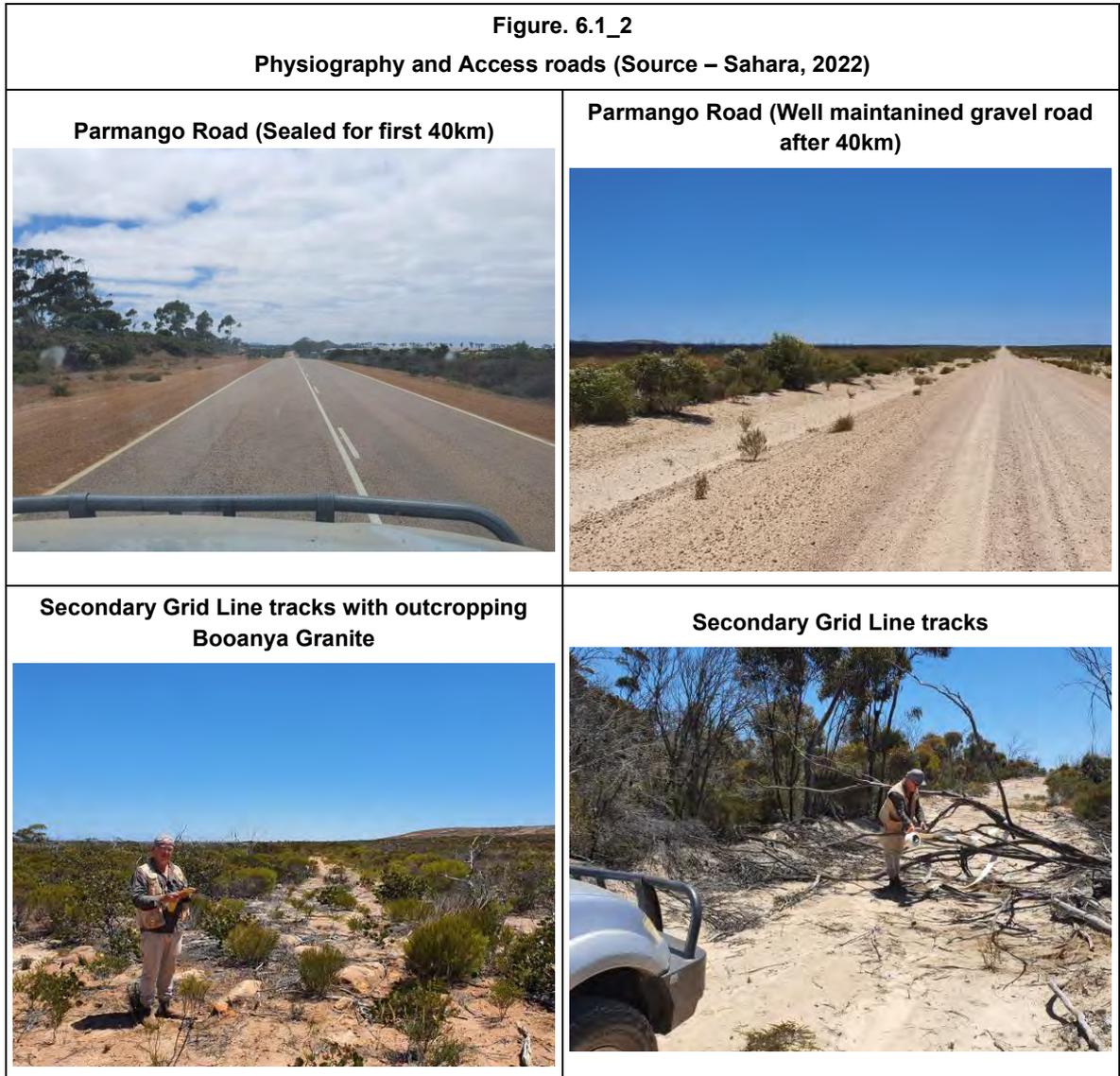
### 6.1 Splinter Rock Project

#### 6.1.1 Location and Access

The Splinter Rock project is located approximately ~150km by road northeast of Esperance. The project area can be accessed from Esperance by Fisheries Road (sealed road) to Condingup town and then by the Parmango Road which is sealed for ~40km before changing to a well-maintained gravel road which passes through the project. Extensive grid lines also provide secondary access to the project. The figure below summarises the access to the project.



The figures below show the typical roads within the project and general physiography.



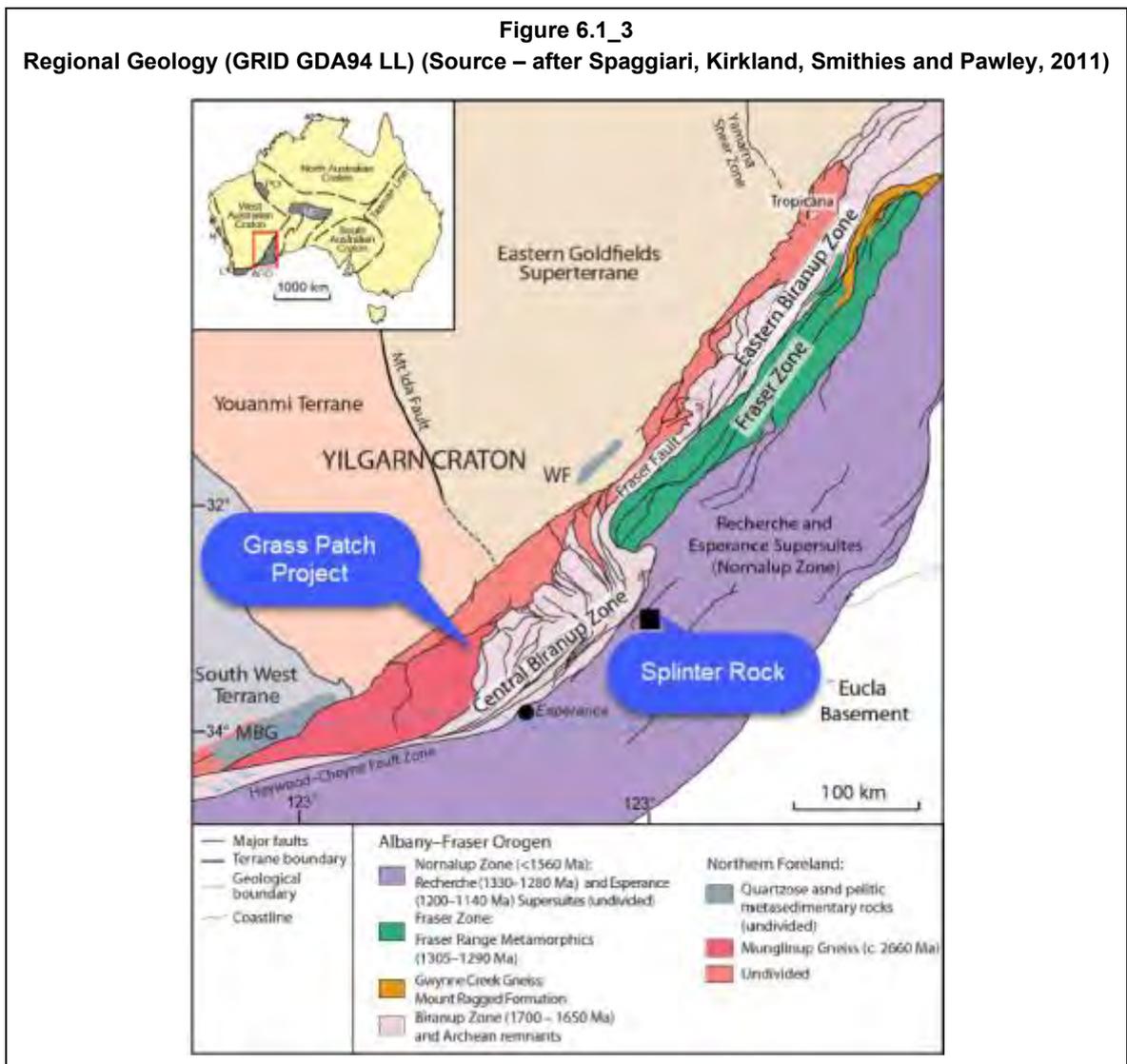
### 6.1.2 Regional Geology

The Albany–Fraser Orogen forms part of the West Australian Craton and is located along the south-eastern margin of the Archean Yilgarn Craton (Figure below). The Albany–Fraser Orogen is hosted by predominantly Paleoproterozoic to Mesoproterozoic granites formed through a complex series of events.

The magma-producing tectonic events currently recognized include the 1815–1800 Ma Salmon Gums Event, the 1780–1760 Ma Ngadju Event, the 1710–1650 Ma Biranup Orogeny, and the Albany–Fraser Orogeny, which can be divided into Stage I from 1330 to 1260 Ma and Stage II from 1225 to 1140 Ma.

Three sedimentary basins are also recognized: the 1815–1600 Ma Barren Basin, the 1600–1305 Ma Arid Basin, and the 1280–1215 Ma Ragged Basin (Spaggiari et al., 2014; Waddell, 2014).

The figure below is a summary map of the tectonic domains of the region with the data derived from the GSWA 1:10 million sheets.

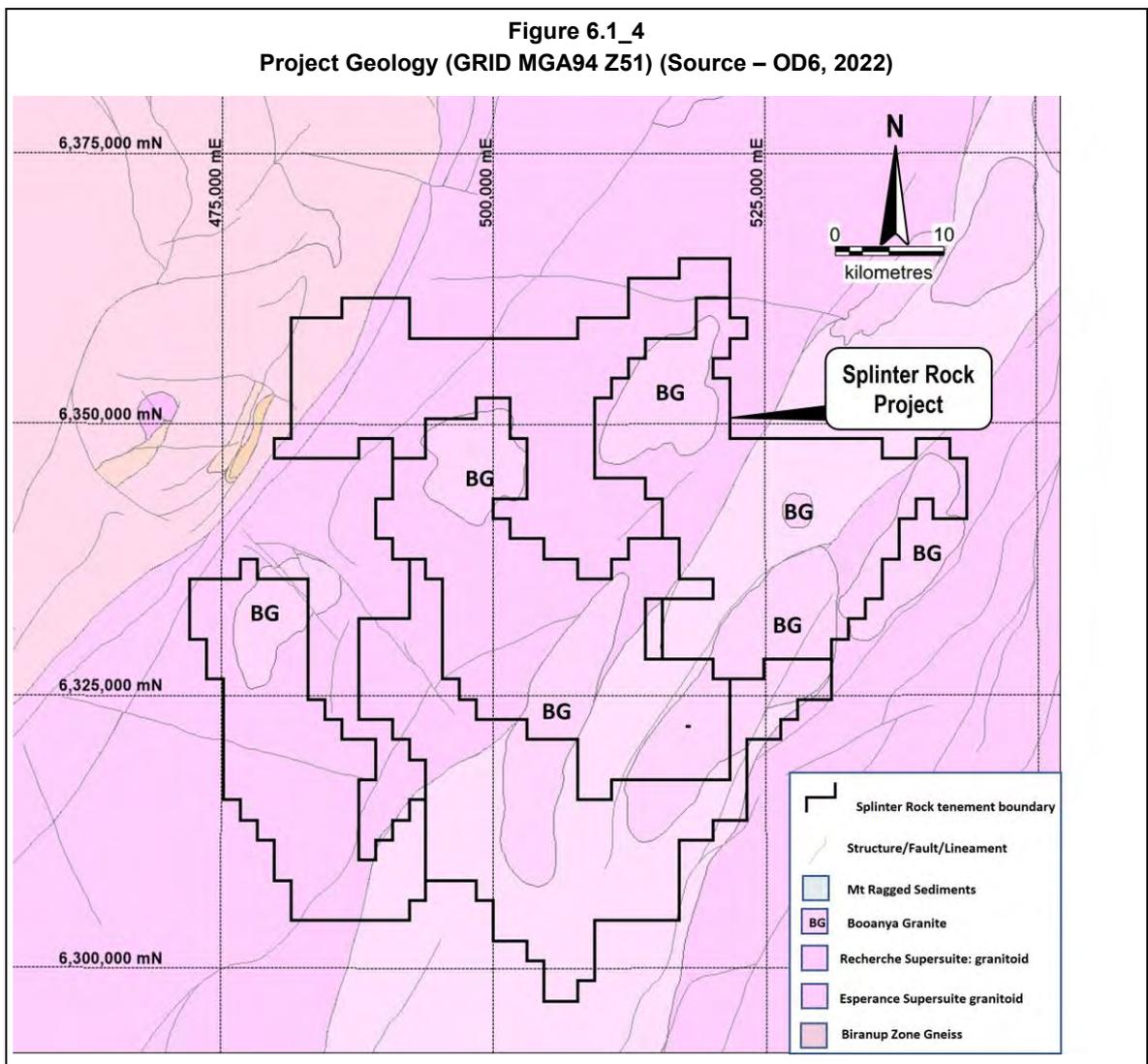


### 6.1.3 Project Geology

The Splinter Rock project is predominantly underlain by Proterozoic rocks of the northeast trending East Nornalup Zone. The Booanya Suite Granites are 'A' type (anorogenic) leucogranites that are described as heavily enriched in REE. (<https://asud.ga.gov.au/search-stratigraphic-units/results/79197>, Smithies et al GSWA Report 150)

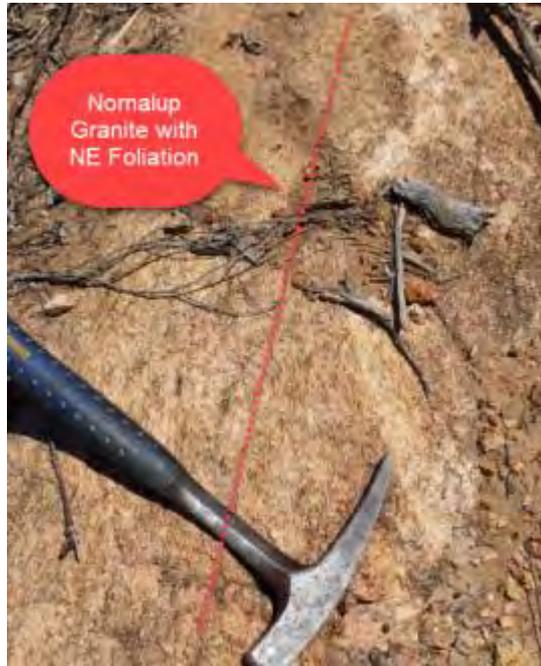
The Booanya Suite are part of the Esperance Supersuite granitoids and are dated 1330-1360Ma.

These granites are generally enriched in  $K_2O$ ,  $TiO_2$  and  $P_2O_5$  compared with the Truslove Suite granites, although it is the strong enrichments in REE that distinguish granites of the Booanya Suite from those of the Truslove Suite, and from all other granite groups of the Albany–Fraser Orogen.



The Booanya granites are found outcropping throughout the tenements and have a north-northeast trending foliation and elongation which can be seen in the figure below.

**Figure 6.1\_5**  
**Booanya Granite Outcrop (Source – Sahara, 2022)**



**Figure 6.1\_6**  
**Booanya Granite outcrop (Source – Sahara, 2022)**



#### 6.1.4 Mineralisation

The REE mineralisation at the Splinter Rock Project occurs in the weathered regolith profile overlying the Booanya granitic basement rocks, which are enriched in REE.

The mineralisation is considered similar to ion adsorption-style (ionic) REE clay deposits of southern China which are also developed in similar geological settings (CSA Global, 2015; Wang *et al*, 2018).

Previous explorer in this district, Salazar Gold Pty Ltd (Salazar), undertook a series of metallurgical testwork on the air core drill samples from the region and have suggested that a granite protolith with REE carbonates and other REE minerals can be easily weathered and produce REE that are attached to clay minerals (CSA Global, Jan 2015).

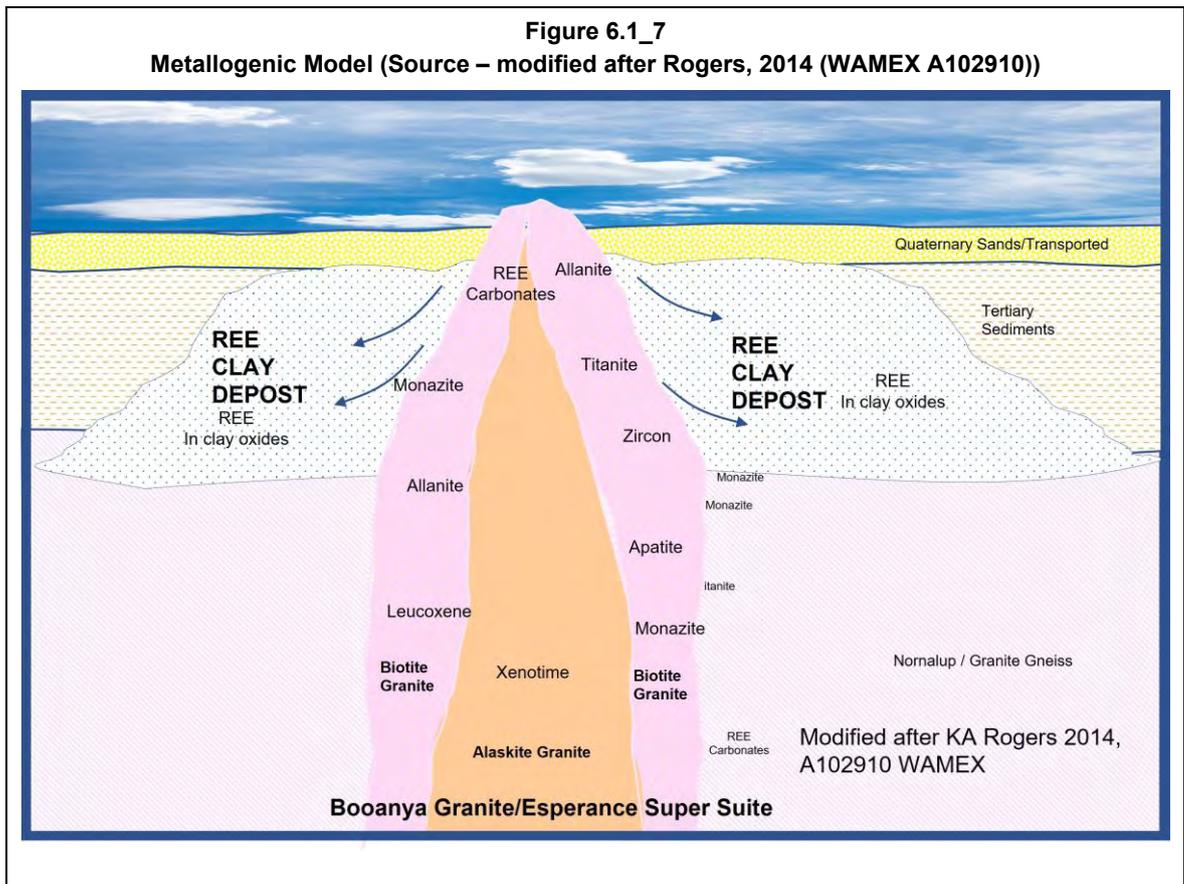
Petrographic studies by Salazar have examined the constituent REE minerals in surface and end-of-hole (EOH) rock samples (Rogers, 2014). The work identified a suite of REE-bearing minerals in the magnetic granites in the Nornalup Complex, including monazite, xenotime, allanite, bastnaesite, synchysite, apatite, cerite, cerianite, titanite, leucoxene and zircon.

Research quoted by Rogers (2014) suggests that REE mineralisation may exist either as:

-  A *physisorption* type, in which the REE is ionically bonded to the negative charges on the clay mineral surface. REE behave as positively charged trivalent ions during weathering and are adsorbed on negatively charged surfaces of clay minerals such as kaolinite and halloysite. This form is not temperature or pH dependent. During leaching the REE are relatively easily and selectively desorbed from the clay.
-  A *chemisorption* type, in which hydrolysed clay-O-REE species derived from permanent complexation reactions at the surface of negatively charged hydroxyl (OH) groups. This form is temperature and pH dependent and can only be liberated via more aggressive and non-selective acid leach.

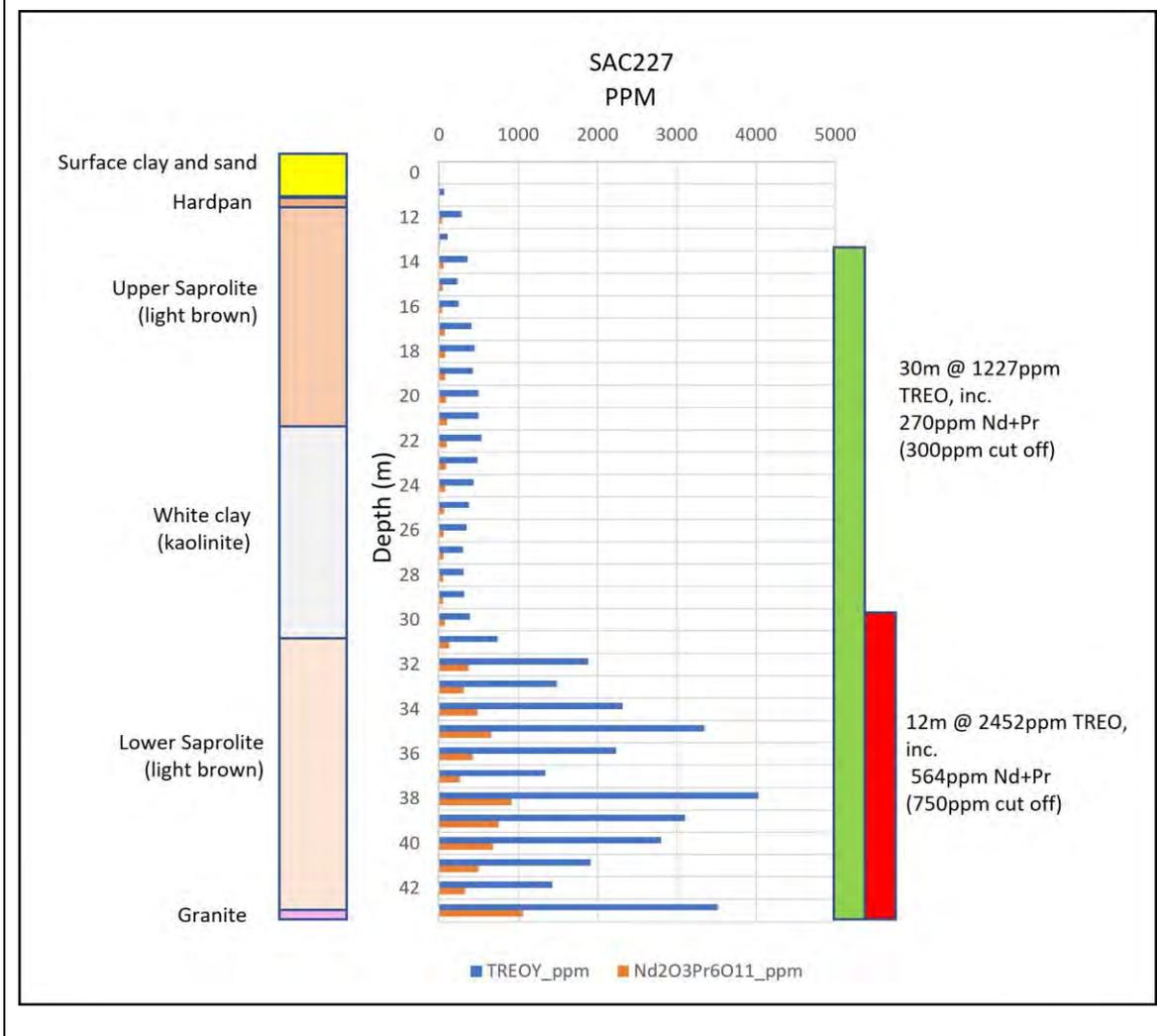
A metallogenic model is shown in the figure below to demonstrate the potential formation of clay REE formed from the Booanya granite.

**Figure 6.1\_7**  
**Metallogenic Model (Source – modified after Rogers, 2014 (WAMEX A102910))**



Air core drilling has demonstrated a 2m to 60m thick regolith profile in which 5m to 20m of transported sediments commonly overly weathered saprolite. The drillhole log in the figure below highlights the enriched REE in the saprolite along with TREO and NdPr grades returned.

**Figure 6.1\_7**  
**Drill Log of SAC227 (Source – OD6, 2022)**



### 6.1.5 **Exploration and Mining History**

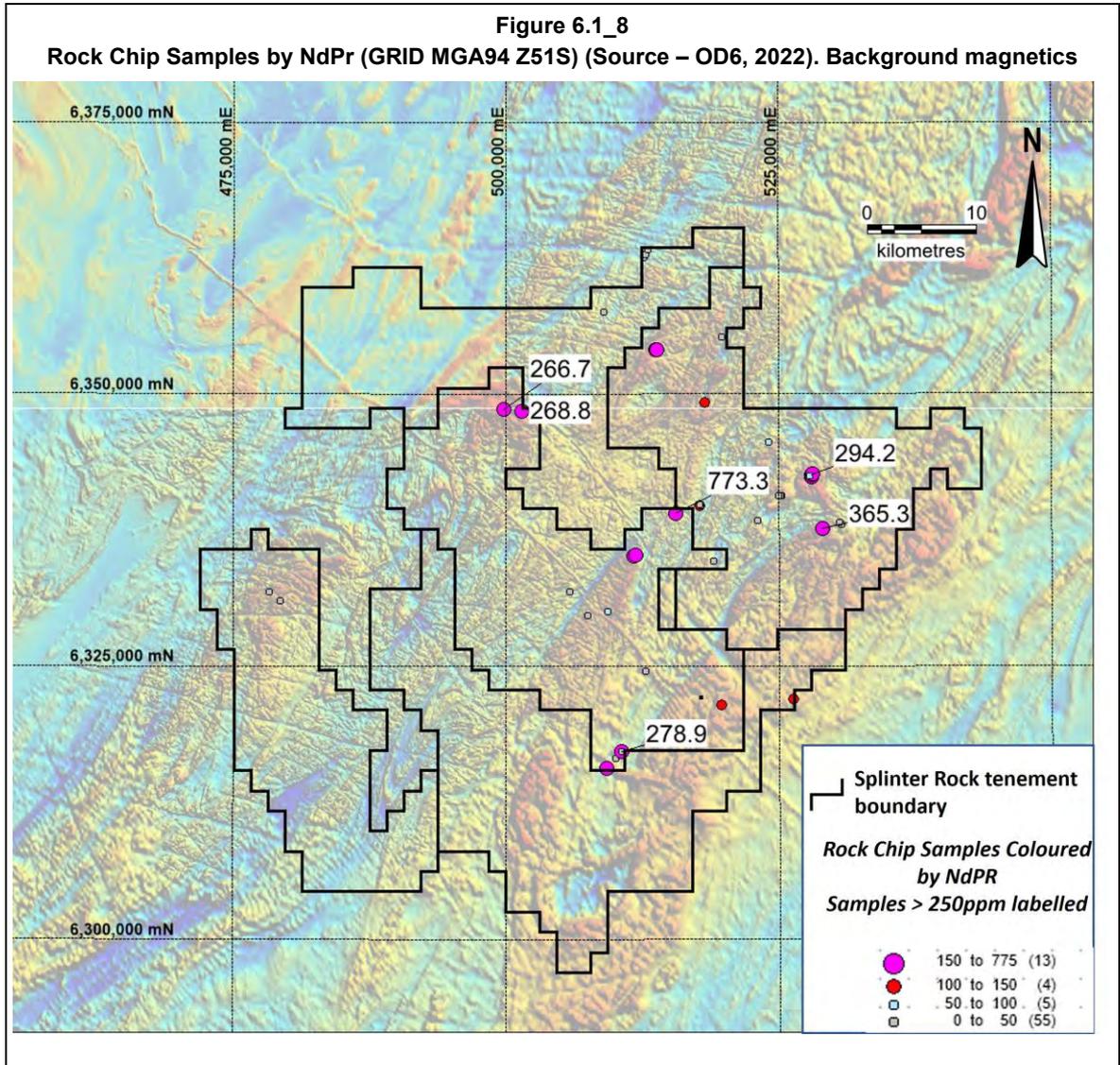
Prior to 2004, Helix Resources Limited (Helix) had identified a large gold and copper in calcrete anomaly at in the Splinter Rock region, as part of a 1km-by-1km regional sampling programme along 50 km of the Heywood Shear Zone. Helix concluded the Splinter area was prospective to host shear-hosted gold deposits, iron oxide copper-gold deposits but completed no further work.

In 2009, the Geological Survey of Western Australia (GSWA) released an Airborne magnetic, radiometric, and digital terrain model (DTM) survey over the Balladonia, Esperance, Norseman and Malcolm 1:250,000 map sheets. (400m east west line spacing) and merged with previously flown company data.

Following this, Ponton Minerals Pty Ltd and Mineral Sands Ltd (~2006) completed air core drilling and Salazar Gold Pty Ltd (Salazar) in 2012 completed rock chip sampling and air core drilling targeting REO and other prospective minerals.

#### **Rock Chip Samples**

Salazar collected a total of 59 rock chip samples within the Splinter Rock project. The figure below shows the rock chip sampling over the airborne magnetics image. They are taken 5km to 10km apart with most samples highlighting anomalous REE between 10ppm to 773ppm NdPr.



## **DRILLING**

### Ponton Minerals Pty Ltd and Mineral Sands Ltd (2006 to 2008)

The Splinter Rock project area was the subject of mineral sands exploration between 2006 and 2008 by Ponton Minerals Pty Ltd and Mineral Sands Ltd. A total of 56 air core drill holes for 1,046.5m, at an average depth of 18m were completed in the region. (WAMEX78700) This work focussed on the north-eastern corner of the Splinter Rock Project (Figure 6.1\_10 below) where the Eucla Basin sediments overlay the granites.

This program returned poor results for mineral sands and gold and no further work was completed.

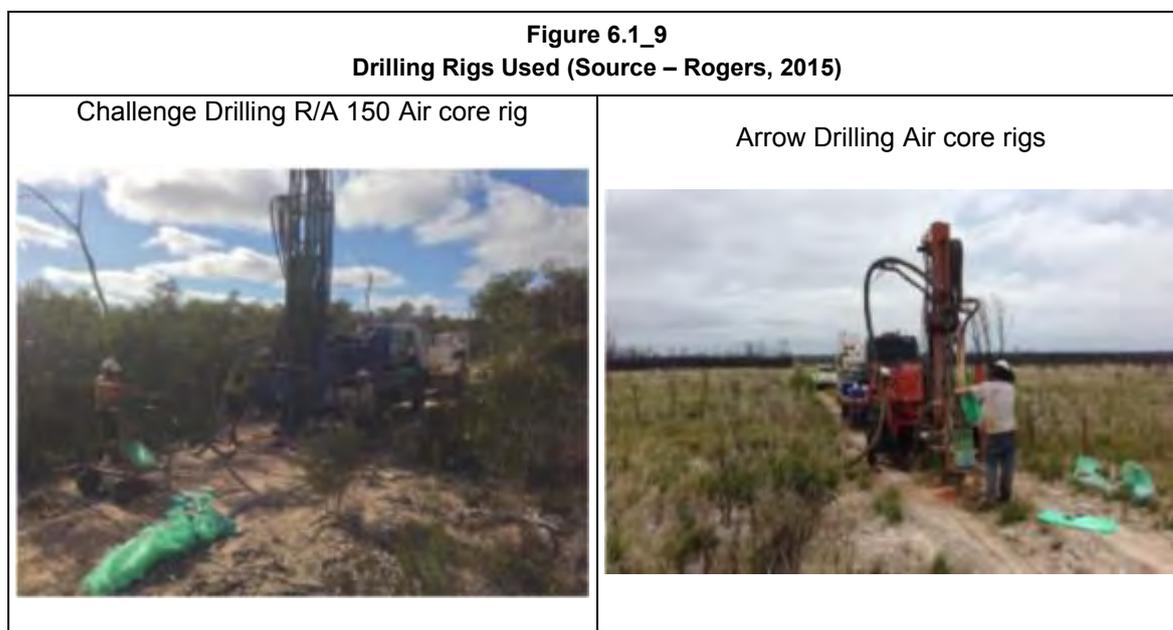
Samples from this drill program were **not** assayed for REO.

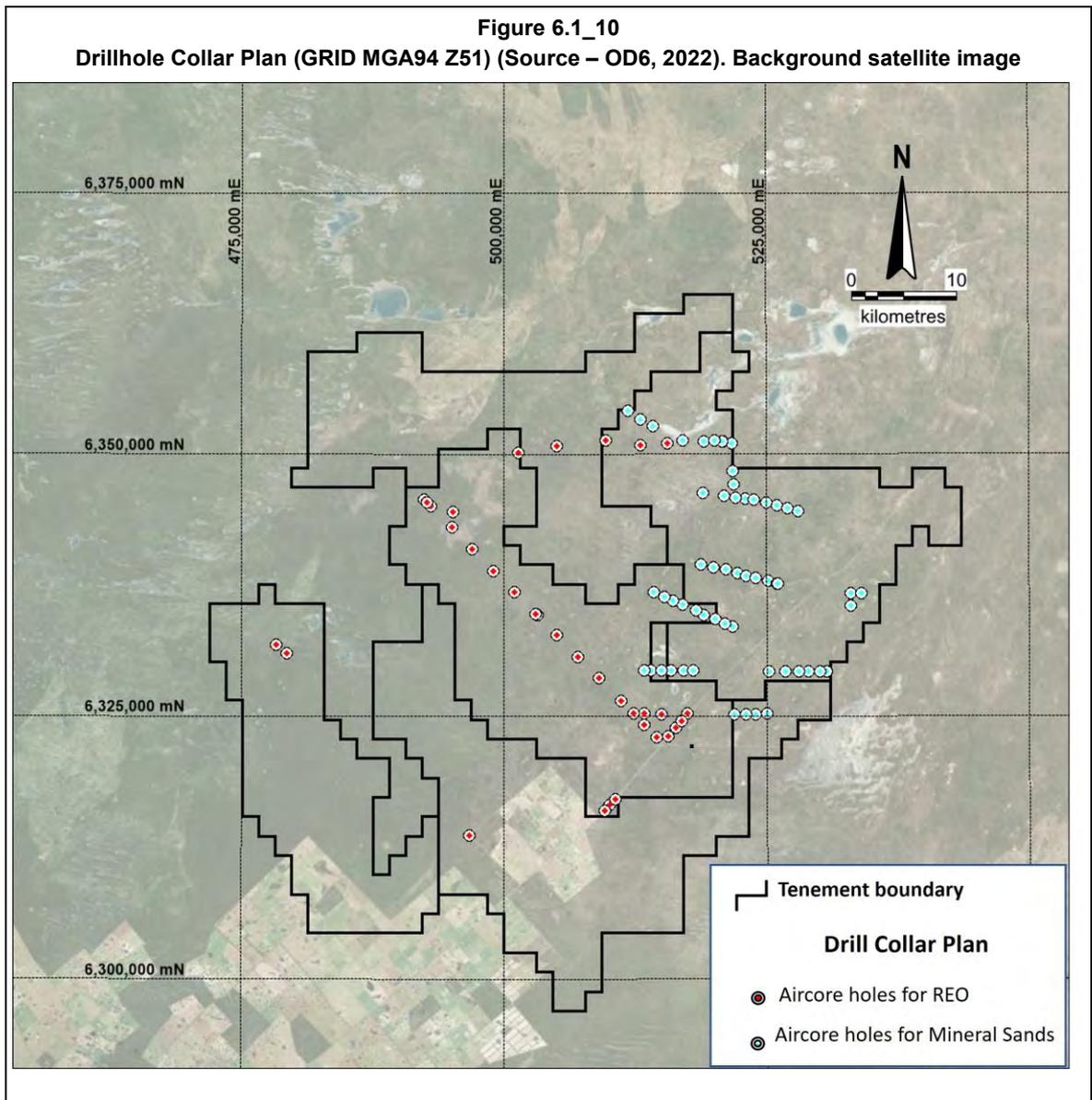
### Salazar Air core (2012 & 2014)

From 2012, Salazar explored the district for base-metals and iron. Salazar recognised the potential for REO in the clay fraction and drilled 36 air core holes for a total of 1162 metres and an average depth of 32 metres. Challenge Drilling (Rig No. 1) completed the first program in 2012 and Arrow Drilling completed a final program in February 2014.

Despite intersecting considerable clay REO intersections, Salazar elected to relinquish large parts of the tenement in favour of retaining the base-metals and iron magnetite potential to the northwest. (WAMEX A102910 and A117039)).

Challenge used blade and roller air core bits (diameter 87mm) with 3m length drill rods (Figure below). Arrow used drag and hammer air core bits with 2m length drill rods.





The figure above highlights the air core collar positions. Details of the drilling methodology are summarised below as reported by Rogers, 2015: -

-  Collar Surveys - Drill hole locations were marked out prior to drilling using a hand-held GPS, with coordinates in MGA94 UTM projection Zone 51S. Drill collars were again surveyed immediately after drilling with a handheld GPS. Handheld GPS units are typically accurate to +/- 5m in X and Y, and less reliable in Z.
-  Down-hole Surveys - The holes were not surveyed down-hole and were drilled vertical. Given the shallow depth of the drill holes any deviation is unlikely to have a material effect on the work completed.
-  Down-hole Geophysical Logging. No down-hole logging techniques was used.

🌅 Geological Logging Samples were logged on paper at the drill site immediately after the air core sample bags were laid out. The EOH interval was screened for assay for Au, and chip samples described and stored in chip trays, for later petrographic examination.

🌅 Sampling Method - Sampled every metre via a cyclone, with no splitter, so all the sample was collected in a pre-labelled plastic RC sample bag (450mm x 750mm x 90µm) that recorded the hole number and metre interval

- Sample size varied from approximately 6 to 15kg, with most samples 10-12kg. Most samples were dry, but some wet samples returned smaller weights due to loss of the drill mud. The cyclone was cleaned regularly by scraping the walls.
- A sub-sample of about 1.5kg was taken with an aluminium round scoop for dispatch to the assay laboratory.

🌅 QAQC - A blank sample was inserted for each hole. It consisted of white dune sand collected along the Splinter track north of SAC65 and SAC67 where there is a large mound of white and yellow sand up to 7m thick at the top of the transported sequence.

- A duplicate sample was inserted for each hole. The duplicate was generally in the in-situ regolith (saprolite or saprock) interval.
- No Certified Reference Materials standards were reported as being used in historical reporting.

🌅 Sample Security - All RC bags and calico bags were transported to the camp site and loaded onto pallets for dispatch to Bureau Veritas (Ultra Trace) laboratory by Esperance Freight Lines.

🌅 Sample Analysis - Samples were assayed for REE by Sodium Peroxide Fusion ICP Mass Spectrometry and finish to 1ppm detection.

- Internal lab QAQC included certified standards and duplicates

🌅 QAQC - CSA reviewed the QAQC data and did not find any material issues with analysis.

Sahara consider the drilling and sampling method to be adequate for first pass exploration but highlight the lack of client certified standards disclosed in historical documentation does not provide high confidence in laboratory accuracy. For resource work, client certified standards should be utilised (and not rely on laboratory internal QAQC).

## **METALLURGY TESTWORK**

### **CLAY REE (IC) DEPOSIT BACKGROUND**

Due to various weathering conditions (i.e. nature of host rocks, water and soil pH, temperature, pressure, redox conditions) there are three main categories of REE present in the IC deposits, as described by Chi and Tian<sup>1</sup>:

 Exchangeable phase: REE's occur as soluble free cations/hydrated cations or part of positively charged complexes in solution adsorbed species on clays. These species account for 60-90% of total content of rare earths in ores and can be recovered by ion-exchange leaching with monovalent salts such as ammonium sulphate. This is a true physisorption mechanism.

 Colloid phase: REE's deposited as insoluble oxides or hydroxides or as part of colloidal polymeric organometallic compounds. These species have low occurrence in ores at the slightly acidic natural conditions and can be recovered only by acid leach. This is a chemisorption mechanism. Note that acid soluble REE minerals such as bastnaesite or highly weathered monazite will also release REE's with moderate acid leach conditions.

 Mineral phase: REE's part of solid fine particles of a host mineral. The REE content can be recovered only by aggressive conditions (alkaline bake and acid leach). Monazite, xenotime and allanite are REE host minerals that fall into this category.

Ionic Clay deposits notably are low grade (~1000 ppm or less) and have a bias towards the heavy REE's (up to 20% of the total REE content) compared to commercially exploited hard rock deposits which typically contain less than 5% heavy REE's of the total REE content.

### **China Ionic Clay Mining**

China is presently the only country to commercially extract REE's from Ionic Clay deposits predominantly in the southern provinces (Jiangxi, Fujian, Hunan, Guangdong, Guangxi, Zhejiang and Guizhou) and have been doing so since the 1970's. Ammonium sulfate and ammonium chloride are commonly utilized as leaching agents in the heaping and in-situ leaching processes. It is unclear if acidified solutions are commonly used in addition, however most likely lower recoveries are accepted at the saving and simplicity of a single reagent. Even though grades and (often) recoveries are low in these Chinese operations, they are deemed profitable due to extremely low capital and operating costs.

### **Outside of China**

It is widely believed that the formation of this type of ionic clay REE deposits are due to physical, chemical and biological (microbial) weathering of REE-rich granitic and volcanic rocks under warm, humid, slightly acidic conditions in subtropical zones. Considering the geological and climate conditions for the formation of REE-bearing weathered ores, there is no reason to limit the occurrence of this type of deposits within Chinese borders. Ionic clay deposits have now been found and categorized as such in South America, Africa and Australia.

### Esperance Region: Previous clay REE extraction studies

There has been no metallurgical testwork on the drillholes within the OD6 tenements directly, but there has been testwork by projects in the region by Salazar and Mt Ridley Mines Ltd (MRD). This proximal work provides preliminary indications on the potential metallurgical recoveries to be expected within OD6 projects.

Mr Gavin Beer of Met-Chem Consulting Pty Ltd (Met-Chem) a specialist REE metallurgist has provided comment on metallurgical testwork from the following sources:

-  The Salazar Gold Pty Ltd (“Salazar”) report “*Data Review and Grade Tonnage Estimate for the Esperance Rare Earth Project*” by CSA Global dated 30<sup>th</sup> January 2015
-  Salazar Gold Pty Ltd combined annual exploration report 6 May 2013 to 5 May 2014 (WAMEX A102910)
-  Mt Ridley Mines Ltd (ASX: MRD) announcements, specifically ASX announcement “*Encouraging Rare Earth Extraction Results*” dated 21<sup>st</sup> October 2021.

The REE distribution (ratios of the specific rare earths to each other) reported both by Salazar and MRD are variable, however significant areas have higher heavy REE ratios consistent with known ionic clay (“IC”) type deposits in Southern China, Uganda and Chile.

The testwork reported is quite rudimentary, however the reports cited a range of recoveries in acidic diagnostic leaches with REE extractions of 25 to 93% reported by Salazar and 70 to 94% reported by MRD.

MRD used a strong acid solution being aqua regia (AR). They achieved higher extraction rates than Salazar, however it is unclear if this is due to differing mineralogy of the REE’s or that AR is a strongly oxidizing acid. The MRD ASX announcement reported that 489 air core composite samples were subjected to a “partial aqua regia digest technique” whereby the aqua regia (AR) strength was 1 molar hydrochloric and 1 molar nitric acid. This equates to 9.95% w/v combined acid strength. Note that the addition of the nitric acid makes this a far more oxidizing (i.e. aggressive) reagent than the 10% HCl used by Salazar.

MRD reported REE extractions ranging from ~70% to ~94%. Of note, the REE elements dysprosium (Dy) neodymium (Nd) had high average extractions of 86% and 89%. Due to their high value and relatively high ratio these contribute most strongly to the potential contained revenue.

Of further note is that Salazar tested a typical ionic clay lixiviant of ammonium sulphate solution at pH 4 which is used in China and demonstrated at laboratory/pilot scale for the Uganda and Chile deposits. This failed to extract any notable concentrations of REE’s which suggests the REE’s are present as acid soluble minerals (e.g. carbonates or fluor carbonates) and are chemisorbed onto the clay lattice rather than physisorbed.

Ultimately, the mechanism of adsorption is of less importance compared to REE extraction and reagent consumption/cost.

In WAMEX report A102910, Salazar reported acid leach results from 12 tests. Acid consumption ranged from 18kg/t to 184kg/t for a 24-hour leach. However, the high consumption value (184kg/t) is considered an outlier with a sample reported as siderite (iron carbonate) rich clay contributing to the excess acid consumption. It is important to note that the use of a strong HCl solution will be unselective with regards to leaching other metals (iron, aluminium, calcium etc.) compared to traditional lixiviates such as ammonium sulphate. Unless managed, this will both increase the consumption of the HCl and potentially add additional purification costs to removing these solubilised impurities. Excluding outlier of the siderite rich sample (184kg), acid consumption averaged 40kg/t for 24-hour leach experiments, which is considered reasonable.

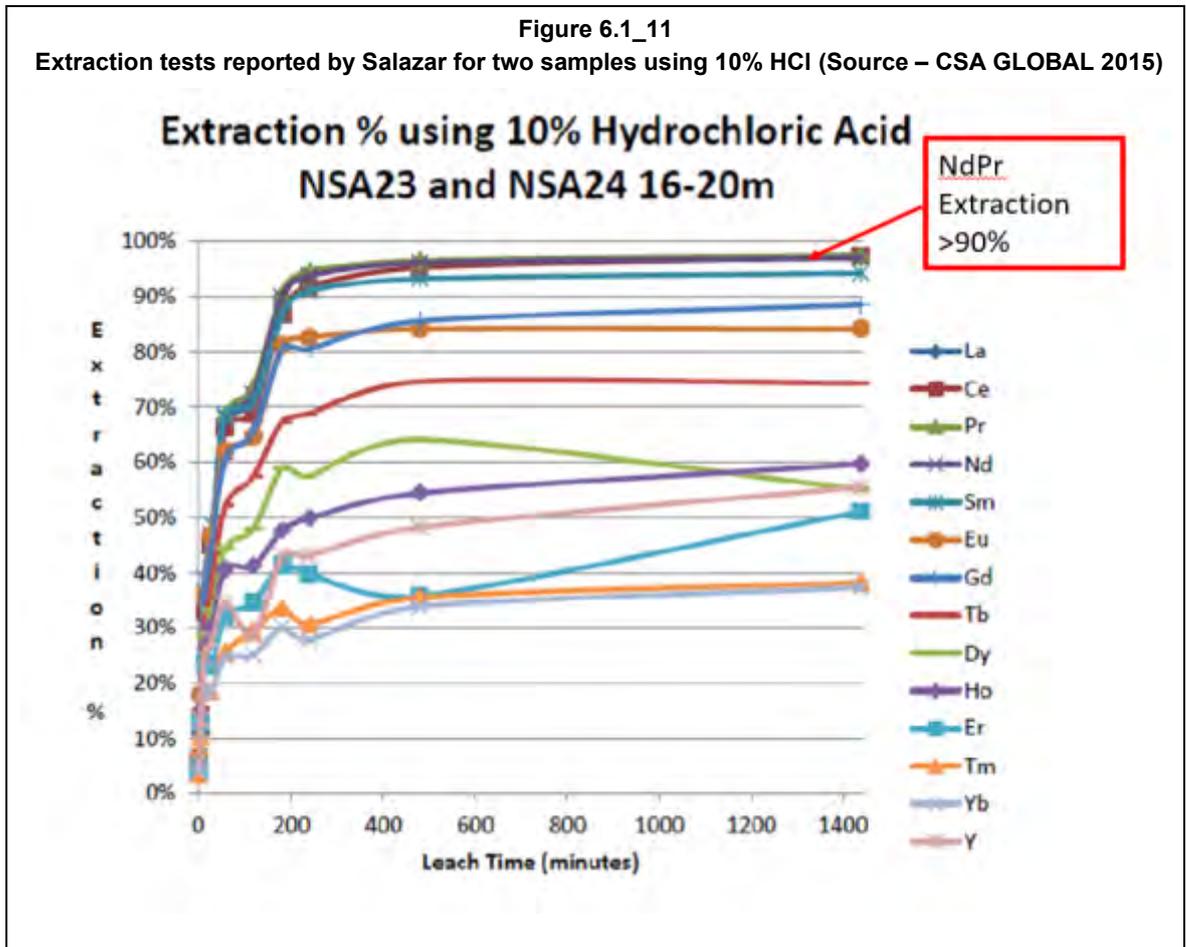
Recoveries of NdPr, from 24-hour leach work, from these 12 samples, ranged 14% to 85%. Nine out of 12 samples recovered NdPr on the range 63 to 89%. The remaining three sub-optimal recovery samples recovered NdPr at between 14 and 40%, indicating a potential presence of non-clay adsorbed rare earth minerals. It was noted that those samples with lower extraction rates had relatively higher heavy REE ratios. The presence of the heavy REE mineral xenotime (which is non-soluble in acid) in these samples is a likely explanation for this. Excluding the three sub-optimal samples, recoveries by Salazar from this program indicate recoveries of 73 to 79% of NdPr.

In an additional test, reported by Salazar in 2015, NdPr recoveries of two samples from holes NSA23 and NSA24, from 16-20m below surface, using 10% HCl acid, are reported as >90% (CSA Global 2015). It was identified that there is a bias of REE's into the very fine fraction (<20 microns) with 45-65% of the sample mass contains 75-90% of the REE. As concluded in the report, this presents an opportunity to upgrade the feed, most likely using screens and hydro-cyclones (CSA Global 2015).

Hole ID	Depth	Acid Consumption 3 hours (kg/t)	Acid Consumption 24 hours (kg/t)	Comment
SAC34	5-10m	35	38	
SAC34	10-19m	59	107	
SAC161	7-16m	20	25	
SAC161	16-20m	18	10	
SAC1	12-20m	50	72	
SAC1	20-24	50	72	
SAC21	10-17m	18	30	
SAC21	17-24m	2	18	
SAC48	10-15m	18	21	
SAC48	15-22m	9	18	
SAC59	21-33m	18	30	
SAC37	3-15m	90	184	Outlier
	Average	32	52	
	Median	19	30	
	Average Excluding outlier	27	40	
	<b>Median Excluding outlier</b>	<b>18</b>	<b>30</b>	

Hole ID	Depth	24 hours Pr Recovery (%)	24 hours Nd Recovery (%)	NdPr	Comment
SAC34	5-10m	37.8	42.2	40	outlier
SAC34	10-19m	87.4	89	88.2	
SAC161	7-16m	29.2	28.7	28.95	outlier
SAC161	16-20m	14.3	14.1	14.2	outlier
SAC1	12-20m	90.2	91	90.6	
SAC1	20-24	72.7	74	73.35	
SAC21	10-17m	70.2	72	71.1	
SAC21	17-24m	82.9	84.4	83.65	
SAC48	10-15m	84.8	84.7	84.75	
SAC48	15-22m	71.6	71.7	71.65	
SAC59	21-33m	63.7	68	65.85	
SAC37	3-15m	70.6	75.9	73.25	
	Average	64.6	66.3	65.5	
	Median	71.1	73.0	67.6	
	<b>Average Excluding outliers</b>	<b>77.1</b>	<b>79.0</b>	<b>78.0</b>	
	<b>Median Excluding outliers</b>	<b>72.7</b>	<b>75.9</b>	<b>73.3</b>	

Figure 6.1\_11  
 Extraction tests reported by Salazar for two samples using 10% HCl (Source – CSA GLOBAL 2015)



### OD6 Splinter Rock Project

There has been no metallurgical testwork on OD6's projects. Areas should be targeted with minimal non-clay rare earth carbonates (such as siderite) to avoid excessive acid consumption. Furthermore, consideration should be given to the clay fraction size, wherein the greatest recoveries will be achieved from smaller (<20 micron) clay REE minerals. Economic factors such as future and current metal price and the cost of reagents will determine the project viability. The evidence, based on adjoining projects and whilst early stage, suggests that REE (and particularly NdPr) is extractable using 10% acid (HCl or Aqua Regia) and, subject to the aforementioned factors, recoveries should be targeted at between 70 and >90%.

Based on discussions with OD6's management, OD6 is intending to conduct significant research studies on clay material from its projects in-order to optimise REE recovery and to minimise reagent costs.

### 6.1.6 Exploration Potential

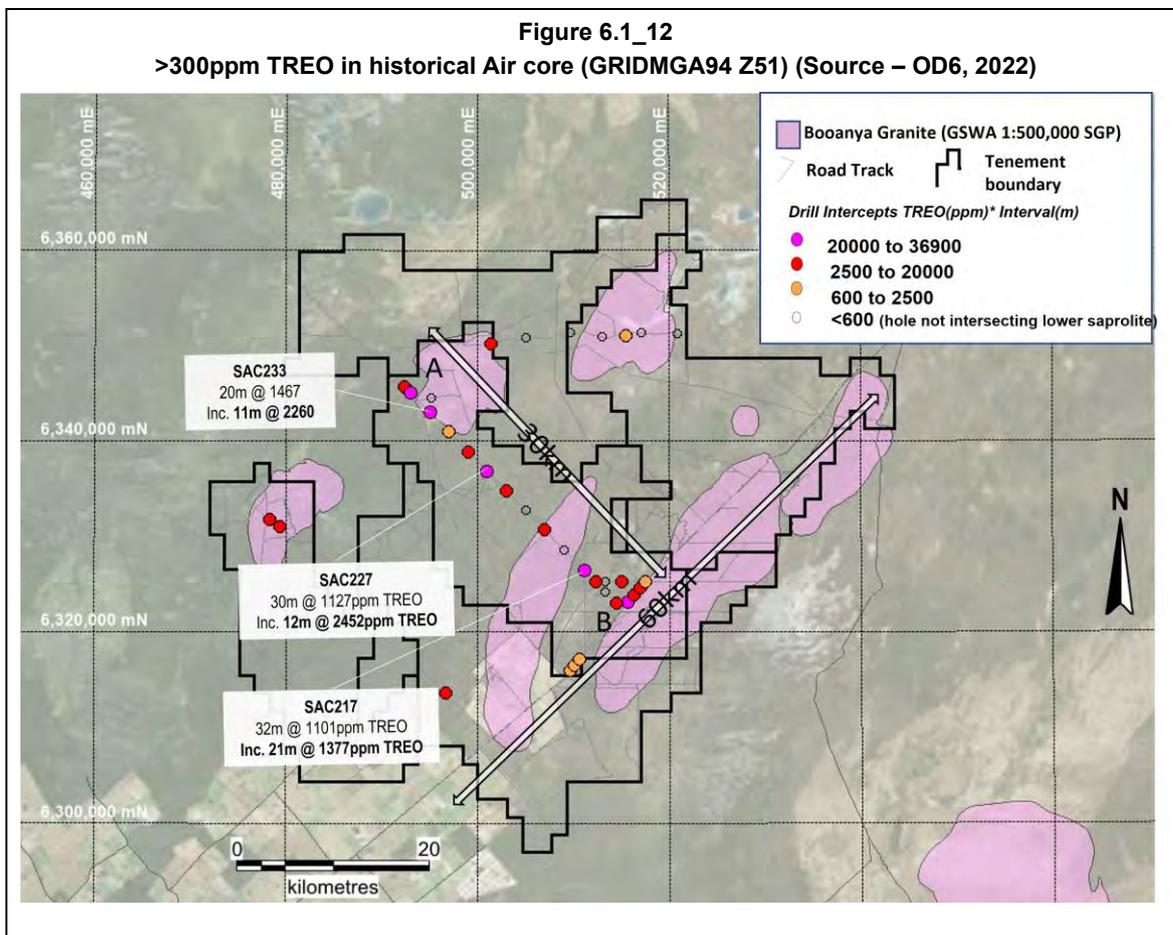
The REE mineralisation at the Splinter Rock Project occurs in the weathered profile (regolith) overlying the Boanya granitic basement rocks which are enriched in REE.

A >30km historical air core drill traverse through the middle of the Splinter Rock tenement that has intersected an enriched REE saprolitic zone between 5m and 37m in thickness with holes ranging between 300ppm to 600ppm NdPr, suggesting the potential for a large-scale mineral system. Additional holes analysed for REE are 10km northeast (Hole SAC244 with 13m @ 477ppm TREO with 93ppm NdPr), 20km to the northeast (hole SAC251 with 6m @ 351ppm TREO with 67ppm NdPr) and 10km to 21km to the southwest (Hole SAC198 with 21m @ 719ppm TREO with 145ppm NdPr, SAC200 with 5m @ 850ppm TREO with 156ppm NdPr, SAC201 5m @ 1109ppm TREO with 170ppm NdPr). This provides a large exploration potential area for clay hosted REE of ~30km (traverse across strike) x ~40km (along strike) as defined by the historical air core drilling and regional geology.

Significant intercepts within this historical air core drilling include: -

-  Hole SAC217 with 32m @ 1101ppm TREO with 239ppm NdPr
  - including 21m @ 1377ppm TREO with 306ppm NdPr
-  Hole SAC227 with 30m @ 1227ppm TREO with 270ppm NdPr
  - including 12m @ 2452ppm TREO with 564ppm NdPr
-  Hole SAC233 with 20m @ 1467ppm TREO with 300ppm NdPr
  - including 11m @ 2260ppm TREO with 453ppm NdPr

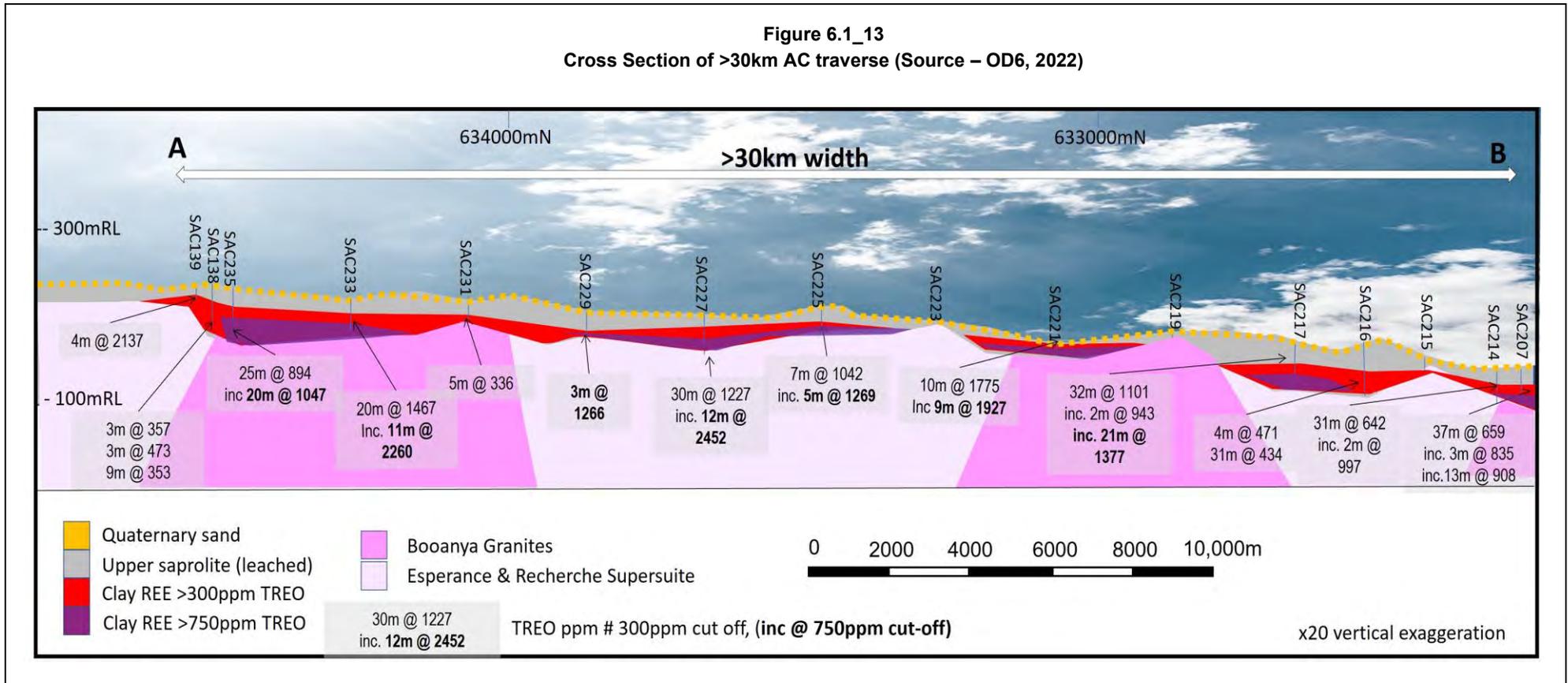
The Figure below highlights the exploration potential with Air Core drilling along the A-B traverse in the figure below shown in a cross section in the following figure.



The cross section in the Figure below highlights a >30km Air Core traverse which highlights the TREO intercepts within the REE rich Saprolite zone. This traverse is perpendicular to the Booanya granite main northeast trending foliation. The cross section is defined between points A and B as highlighted in Figure 6.1\_11 above.

The AC holes are between 2km and 4km apart, and consistently intercept an enriched REE saprolitic clay between 5m and 37m thick.

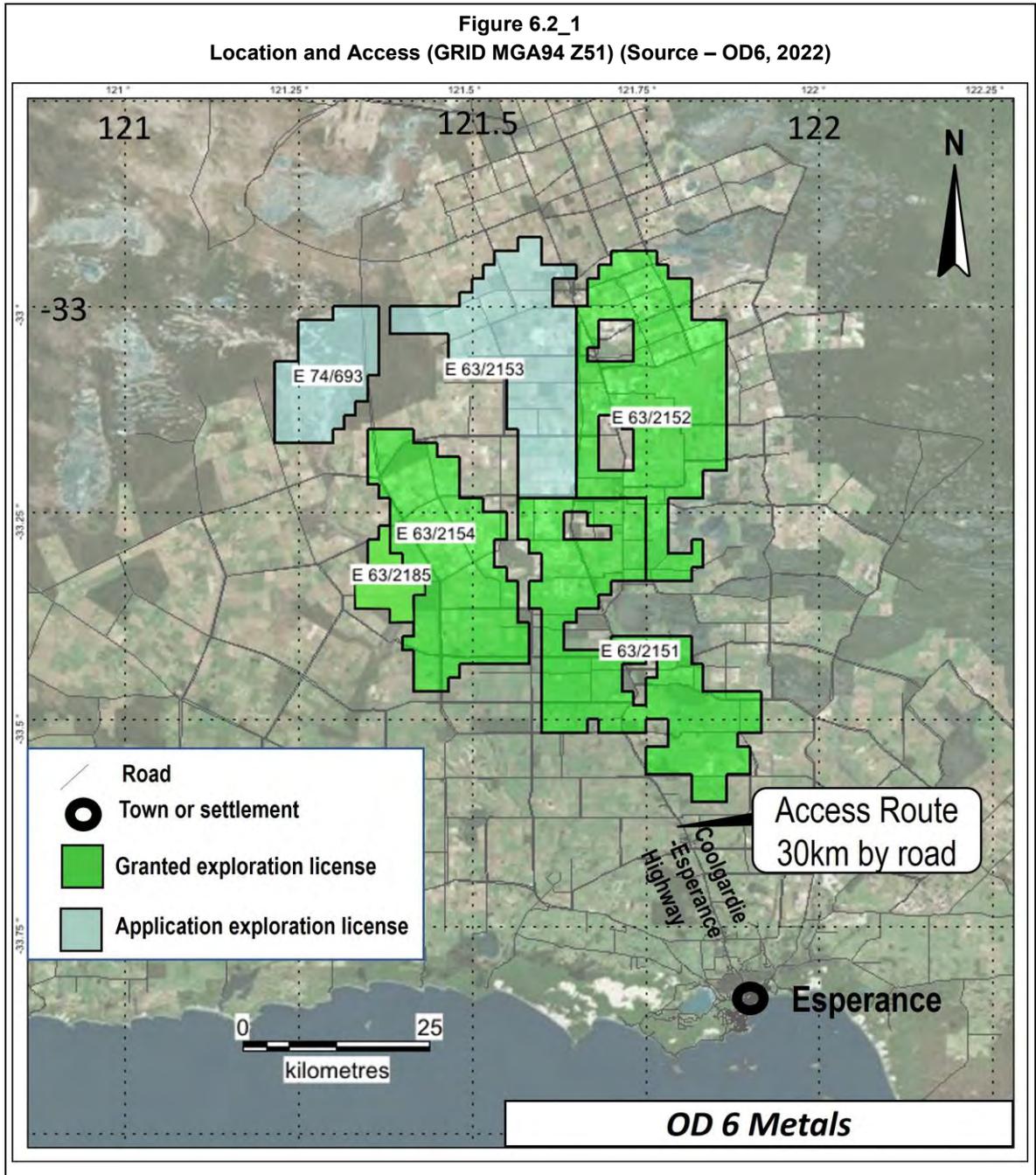
Figure 6.1\_13  
Cross Section of >30km AC traverse (Source – OD6, 2022)



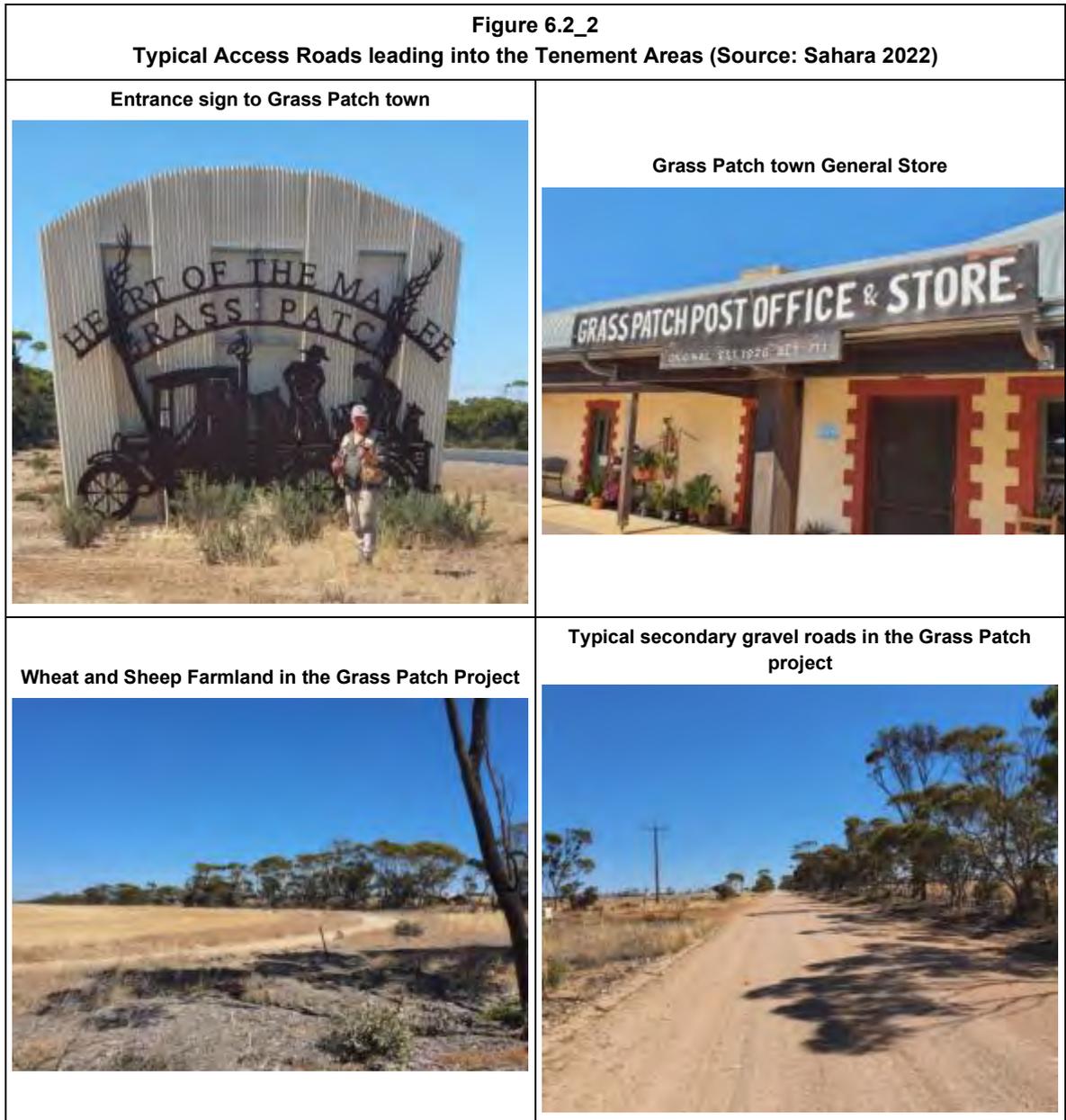
## 6.2 Grass Patch Project

### 6.2.1 Location and Access

The Grass Patch project is located approximately 30km to 100km north of Esperance. The project area can be accessed from Esperance by the Coolgardie-Esperance highway, then by secondary sealed and gravel roads which connect the sheep and wheat farms in the region. The figure below summarises the access to the project from Esperance.



Grass Patch town is located within the tenements and supports the surrounding farming community. The Grass Patch general store and typical roads and farms are shown in the figure below.



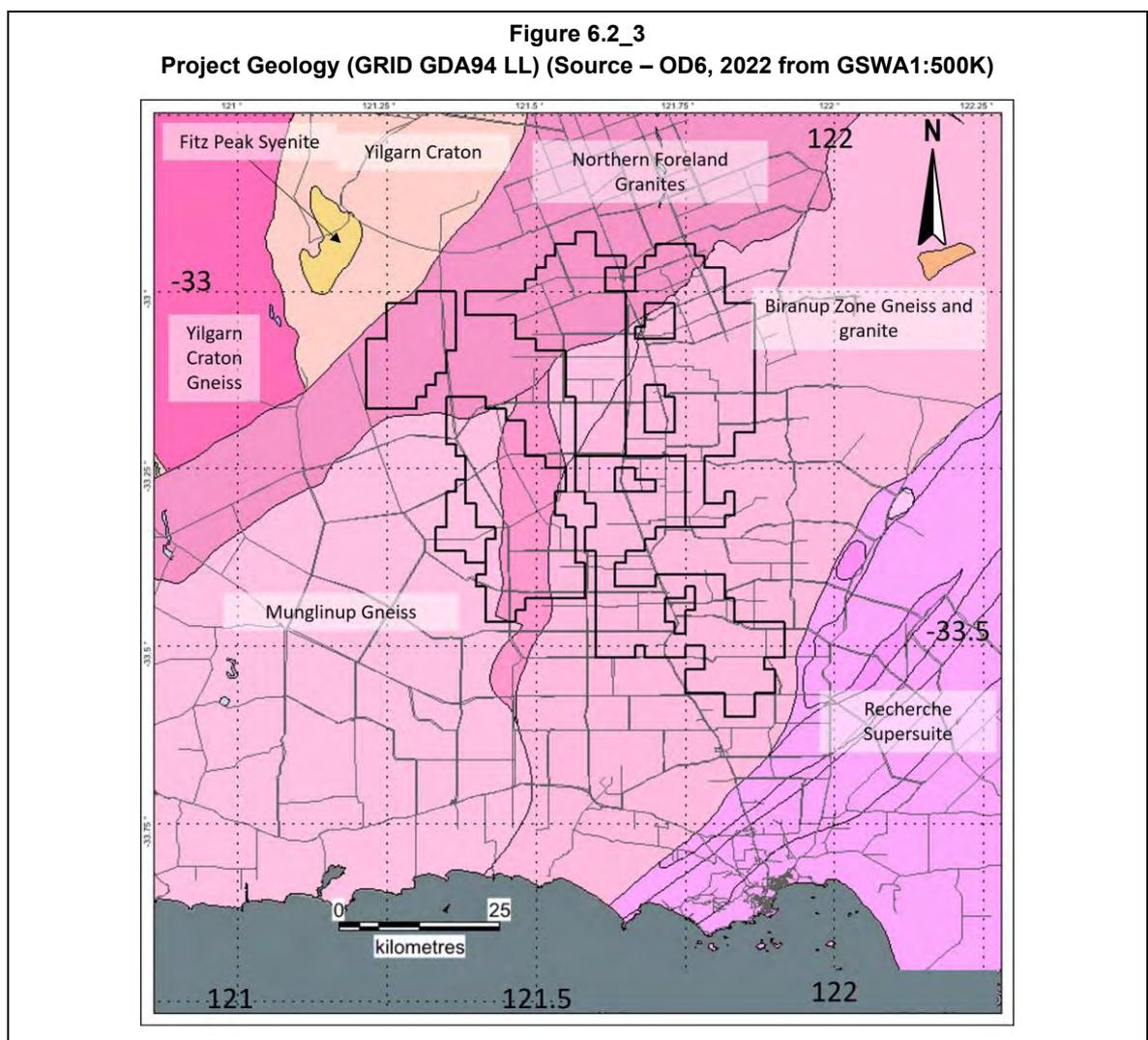
## 6.2.2 Regional Geology

Regional Geology is covered in the Splinter Rock Section of this report.

## 6.2.3 Project Geology

The Grass Patch project is almost entirely covered with wheat and sheep farming and has cultivated topsoil cover of approximately 30cm. The tenements have extensive calcrete formation which is up to 30cm in thickness. The calcrete material has been quarried and utilised for sheeting the secondary roads within the region.

The underlying geology is interpreted to be mainly Archean granites of the Yilgarn Craton with a late stage east west trending dyke. Revision of airborne magnetics highlights some high magnetic north-south features that are potentially related to unmapped greenstone units to the south of the tenements.



The outcropping geology observed during the site visit was mainly calcrete, with mainly farmland soil cover. The calcrete cover is extensive and has been used to sheet the secondary roads.



#### 6.2.4 Mineralisation

Low-level gold anomalism was reported to appear to be associated with amphibolite and mafic gneisses, with or without disseminated sulphide. The felsic gneisses intersected in the drilling did not contain visible sulphide and were undeformed, suggesting that the drilling had not intersected any brittle shear structures that may play host to economic mineralisation.

The drilling over the Belgian Road NdPr Prospect was not a focus of the gold exploration and was NOT analysed for REE.

## 6.2.5 Exploration and Mining History

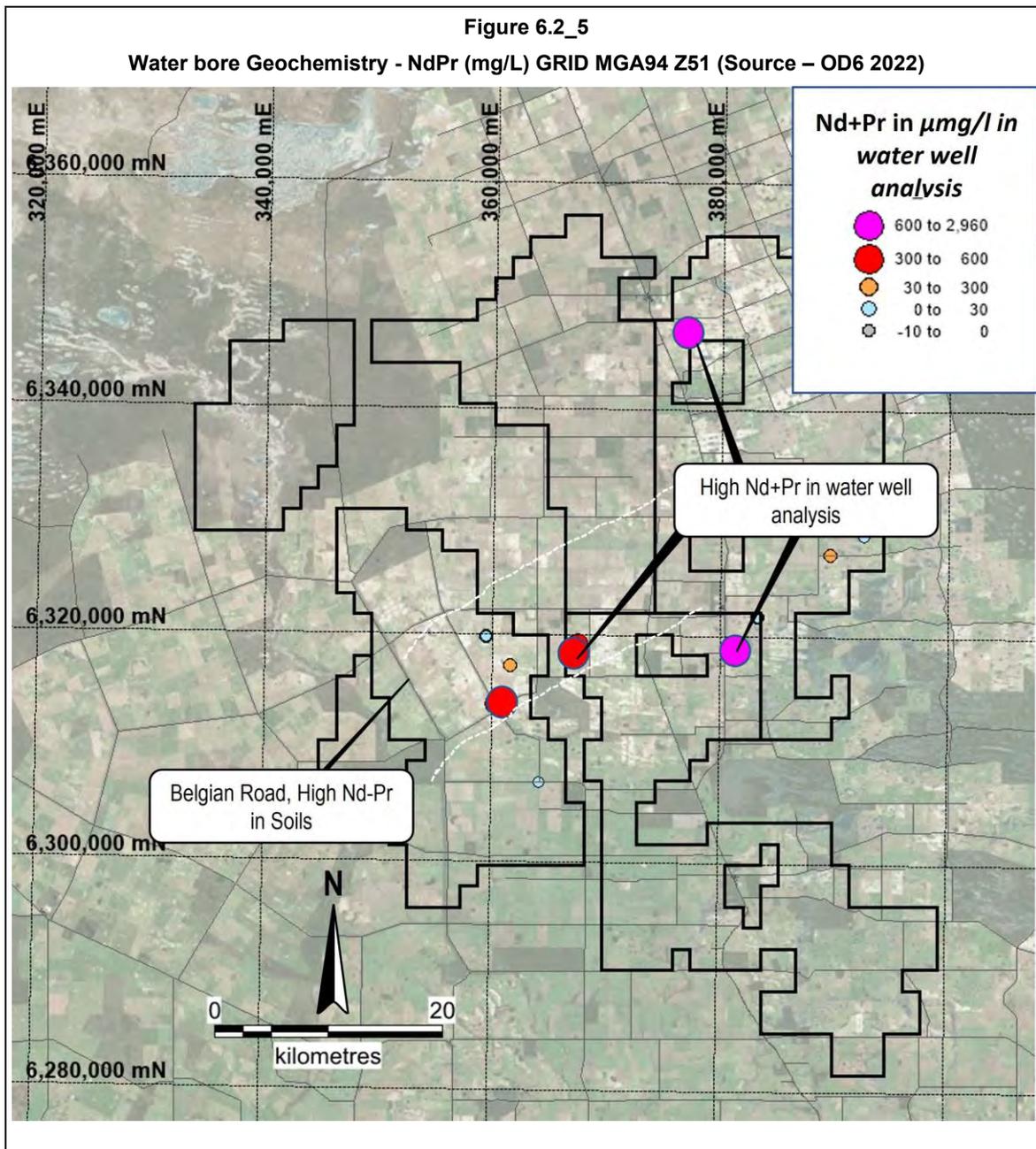
The following is a summary of exploration activities in the Grass Patch region

- In 1985 diamond exploration was conducted by Gem Exploration and Minerals Ltd to the south of the Project area (Geach & Munro, 1985). No diamond indicator minerals were identified, but a stream sediment sample, located approximately 25km south and downstream from the Salmon Gums Project area returned a gold value of 0.87g/t Au.
- In 1995 and 1996 BHP Minerals Pty Ltd (BHP) held ground in the southern portion of the Salmon Gums Project area, and conducted soil sampling, an aeromagnetic survey, minor stream sediment sampling and 5.7km of ground magnetic traverses, as well as limited, wide spaced AC drilling (McLatchie, 1995, 1996). Soil sampling was generally at 1km spacing along gazetted roads covering most of the BHP project area. In general, the gold values were low, with a peak value of 6.4ppb Au. Thirty-four AC holes were drilled in 1995/1996 for a total of 838.5m. Drill spacing was at a minimum of 1km. Lack of gold anomalism in the AC drilling led BHP to drop the tenure, although moderately elevated levels of silver, zinc and copper were noted in the BHP reports.
- The area surrounding the Salmon Gums Project area has been explored predominantly for lignite and related resources, and two areas of lignite concentrations are defined immediately adjacent to the project area, namely the Salmon Gums lignite deposit (owned by Spitfire Oil) adjacent to the north-western parts of the project area, and the Scaddan lignite deposit (owned by Blackham Resources) immediately adjacent to the southwestern portions of the project area.
- 2009 Australian Mineral Fields (In JV with Teck Resources Ltd (Teck) undertook soil geochemistry and air core drilling targeting Au.
- In 2010-2012 Triton Gold (Triton) (In JV with Teck) completed infill soil geochemistry along with two stratigraphically targeted diamond core holes which were funded by the Western Australian Exploration incentive scheme (EIS) along with a series of RC holes across the main air core and soil anomalies defined.
- Matsa Resources Limited (Matsa) acquired the Salmon Gums Project from Triton Gold through a joint venture agreement in August 2012. Matsa and Triton relinquished a major portion of the project area in 2012 and released the remainder in 2013.

The following sections cover the geochemistry and the drilling activities undertaken mainly by Triton

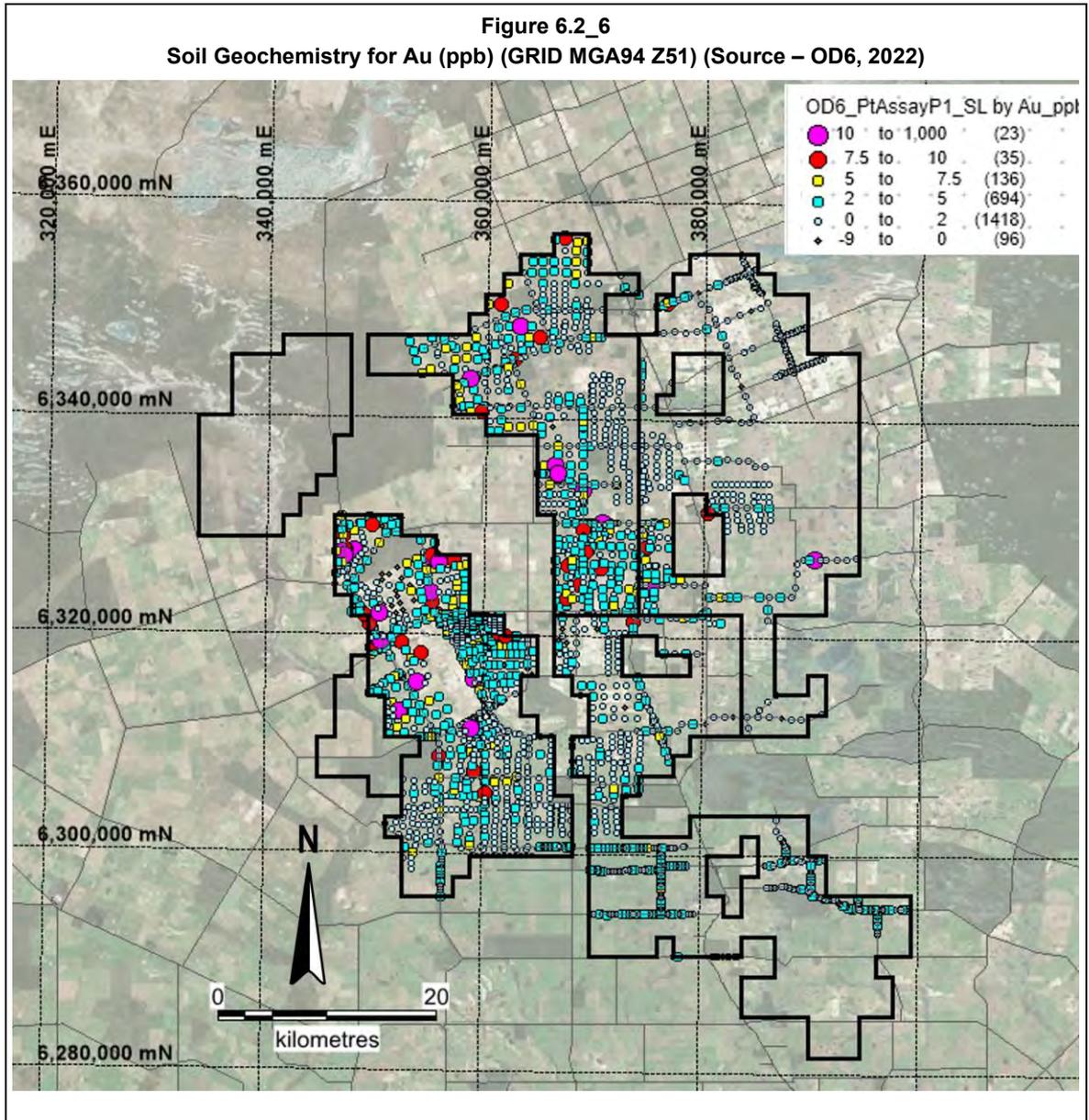
CSIRO Water Sampling

The project was selected initially by OD6, due to the anomalous NdPr results from the regional water sampling of water bores in the region—the significance of which suggests enrichment of soluble REE within ground water. The image below highlights the 5 key water bore holes that have >300 NdPr (in  $\mu\text{mg/l}$ ) as shown in the Figure below.



### Soil Geochemistry

The Grass Patch project is covered with regional soil geochemistry mainly completed by Triton on approximately 50m to 1km spaced sampling initially targeting gold but analysed for multi-elements. Given the nature of the Salt Lake terrain, within the Salmon Gums plain, the historical systematic soil sampling can be ineffective due to regolith cover. However, this sampling highlighted several low-level gold anomalies as shown in the Figure below. The anomalies were then followed up by air core, RC and Diamond Core drilling

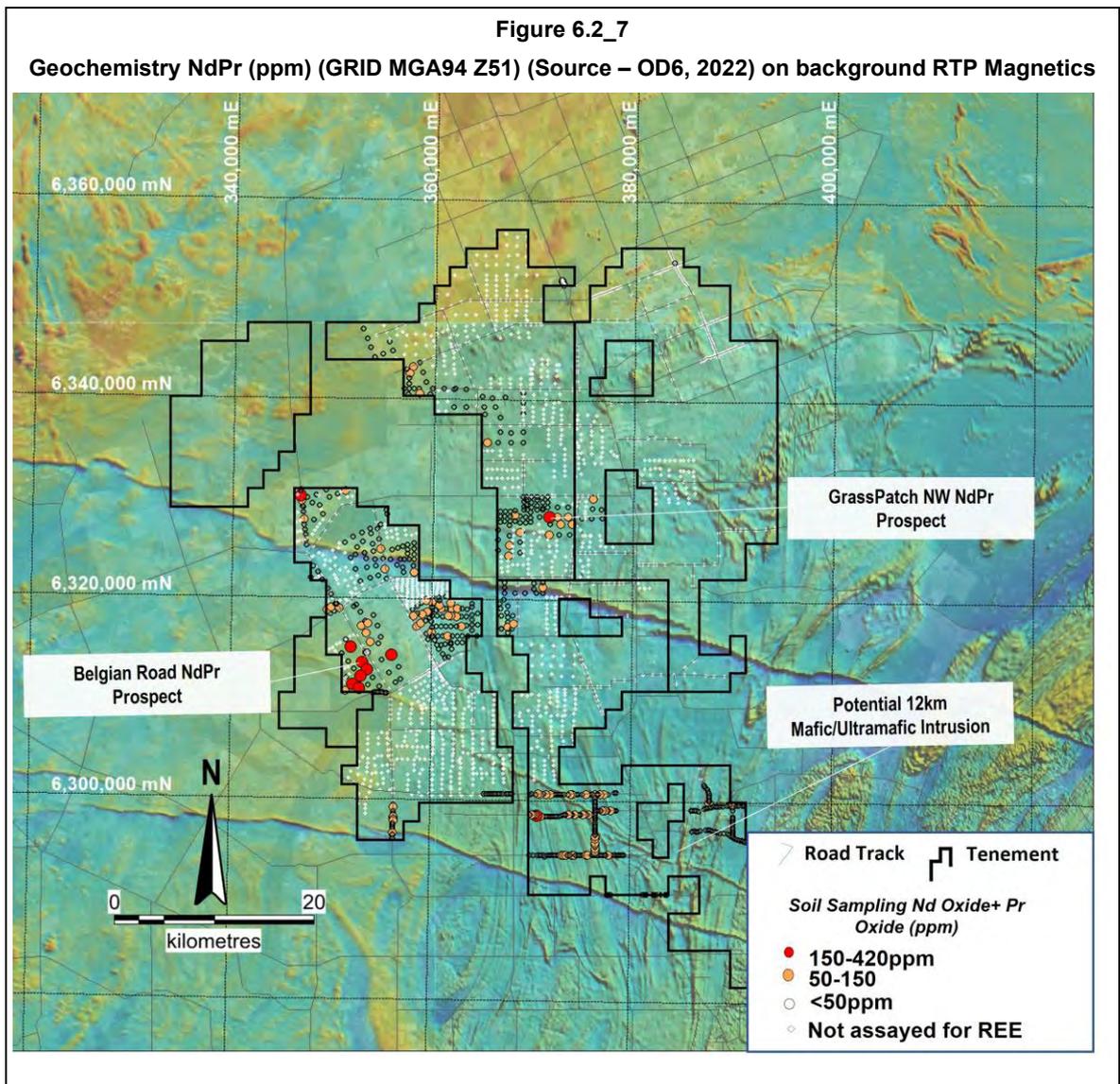


As reported by Triton, Soil samples were taken from shallow holes (10 – 60cm deep) positioned clear of areas of previous ground disturbance by human activities. The carbonate-rich horizon in the soil profile (e.g. nodules or calcareous soil) was preferentially sampled due to enhanced absorption and retention of gold ionic complexes mobilised in groundwater.

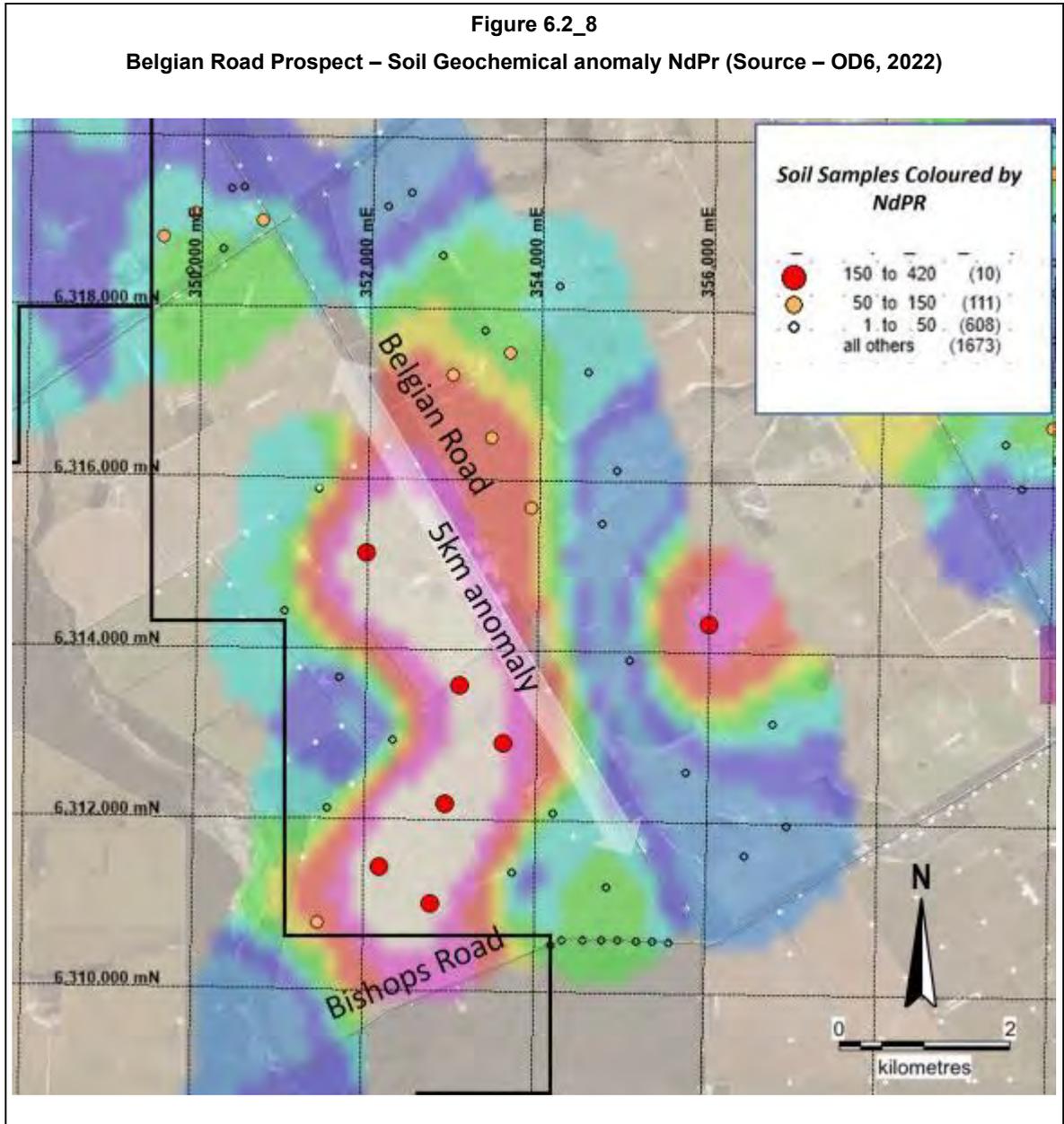
Samples were located using a hand-held GPS and characteristics of the soil, terrain and vegetation was recorded.

The soil samples were digested using Aqua Regia (AR) and analysed by Atomic Absorption Spectrometry (AAS), for Gold, Arsenic, Antimony and copper by Genalysis Laboratories and a multi-element suite by Actlabs Laboratory. Aqua regia can underreport the concentrations of REE, however, it indicates the presence of Nd/Pr, and the significant potential of the area.

The following figure highlights elevated NdPr targets defined by the same soil geochemistry program, with the main anomaly defined along the Belgian road (Belgian Road Prospect) as shown in the figures below.

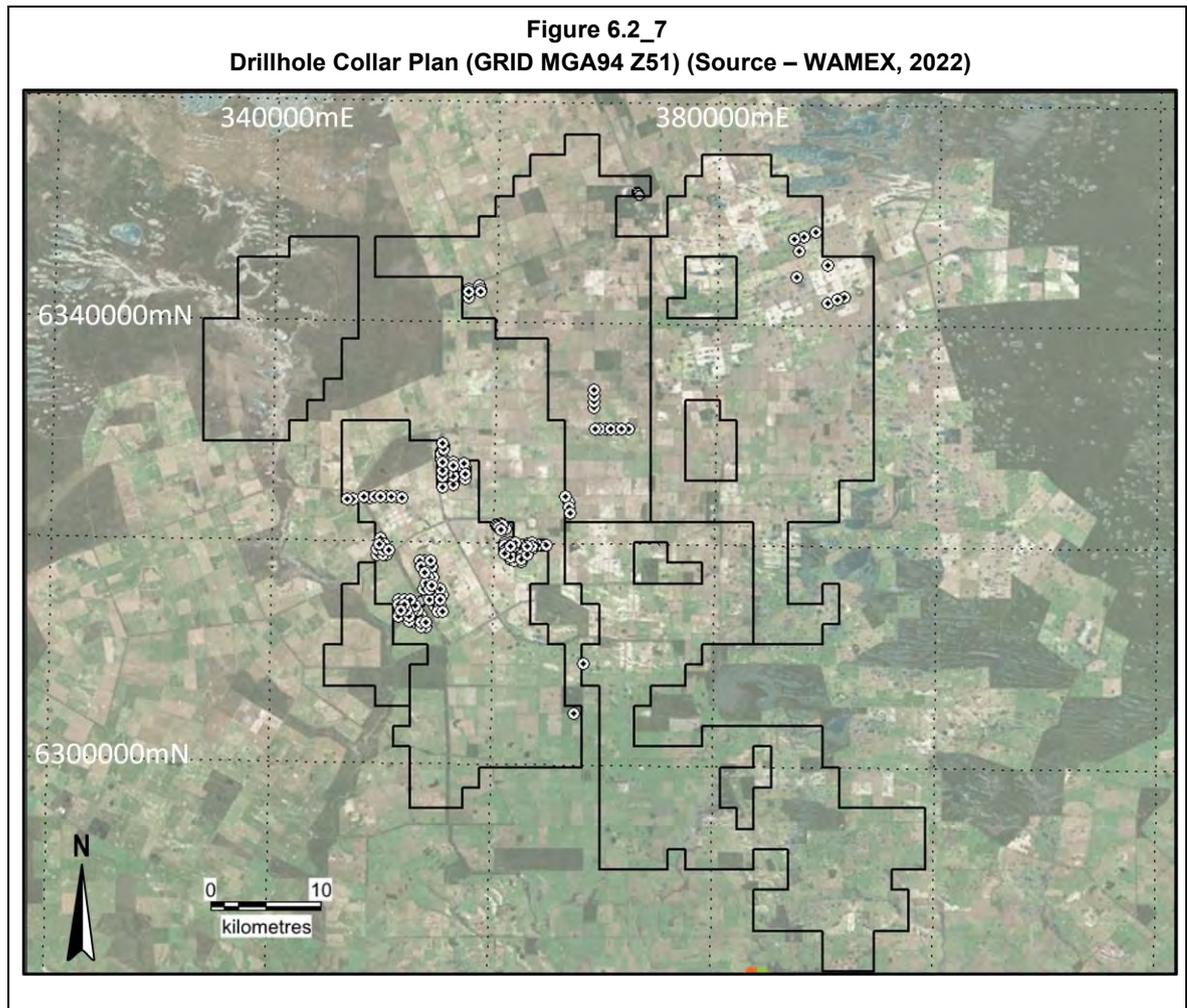


The Belgian Road Prospect is highlighted in the figure below by a >150ppm NdPr anomaly over a 5km strike.

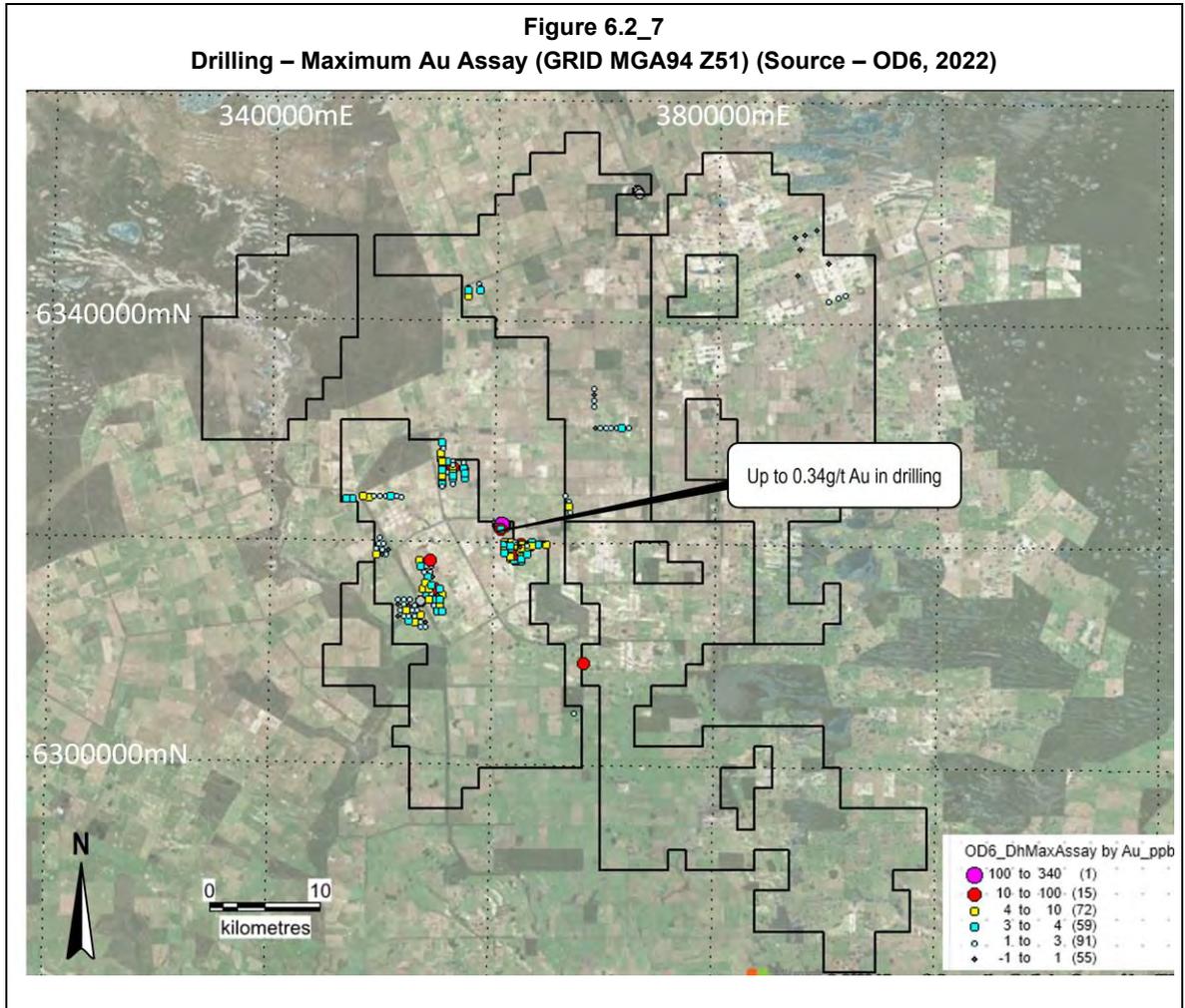


## Drilling

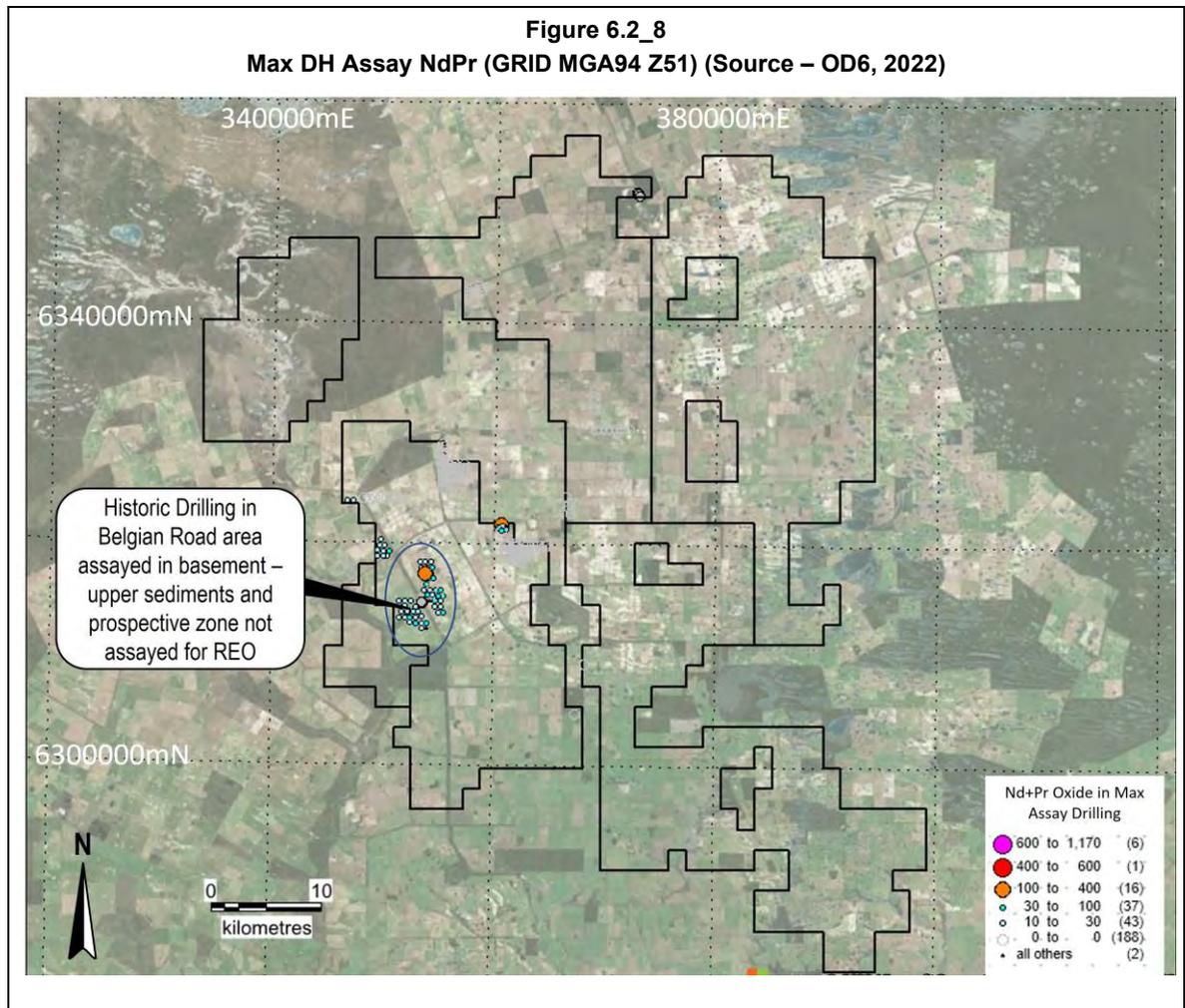
A total of 257 drillholes for 8,918m were drilled within the Grass Patch project between 2009 and 2013. The work initially targeted gold with some multi-element work. Of significance, the drilling at the Belgian Road prospect only assayed for REE at the bottom of hole in the basement, and the clay saprolite cover was not assayed for REE. With regolith profiles indicated from a few metres to >50 metres, there remains untested potential for clay hosted REE deposits.



The figure below highlights the gold defined by drilling with the only significant target defined appears to run south into the Grass Patch project.



The maximum assay per hole for NdPr is shown below in the drilling. The drilling was not analysed for REO in the saprolite zone, which is the target for any potential clays in the project, resulting in the key targets largely considered as untested.



**Air core drilling** was carried out by a number of contractors including Challenge Drilling, Peak Drilling Raglan Drilling and Foremost Drilling. Drill lines were spaced at 500m apart with holes spaced at 125m to 250m along the lines. All holes were drilled vertical with regolith thickness indicated at between 5 and 50 metres thick.

Four-metre composite samples were collected from each hole and samples were submitted to Genalysis in Perth for gold analyses. Composites were collected using an aluminium scoop from the 1m samples contained in green plastic bags. All samples were bagged, checked and sealed on site and then transported to Esperance for delivery to Genalysis in Perth.

1m re-splits were collected from intersections of drill holes that returned anomalous gold values in the 4m composite samples. The 1m re-split samples were submitted for analysis for gold to Genalysis in Perth. Re-splits were collected using an aluminium scoop in the same manner as that described for the 4m composite samples.

A multi-element sample consisting of approximately 200g of the least weathered material available was collected from the last 1m interval of each drill hole. Each sample was stored in a paper geochemical sample bag and submitted to Genalysis in Perth, for analysis of a multielement suite.

**RC drilling** was completed by Australian Contract Mining. All holes were drilled at a 60-degree dip to the west, Four-metre composite samples were collected from each hole and samples were submitted to Genalysis Intertek in Perth for gold analyses. Composites were collected using an aluminium scoop from the 1m samples contained in green plastic bags. As the cyclone was fitted with a splitter, 1m split samples were collected at the time of drilling; these were stored at a location on site for detailed sampling as required.

**Diamond drilling** was carried out by Drillwis. All holes were drilled at approximately 70 degrees dip to the west,

Sampling was conducted by the logging geologist according to zones of potential mineralisation, sulphide quantity, and lithology, with individual samples being assayed for both gold and multi-elements. All samples were bagged, checked, and sealed on site and then transported to Esperance for delivery to Genalysis in Perth.

Reference standards were inserted every 25 samples, and four duplicate samples were taken out of every hundred samples. All holes were rehabilitated within 2 weeks post-drilling and sampling by removing the PVC collar, placing a hole plug down the hole, and burial of the hole with a mound placed above to a height that would not interfere with farming operations.

### 6.2.6 Grass Patch Exploration Potential

Sahara considers the Grass Patch project prospective for clay style REE mineralisation based on CSIRO's water sampling and indications from the Au focused historical exploration. Grass Patch project is considered at an early-stage exploration for clay style REE mineralisation.

Evaluation of the limited effective historical data has identified 4 prospective areas that warrant further exploration within the Grass Patch Project including: -

-  the Belgian Road NdPr prospect with soil geochemistry highlighting a 5km long NdPr anomaly returned from a calcrete horizon. This target has been drilled for gold but not analysed for REE in the saprolite zone
-  A second high grade NdPr single soil anomaly northeast of the Belgian Road prospect
-  A possible 12km long north-south striking magnetic feature that can possibly be an ultramafic unit. This is untested but can be prospective for PGE's Ni and Cu.
-  The project has presented low level gold targets across a large area, drilling to date has been unsuccessful to define any economic mineralisation.

## 7 CONCLUSIONS AND RECOMMENDATIONS

The OD6 projects are all located within excellent infrastructure and proximity to Esperance port facilities. In addition, State and Federal Governments (together with private equity) have made various commitments to establish large renewable energy sources utilising the abundant wind and solar resources within the Esperance region. Sahara considers the OD6 projects to be primarily prospective for REE. Clay REE deposits offer a unique low-cost mining opportunity versus traditional hardrock REE deposits (Van Gosen *et al*, 2018). This style of mineralisation has not been explored extensively except for Chinese based operations.

Sahara make the following conclusions on each project below: -

### Splinter Rock project

- - is an advanced-stage exploration project that is prospective for Clay REE. The project has demonstrated a large tonnage potential as demonstrated by 30km by 40km of historical Air core drilling and regional geology, with drilling that intersected a 5 to 37m thick saprolitic zone enriched in REEs.
- Preliminary metallurgical testwork by other companies with similar styles of Clay REE in the region have demonstrated that REE can be extracted by potentially low-cost acid extraction methods. This metallurgical testwork is early stage.

### Grass Patch project

- is an early-stage exploration project prospective for REE as defined by extensive soil geochemistry and water bore anomalies. The effectiveness of the soil chemistry completed can be influenced by variable regolith thickness and transported material. The principal prospect is the Belgian Road prospect which has a 5km long NdPr Soil anomaly in calcrete.
- Additional early-stage targets include an untested 12km magnetic feature potentially related to an ultramafic unit and low-level gold targets.

## 7.1 Use of Funds

OD6 have provided a staged 2-year exploration and development budget shown in the table below. The table is based on the systematic exploration program proposed by OD6 below. All stages are dependent on positive results from the prior stage of work. The following works are planned if a 6M\$ IPO is achieved ( if an 8M\$ IPO is achieved then drilling will be increased).

### Splinter Rock REE

- Airborne or ground electromagnetics (EM) to map out clay profile
- Aircore drilling
- Metallurgical testwork and research and development
- Scoping level study

### Grass Patch REE

- Airborne EM to map the clay profile
- Aircore drilling

The following table shows a staged 2-year exploration and development budget. The program is results based with year 2 proposed work being reliant on positive results from year one.

		6M AU\$ IPO			8M AU\$ IPO		
	Item	Year 1:	Year 2	TOTAL	Year 1:	Year 2	TOTAL
<b>Splinter Rock</b>	Tenement Fees	\$201,000	\$201,000	<b>\$402,000</b>	\$201,000	\$201,000	<b>\$402,000</b>
	Geophysics	\$200,000		<b>\$200,000</b>	\$500,000		<b>\$500,000</b>
	Mapping and Geochemistry	\$50,000		<b>\$50,000</b>	\$100,000		<b>\$100,000</b>
	Drilling and Assaying - Exploration	\$500,000		<b>\$500,000</b>	\$800,000		<b>\$800,000</b>
	Drilling and Assaying - Resource Definition	\$700,000	\$1,000,000	<b>\$1,700,000</b>	\$900,000	\$2,000,000	<b>\$2,900,000</b>
	R&D / Metallurgy	\$250,000	\$250,000	<b>\$500,000</b>	\$250,000	\$250,000	<b>\$500,000</b>
	Project Studies and Permitting	\$100,000	\$500,000	<b>\$600,000</b>	\$100,000	\$500,000	<b>\$600,000</b>
	<b>Total:</b>	<b>\$2,001,000</b>	<b>\$1,951,000</b>	<b>\$3,952,000</b>	<b>\$2,851,000</b>	<b>\$2,951,000</b>	<b>\$5,802,000</b>
<b>Grass Patch</b>	Tenement Fees	\$155,000	\$155,000	<b>\$310,000</b>	\$155,000	\$155,000	<b>\$310,000</b>
	Data Acquisition and Reprocessing of Geophysical data	\$100,000	\$300,000	<b>\$400,000</b>	\$100,000	\$300,000	<b>\$400,000</b>
	Geophysics			-			-
	Drilling - Exploration	\$400,000	\$300,000	<b>\$700,000</b>	\$400,000	\$300,000	<b>\$700,000</b>
	Drilling and Assaying - Resource Definition			-			-
	R&D / Metallurgy			-			-
	Project Studies and Permitting	\$100,000		<b>\$100,000</b>	\$100,000		<b>\$100,000</b>
	<b>Total:</b>	<b>\$755,000</b>	<b>\$755,000</b>	<b>\$1,510,000</b>	<b>\$755,000</b>	<b>\$755,000</b>	<b>\$1,510,000</b>
<b>TOTAL ALL PROJECTS</b>		<b>\$2,756,000</b>	<b>\$2,706,000</b>	<b>\$5,462,000</b>	<b>\$3,606,000</b>	<b>\$3,706,000</b>	<b>\$7,312,000</b>

OD6 have provided an exploration and development budget of AU\$2.76M in year 1 and AU\$2.71M in year 2 (AU\$6,000,000 IPO) and AU\$3.61M in year 1 and AU\$3.71M in year 2 (AU\$8,000,000 IPO), The total budget is AU\$5.46M (AU\$6,000,000 IPO) and AU\$7.31M (AU\$8,000,000 IPO). Sahara consider the budget appropriate to adequately test the exploration and development potential of the OD6 projects.

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## 9 JORC TABLES

### 9.1 Splinter Rock project

#### Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Geochemical sampling was undertaken by limited number of grab sampling.</li> <li>Air core drilling was completed by hammer and blade industry standard drilling techniques</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Two air core drill programs were completed, by Challenge Drilling (Rig No. 1) in November-December 2012 and Arrow Drilling in February 2014.</li> <li>Challenge used blade and roller air core bits (diameter 87mm) with 3m length drill rods. Arrow used drag and hammer air core bits with 2m length drill rods</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Air core recoveries are not recorded in data available. Holes were drilled as reconnaissance and are 3 to 10km apart.</li> <li>No sample bias is expected . Air core is the best drilling method for saprolite clay</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Geological logs were recorded with lithology and basic colour and weathering recorded.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Bulk sample of ~ 10 to 15km was sampled using a scoop to subsample 1 to 1.5kg sample. This was then dispatched to the laboratory. Grab samples were sampled to &lt;2kg</li> <li>• Air core samples were mostly dry although loss of drill mud resulted in wet samples. This can create downhole smearing</li> <li>• A blank sample was inserted for each hole. It consisted of white dune sand collected along the Splinter track north of SAC65 and SAC67 where there is a large mound of white and yellow sand up to 7m thick at the top of the transported sequence.</li> <li>• A duplicate sample was inserted for each hole. The duplicate was generally in the in-situ regolith (saprolite or saprock) interval.</li> <li>• No Certified Reference Materials standards were reported as inserted in the field or at a later stage in submitted batches to the laboratory.”</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples were assayed for REE by Sodium Peroxide Fusion ICP Mass Spectrometry and finish to 1ppm detection</li> <li>• Internal lab QAQC included certified standards and duplicates</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No certified standards were documented as used during the drilling. Lab standards and duplicates performed well.</li> <li>• Sahara recommend 5% certified standards be used in future work</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Handheld GPS to +/-5m in X&amp;Y utilised</li> <li>• Grid system was MGA 94 Zone 50S</li> <li>• No topography control was required as very early reconnaissance drilling completed only</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• This was first pass holes. Holes are 3 km to 10km apart. This spacing is sufficient to demonstrate the extensive REE mineralised saprolite clay over 30km</li> <li>• Samples were taken on 1m intervals</li> </ul>
<i>Orientation of data in relation to geological</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drillholes drilled vertical and perpendicular to mineralisation</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>structure</i>	<p><i>which this is known, considering the deposit type.</i></p> <ul style="list-style-type: none"> <li><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	
<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Samples were taken and dispatched by road freight direct to the analytical laboratory</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>CSA Global has undertaken a review of drilling and QAQC in 2015</li> </ul>

**Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section.)**

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>Information on the tenement status and ownership was verified and provided in the relevant section of this report under section 5.1.1</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>All Exploration reported has been undertaken by prior explorers as defined in the report under section 6.1.5</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>Prospective for REE ionic clay</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>All significant intercepts have been provided in Section 10- Significant intercepts</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li><i>Where aggregate intercepts incorporate short lengths of high grade</i></li> </ul>	<ul style="list-style-type: none"> <li>Summarised in Section 10</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	Intercepts are expected to represent true width as vertical holes targeted the weathering profile
Diagrams	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	Provided in report under section 6
Balanced reporting	<ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All material information was included in the report and reported as significant intercepts in Section 10</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Provided in report under section 6</li> </ul>
Further work	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Planned work is summarised in the report, and will include additional air core drilling, along with metallurgical testwork and study work.</li> </ul>

## 9.2 Grass Patch Project

### Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Soil Geochemistry was taken 10 to 60cm below surface targeting the calcrete horizon</li> <li>Air core drilling was used for first pass follow-up of gold soil anomalies</li> <li>RC drilling was used for follow-up of better air core anomalies</li> <li>Diamond Core drilling was used for stratigraphic information under a government EIS grant.</li> <li>All sampling techniques listed above are considered representative and industry standard tools.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li><b>Air core drilling</b> was carried out by a number of contractors including Challenge Drilling, Peak Drilling Raglan Drilling and Foremost Drilling.</li> <li><b>RC drilling</b> was completed by Australian Contract Mining. All holes were drilled at a 60 degree dip to the west,</li> <li><b>Diamond drilling</b> on was carried out by Drillwis. All holes were drilled at approximately 70 degrees dip to the west,</li> <li>Bit type and size are not recorded in historical reports</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>This information is not recorded in historical reports</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>For diamond core, Sampling was conducted by the logging geologist according to zones of potential mineralisation, sulphide quantity, and lithology, with individual samples being assayed for both gold and multi-elements. All samples were bagged, checked, and sealed on site and then transported to Esperance for delivery to Genalysis in Perth</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Diamond Core - No information is available for how the diamond core was cut.</li> <li>• Aircore and RC - Four-metre composite samples were collected from each hole and samples were submitted to Genalysis Intertek in Perth for gold analyses. Composites were collected using an aluminium scoop from the 1m samples contained in green plastic bags. As the cyclone was fitted with a splitter on the RC rig, 1m split samples were collected at the time of drilling; these were stored at a location on site for detailed sampling as required.</li> <li>• Sample size and method is industry standard</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples were submitted to Genalysis Intertek in Perth digested using Aqua Regia (AR) and analysed by Atomic Absorption Spectrometry (AAS), for Gold, Arsenic, Antimony and copper by Genalysis Laboratories and a multi-element suite by Actlabs Laboratory. QAQC procedures for Soils were not noted in reports</li> <li>• Reference standards were inserted every 25 samples, and four duplicate samples were taken out of every hundred samples, for diamond drilling. Aircore and RC does not detail QAQC used</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No twin holes or independent checks have been done to the knowledge of Sahara</li> <li>• All data is original as presented to DMIRS</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Handheld GPS to +/-5m in X&amp;Y utilised</li> <li>• Grid system was MGA 94 Zone 50S</li> <li>• No topography control was required as very early reconnaissance drilling completed only</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Soil samples 50m to 1km apart. Anomalies were infilled to 50m spacing</li> <li>• Air core holes were drilled vertical and RC were angled. No reference is provided in reports as to why RC holes were angled</li> <li>• DC was angled</li> <li>• Samples were composited to 4m and anomalous samples resampled on 1m intervals, This is normal practice in early stage exploration</li> </ul>
<i>Orientation of data in relation to geological</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the</i></li> </ul>	<ul style="list-style-type: none"> <li>• No clear from historical reports if orientation of drilling is correct., There is no outcrop with farmland soil only</li> <li>• Unclear at this stage if any bias from drill</li> </ul>

Criteria	JORC Code explanation	Commentary
structure	<p>deposit type.</p> <ul style="list-style-type: none"> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	direction exists
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were taken from site to Esperance and trucked direct to the laboratory in Perth.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No audits have been reviewed, although multiple companies worked on the project.</li> </ul>

**Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section.)**

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Information on the tenement status and ownership was verified and provided in the relevant section of this report</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>All Exploration reported has been undertaken by prior explorers as defined in the report under section 6.2.5</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Prospective for REE ionic clay and Gold under section 6.2</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>All significant intercepts have been provided in Section 10- Significant intercepts and all drill information has been summarised in the report</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade</li> </ul>	<ul style="list-style-type: none"> <li>Summarised in Section 10</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	Intercepts are expected to represent true width from data available to date
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	Provided in report under section 6.2
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All material information was included in the report with significant intercepts reported in section 10</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Provided in report under 6.2</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Planned work is summarised in the report, and will include additional Geochemistry, air core drilling, along with metallurgical testwork and study work.</li> </ul>

## 10 SIGNIFICANT INTERCEPTS

### 10.1 Splinter Rock project

All drillholes have been reported above the following triggers in the Table 10\_1 below:

- >300ppm TREO (2 meters internal dilution allowed)
- Incl. > 750ppm TREO
- >800ppm TREO x Width (Highlighted in yellow)

Tb = Terbium Oxide (Tb<sub>4</sub>O<sub>7</sub>); Dy = Dysprosium oxide (Dy<sub>2</sub>O<sub>3</sub>); Nd = Neodymium Oxide (Nd<sub>2</sub>O<sub>3</sub>); Pr = Praseodymium Oxide (Pr<sub>6</sub>O<sub>11</sub>). TbDy = Terbium Oxide + Dysprosium Oxide; NdPr = Neodymium Oxide + Praseodymium Oxide.

Table 10_1 Significant Intercepts (>300ppm TREO (incl. >750ppm TREO))														
HoleID		East MGA94z51s	North MGA94z51s	From (m)	To (m)	Width	TREO ppm	TREO X Width	Tb	Dy	Pr	Nd	TbDy	NdPr
SAC138		492646	6345436	18	31	13	318	4133	1	8	12	40	9	52
		492646	6345436	35	44	9	353	3174	1	7	14	47	8	61
SAC139		492379	6345710	15	19	4	2137	8549	7	35	107	374	42	481
	incl.	492379	6345710	16	19	3	2745	8236	9	43	140	490	51	630
SAC198		496652	6313627	12	15	3	514	1542	2	13	19	67	15	86
SAC198		496652	6313627	19	40	21	719	15102	2	11	31	114	13	145
	incl.	496652	6313627	23	40	17	807	13723	2	12	35	128	14	164
SAC200		478303	6331802	7	12	5	850	4249	2	8	36	121	10	156
	incl.	478303	6331802	9	11	2	1189	2379	2	11	48	159	13	207
SAC201		479354	6331026	13	18	5	1109	5543	1	6	42	128	7	170
	incl.	479354	6331026	14	17	3	1373	4118	1	7	52	161	8	213
SAC204		509597	6316003	17	21	4	320	1281	1	7	15	52	8	67
SAC205		510052	6316533	14	19	5	336	1681	2	7	17	56	9	72
SAC206		510574	6317150	15	20	5	433	2166	1	7	21	69	9	90
SAC207		515635	6323110	0	2	2	356	711	2	10	19	69	12	88
SAC207		515635	6323110	15	52	37	659	24371	1	6	26	83	7	109
	incl.	515635	6323110	25	28	3	835	2506	2	12	40	129	14	169
	incl.	515635	6323110	38	51	13	908	11802	1	7	37	120	8	157
SAC208		516317	6323904	0	5	5	413	2065	2	9	20	73	11	94
	incl.	516317	6323904	20	22	2	1552	3104	3	16	76	252	19	328
SAC208		516317	6323904	20	26	6	760	4559	2	12	34	114	14	148
SAC209		516904	6324602	45	60	15	589	8830	2	10	33	106	12	139
SAC210		517453	6325246	3	5	2	384	767	1	7	19	68	8	87
		517453	6325246	28	33	5	441	2207	1	7	21	66	8	86

HoleID		East MGA94z51s	North MGA94z51s	From (m)	To (m)	Width	TREO ppm	TREO X Width	Tb	Dy	Pr	Nd	TbDy	NdPr
SAC212		515002	6325244	10	19	9	420	3778	2	11	15	47	13	63
		515002	6325244	37	50	13	442	5747	1	9	11	40	10	51
SAC214		514498	6322988	18	49	31	642	19896	2	8	30	99	10	129
	incl.	514498	6322988	20	22	2	997	1994	3	12	48	158	15	206
	incl.	514498	6322988	30	36	6	1009	6053	3	12	47	153	15	201
	incl.	514498	6322988	40	45	5	916	4579	3	12	43	143	14	186
SAC216		512284	6325266	0	4	4	471	1886	2	9	28	98	11	126
		512284	6325266	26	57	31	434	13464	1	6	18	60	7	78
SAC217		511140	6326436	22	54	32	1101	35230	2	11	54	184	14	239
	incl.	511140	6326436	26	28	2	943	1886	2	11	46	149	14	194
	incl.	511140	6326436	33	54	21	1377	28924	3	14	69	237	17	306
SAC221		507004	6330682	4	14	10	1775	17749	4	18	69	247	21	316
	incl.	507004	6330682	5	14	9	1927	17343	4	19	74	267	23	341
SAC225		503002	6334798	16	23	7	1042	7294	2	9	49	153	11	202
	incl.	503002	6334798	18	23	5	1269	6346	2	11	60	187	13	247
SAC227		501002	6336855	14	44	30	1227	36824	3	16	62	208	19	270
	incl.	501002	6336855	32	44	12	2452	29422	6	31	129	436	37	564
SAC229		498999	6338907	27	29	2	789	1578	3	13	39	146	16	185
		498999	6338907	34	37	3	1266	3797	2	10	38	125	12	163
	incl.	498999	6338907	34	37	3	1266	3797	2	10	38	125	12	163
SAC231		497000	6340965	22	27	5	336	1678	1	4	13	40	5	53
SAC233		495004	6343017	18	38	20	1467	29339	3	18	68	232	22	300
	incl.	495004	6343017	27	38	11	2260	24860	5	28	102	351	33	453
SAC235		493002	6345071	22	27	5	370	1852	1	6	16	52	7	68
		493002	6345071	35	60	25	894	22349	2	7	40	137	9	177
	incl.	493002	6345071	40	60	20	1047	20932	2	9	48	161	11	208
SAC244		501400	6350200	21	34	13	477	6196	1	5	23	70	6	93
SAC251		515530	6351027	5	11	6	351	2103	1	4	17	50	5	67
SGR122		354600	6316752	44	47	3	359	1077	1	3	16	53	4	69
SGR135		360618	6321774	62	64	2	392	783	1	6	18	69	7	87
SGR226		354000	6312745	5	9	4	466	1866	1	3	22	71	4	93

## 10.2 Grass Patch Project

There is one significant drill intercepts reported in Grass patch greater than 0.3g/t Au as shown in the table below.

Hole ID	East MGA94z51s	North MGA94z51s	From (m)	To (m)	Width (m)	Au (g/t)
SGR136	360732	6321660	55	56	1	0.34

Note that REE were not assayed within the saprolite zone

Significant Soil and water geochemistry results have been graphically displayed in Figures 6.2\_5 and 6.2\_6 and low-level gold in ppb in drilling has been displayed in Figure 6.2.8

**Attachment 2 – Solicitor Tenement Report**

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5 May 2022

The Directors  
OD6 Metals Limited  
Level 1, 50 Kings Park Road  
West Perth WA 6005

Dear Sirs

**Solicitors report on exploration licences 63/2115, 69/3893, 69/3894, 68/3904, 69/3905 and 69/3907**

This Solicitor's Report (**Report**) is prepared for the inclusion in a prospectus to be issued by OD6 Metals Limited (ACN 654 839 602) (**OD6 Metals**).

**Scope**

1. We have been requested to report on certain mining tenements, being exploration licences 63/2115, 63/2151, 63/2152, 63/2153, 63/2154, 63/2185, 69/3893, 69/3894, 68/3904, 69/3905, 69/3907 and 74/693 (**Tenements**) which are held by OD6 Metal's wholly owned subsidiaries, Odette Six Pty Ltd ACN 649 360 430 (**Odette Six**) and Grass Patch Metals Pty Ltd (ACN 654 535 823) (**Grass Patch**) as follows:
  - (a) Odette Six is the registered holder of E63/2115, E69/3893, E69/3894, E69/3904, E69/3905 and E69/3907; and
  - (b) Grass Patch is the registered holder of E63/2151, E63/2152, E63/2154 and E63/2185 and the registered applicant for E63/2153 and E74/693.
2. For convenience, we refer to OD6 Metals, Odette Six and Grass Patch as the **Companies**.
3. The Tenements are located in Western Australia and are listed in Part I of Schedule 1 at the end of this Report.
4. This Report is limited to the Searches and Documents detailed at paragraphs 4 and 5 of this Report.

**Searches and document reviews**

5. For the purpose of this Report, we have conducted searches and made enquiries in respect of the Tenements as follows (**Searches**):
  - (a) we have obtained searches of the Tenements from the register maintained by the Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**) pursuant to the *Mining Act (WA)* (**Mining Act**) on 5 May 2022;
  - (b) we obtained quick appraisals of the Tenements from DMIRS TENGRAPH register dated 5 May 2022;
  - (c) we have obtained extracts of registered native title claims and native title determinations that apply to the Tenements, as determined by the National Native Title Tribunal (**NNTT**). This

material was obtained on 5 May 2022. Details of native title claims and determinations are set out in Part II of Schedule 1;

- (d) we have obtained extracts of registered Indigenous Land Use Agreements (**ILUAs**) that apply to the land covered by the Tenements, as determined by the NNTT. This material was obtained on 5 May 2022. Details of the registered ILUAs are set out in Part II of Schedule 1; and
- (e) we have obtained searches from the online Aboriginal Heritage Enquiry System maintained by the Western Australian Department of Planning, Lands and Heritage (**DPLH**) for Registered Sites and other Heritage Places recorded in the Register of Aboriginal sites that are within partially or wholly the Tenements. This material was obtained on 5 May 2022. The details of the Aboriginal Sites and other Heritage Places are set out in Part II of Schedule 1.
- (f) In addition, the Companies have also provided us with copies of the following material contracts which are described in detail in paragraphs 156 to 168 of this Report (**Documents**):
  - (i) Esperance Nyungar Proponent Standard Heritage Agreement in respect of E63/2115, E69/3893 and E69/3905 signed by Odette Six;
  - (ii) Esperance Nyungar Proponent Standard Heritage Agreement in respect of E63/2152 and E63/2154 signed by Grass Patch;
  - (iii) Esperance Nyungar Proponent Standard Heritage Agreement in respect of E63/2151, E63/2153, E63/2185 and E74/693 signed by Grass Patch and
  - (iv) Ngadju Heritage Protection Agreement in respect of E63/2115, E69/3893, E69/3894, E69/3904, E69/3905 and E69/3907 signed by Odette Six.

## Opinions

- 6. As a result of the Searches and the Documents, but subject to the assumptions and qualifications set out in this Report, we are of the view that, as at the date of the relevant Searches, this Report provides an accurate statement as to:
  - (a) **(Companies' Interest)**: the Companies' interest in the Tenements;
  - (b) **(Good Standing)**: the validity and good standing of the Tenements; and
  - (c) **(Third party interests)**: third party interests, including encumbrances, in relation to the Tenements.

## Description of the WA Tenements

- 7. The Tenements are comprised of ten granted exploration licences and two applications for exploration licences. The following provides a description of the nature and key terms of these types of mining tenements as set out in the Mining Act and potential successor tenements.

## Exploration Licence

- 8. **(Application)** A person may lodge an application for an Exploration Licence in accordance with the Mining Act. The Minister for Mines and Petroleum (**Minister**) after receiving a recommendation from the Mining Registrar or (if an objection has been lodged) the Mining Warden, decides whether to grant any application for an Exploration Licence on such terms and conditions as the Minister may determine.

9. **(Rights)** The holder of an Exploration Licence is entitled to enter the area of the Exploration Licence and undertake operations for the purposes of exploration for minerals.
10. **(Payments)** As the State holds the rights to all minerals in Western Australia, holders of a mining tenement must pay a royalty to the State on the minerals extracted. Rent and Shire rates for the mining tenement are payable to the State and Local Government, respectively, each year. The holder of an Exploration Licence may also be required to pay a levy each year for the Mining Rehabilitation Fund depending on the level of ground disturbance on the tenement.
11. **(Term)** An Exploration Licence has a term of five years upon grant. The Minister may extend the term by a single further period of five years, followed by a single further period of two years and finally on a year-by-year basis on terms and conditions as the Minister sees fit.
12. **(Conditions)** Exploration Licences are granted subject to various standard conditions relating to minimum expenditure, the payment of rent and observance of environmental protection and reporting requirements. Non-compliance with these conditions may lead to the Exploration Licence being forfeited.
13. **(Compulsory partial surrender)** If the term of an Exploration Licence that is more than ten graticular blocks in size has been extended (or an application for an extension of term has been made but not determined), the holder of an Exploration Licence must, on or before the day that is six years after the day on which an Exploration Licence was granted, surrender:
  - (a) 40% of the graticular blocks that are the subject of the licence; or
  - (b) if 40% of that number is not a whole number, the nearest whole number of graticular blocks.
14. **(Priority to apply for a Mining Lease or General Purpose Lease)** The holder of an Exploration Licence has a right in priority to apply for a Mining Lease or a General Purpose Lease over the ground the subject of an Exploration Licence. Any application for a Mining Lease or a General Purpose Lease must be made prior to the expiry for the Exploration Licence. The Exploration Licence stays in force (even if its term has expired) until the application for the Mining Lease or a General Purpose Lease is determined.
15. **(Transfer)** An Exploration Licence cannot be transferred or otherwise dealt with during the first year of its term without the prior written consent of the Minister. Following the first year, there are no restrictions on transferring or otherwise dealing with an Exploration Licence.
16. **(Retention status)** The holder of an Exploration Licence may apply to the Minister to have the retention status approved for all or part of the Exploration Licence. The application may only be made where there is a mineral resource in the title area and mining of that mineral resource is impracticable because:
  - (a) the resource is uneconomic but may reasonably be expected to become economic in future;
  - (b) the resource is required to sustain the future operations of an existing mining operation; or
  - (c) there are existing political, environmental or other difficulties in obtaining requisite approvals.
17. If retention status is granted over part of an Exploration Licence, that part will be excluded from the area of the Exploration Licence.
18. Once retention status has been approved in respect of an Exploration Licence, the tenement holder is not required to comply with the minimum expenditure requirements with respect to that licence.

19. **(Conversions)** The holder of an Exploration Licence may apply for part of all of that licence to be converted to a Mining Lease or General Purpose Lease.

### ***Mining Lease***

20. **(Application)** A person may lodge an application for a Mining Lease in accordance with the Mining Act. The Minister, after receiving a recommendation from the Mining Registrar or (if an objection has been lodged) the Mining Warden, decides whether to grant any application for a Mining Lease on such terms and conditions as the Minister may determine.
21. An application for a Mining Lease must be contemporaneously accompanied by either:
- (a) a mining proposal;
  - (b) a statement setting out the mining operations that are likely to be carried out in, on or under the land together with a mineralisation report; or
  - (c) a statement setting out the mining operations that are likely to be carried out in, on or under the land together with a resources report showing there is significant mineralisation in the area over which a Mining Lease is sought.
22. A Mining Lease accompanied by a mineralisation report will only be approved where the Director, Geological Survey considers that there is a reasonable prospect that the mineralisation identified in that mineralisation report will result in a mining operation.
23. **(Rights)** The holder of a Mining Lease is entitled to enter the area of the Mining Lease and undertake operations for the purpose of mining and extracting minerals. The holder has exclusive rights to the land for the purpose of mining.
24. **(Payments)** As the State holds the rights to all minerals in Western Australia, holders of Mining Leases must pay a royalty to the State on the minerals extracted from the tenement. Rent and Shire rates for the Mining Lease are payable to the State and Local Government, respectively, each year. The holder of a Mining Lease will also be required to pay a levy each year for the Mining Rehabilitation Fund depending on the type of ground disturbance that has occurred on the tenement.
25. **(Term)** A Mining Lease has a term of 21 years and may be renewed for successive periods of 21 years on such terms and conditions as the Minister sees fit. An application for renewal is to be made in the final year of the term of the Mining Lease.
26. **(Conditions)** Mining Leases are granted subject to various standard conditions relating to minimum expenditure, the payment of rent and observance of environmental protection and reporting requirements. Non-compliance with these conditions may lead to the Mining Lease being forfeited.
27. **(Transfer)** The consent of the Minister is required to transfer a Mining Lease.

### ***Miscellaneous Licence***

28. **(Application)** A person may lodge an application for a Miscellaneous Licence per the Mining Act. The Mining Registrar or (if an objection has been lodged) the Mining Warden decides whether to grant an application for a Miscellaneous Licence.
29. **(Connection with mining)** The purpose for which a Miscellaneous Licence is applied for must be connected to mining.
30. **(Rights)** A Miscellaneous Licence allows the holder to enter the land and construct and operate prescribed categories of infrastructure.

31. **(Overlapping tenure)** A Miscellaneous Licence may be applied for and granted over any pre-existing mining tenement. Upon grant, the Miscellaneous licence will coexist with the pre-existing tenement.
32. **(Access Agreements)** Where a Miscellaneous Licence has been applied for over existing tenure, in order to condition and regulate parties' concurrent rights to ground the subject the overlapping tenure, those parties may elect to enter into Access Agreements. An Access Agreement outlines how and when the parties may exercise their lawfully granted rights over the overlapping land, and includes provisions related to provision of notice, rehabilitation and compensation. There is no statutory requirement to enter into an access agreement and they generally only arise as a mechanism to resolve an objection to the grant of the Miscellaneous Licence.
33. **(Payments)** Rent is payable to the State each year. Shire rates are not payable. The holder of a Miscellaneous Licence may also be required to pay a levy each year for the Mining Rehabilitation Fund depending on the level of ground disturbance on the tenement.
34. **(Term)** A Miscellaneous Licence has a term of 21 years and may be renewed for successive periods of 21 years on such terms and conditions as the Minister sees fit.
35. **(Conditions)** Miscellaneous Licences are granted subject to various standard conditions relating to the payment of rent and observance of environmental protection and reporting requirements. Non-compliance with these conditions may lead to the Miscellaneous Licence being forfeited.
36. **(Transfer)** There is no restriction on transferring or otherwise dealing in a Miscellaneous Licence.

#### ***General Purpose Lease***

37. **(Application)** A person may lodge an application for a General Purpose Lease per the Mining Act. The Minister, after receiving a recommendation from the Mining Registrar or (if an objection has been lodged) the Mining Warden, decides whether to grant any application for a General Purpose Lease on such terms and conditions as the Minister may determine.
38. **(Connection to mining operations)** A General Purpose Lease may only be granted for defined purposes or a purpose directly connected to mining operations.
39. **(Rights)** A General Purpose Lease allows the holder to enter the land and:
  - (a) erect, place and operate machinery in connection with mining operations;
  - (b) deposit or treat minerals or tailings obtained from any land; or
  - (c) use the land for any other specified purpose directly connected with mining operations.
40. **(Payments)** Rent and Shire rates for the general purpose lease are payable to the State and Local Government, respectively, each year. The holder of a General Purpose Lease may also be required to pay a levy each year for the Mining Rehabilitation Fund depending on the level of ground disturbance on the tenement.
41. **(Term)** A General Purpose Lease has a term of 21 years and may be renewed for successive periods of 21 years on such terms and conditions as the Minister sees fit.
42. **(Conditions)** General Purpose Leases are granted subject to various standard conditions relating to the payment of rent and observance of environmental protection and reporting requirements. Non-compliance with these conditions may lead to the General Purpose Lease being forfeited.
43. **(Transfer)** There is no restriction on transferring or otherwise dealing in a General Purpose Lease.

## Provisions common to all WA tenure types

### *Indefeasibility of title*

44. Except in the case of fraud, a mining tenement granted or renewed under the Mining Act is unimpeachable and indefeasible in respect of any informality or irregularity in the applications or proceedings previous to the grant or renewal of that mining tenement.
45. Instruments of title are no longer issued by DMIRS upon the grant of a mining tenement and, instead, in the usual course and as permitted by section 116 of the Mining Act, a person dealing with the registered holder of a mining tenement is entitled to rely on the register.

### *Objections to applications*

46. Any person may object to an application for a mining tenement within 35 days of that application being lodged. The objection is heard by a Mining Warden who may, in the case of applications for Prospecting Licences and Miscellaneous Licences, dismiss the objection and grant the application subject to conditions or alternatively uphold the objection and refuse the grant of the application.
47. In the case of Exploration Licences, Mining Leases and General Purpose Leases, the Mining Warden hears the objection and uses the submissions and evidence provided by the parties to inform the Mining Warden's recommendation to the Minister. The Minister is not bound by the Mining Warden's recommendation and may grant or refuse the mining tenement in his or her discretion.
48. None of the Tenements were subject to an objection under the Mining Act.

### *Expenditure conditions and certificates of exemption*

49. As a condition of grant, holders of a Exploration Licence and Mining Lease must spend a minimum amount "*on mining or in connection with mining*" on the Exploration Licence and Mining Lease each 12 month period from the grant of the mining tenement (**Expenditure Year**).
50. Details of this expenditure must be lodged with DMIRS in the form of a Form 5 Operations Report (**Form 5**) within 60 days of the end of the Expenditure Year. The Form 5 must categorise the expenditure as either prospecting activities, exploration activities, mining activities, aboriginal surveys, rent/rates or administration.
51. A holder of a Exploration Licence and Mining Lease may apply for the grant of a certificate of exemption from that expenditure obligation for the Expenditure Year on various prescribed grounds, including on the basis of combined group reporting (discussed below), time is required to review past results, plan future exploration or raise capital.
52. The application for exemption must be lodged within 60 days of the end of the Expenditure Year. An application for exemption may be subject to an objection by any person. An objection must be lodged within 35 days of the application for exemption being lodged. If an objection is lodged, and after a contested hearing, a recommendation to grant or refuse must be made by the Mining Warden to the Minister in respect of Exploration Licences and Mining Leases. The Minister is not bound to follow the recommendation of the Mining Warden.
53. The Mining Warden and/or Minister may grant a certificate of exemption for any one Expenditure Year. In respect of a Mining Lease, the Minister may grant a certificate of exemption for up to five Expenditure Years. The grant of a certificate of exemption is a complete defence to an application for forfeiture (discussed below).
54. As the Tenements are in their first year of grant, no expenditure has yet been reported and it has not been necessary to make any applications for exemption from expenditure conditions.

**Combined Reporting Group**

55. Where more than one mining tenement is operated as a single project (due to proximity and type of commodity), those mining tenements may be collated into a Combined Reporting Group (**CRG**).
56. The aggregated exploration expenditure on mining tenements within a CRG can be attributed to the aggregated minimum annual expenditure obligation for the purposes of seeking the grant of a certificate of exemption in respect of those tenements in the CRG which have not met their minimum annual expenditure obligation. That is, if one tenement within the CRG has incurred exploration expenditure which satisfies the aggregate minimum expenditure obligation for all the tenements within the CRG, then those tenements which have not incurred the minimum expenditure obligation will qualify for the grant of a certificate for exemption.
57. Tenements can be added to or removed from a CRG by application made by the holder. Where a tenement is removed from a CRG (e.g., where it is sold to a third party), the purchaser will apply to have the tenement removed from the CRG. There is no effect on the licences remaining in the CRG, except that the minimum aggregate expenditure for the group will be lower (as the minimum expenditure requirement for the removed tenement will no longer be included) and actual expenditure incurred on the removed licence can no longer be attributed to the group expenditure.
58. The Tenements in CRGs, described in Schedule 1.

**Application for Forfeiture**

59. DMIRS may apply for a mining tenement to be forfeited where the holder of that mining tenement has breached the conditions of grant.
60. Any person may apply for the forfeiture of an Exploration Licence, Mining Lease or General Purpose Leases for a breach of the minimum annual expenditure condition by the tenement holder. Any person may also apply for the forfeiture of a Miscellaneous Licence for the breach of the tenement conditions, including the minimum annual expenditure condition, by the tenement holder.
61. Applications for forfeiture on the ground of non-compliance with minimum expenditure conditions must be made within eight months of the anniversary date of alleged non-complying Expenditure Year.
62. In respect of applications for forfeiture lodged against:
  - (a) Miscellaneous Licences, the Mining Warden may find:
    - (i) there was no breach of the tenement conditions; or
    - (ii) the breach of conditions was material and of sufficient gravity to justify the tenement being forfeited; or
    - (iii) the breach established was not of sufficient gravity to justify forfeiture and alternatively, impose a fine (in the case of non-compliance with expenditure conditions) of up to \$10,000 or (in any other case) of up to \$75,000 for an individual or \$150,000 for a body corporate.
  - (b) Exploration Licences, the Mining Warden may find:
    - (i) there was no breach of the minimum expenditure conditions;
    - (ii) the breach of the minimum expenditure condition is of sufficient gravity that he/she makes a recommendation to the Minister that the Exploration Licence should be forfeited; or
    - (iii) that the breach of the minimum expenditure condition is not of sufficient gravity to justify

forfeiture and alternatively recommend a fine (in the case of non-compliance with expenditure conditions) of up to \$10,000 or (in any other case) of up to \$75,000 for an individual or \$150,000 for a body corporate.

- (b) Mining Leases and General Purpose Leases, the Mining Warden may find:
- (i) there was no breach of the minimum expenditure conditions;
  - (ii) the breach of the minimum expenditure condition is of sufficient gravity that he/she makes a recommendation to the Minister that the Mining Lease or General Purpose Lease should be forfeited; or
  - (iii) that the breach of the minimum expenditure condition is not of sufficient gravity to justify forfeiture and alternatively recommend a fine (in the case of non-compliance with expenditure conditions) of up to \$10,000 or (in any other case) of up to \$75,000 for an individual or \$150,000 for a body corporate.
63. When the Mining Warden makes a recommendation to the Minister in respect of applications for forfeiture, the Minister is not bound by the Mining Warden's recommendation, although generally, it is followed by the Minister.
64. When a fine is imposed, and the application for forfeiture has been made by "a person" rather than DMIRS, the applicant for forfeiture is awarded the fine. If the fine is not paid by the stipulated date, the tenement is automatically forfeited.
65. Where the application for forfeiture is made by DMIRS, and the tenement is forfeited for breach of condition (other than the minimum expenditure condition), the holder of a mining tenement which has been forfeited may apply for the restoration of the mining tenement if the tenement holder can establish that extenuating circumstances led to the breach of the relevant tenement condition.
66. The Searches confirm that there are currently no forfeiture proceedings on foot in respect of the Tenements.

#### ***Extensions of term***

67. The application for an extension of term in respect of a Exploration Licence and Mining Lease must be made in the final year of the term of the Exploration Licence or Mining Lease (as the case may be). The tenement continues in force pending the renewal being determined.
68. An application for an extension of term must be supported by a summary of the work already carried out on the exploration licences and a detailed programme of proposed work to be carried out if the extension is granted.
69. The Minister may grant an extension of term where he is satisfied a prescribed ground for extension exists. Prescribed grounds include:
- (a) work already carried out on the exploration licence justifies further work being undertaken;
  - (b) the holder was prevented from carrying out work on the exploration licence because of difficulties occasioned by law; or
  - (c) the ground is unworkable or the ground could not be accessed because of unfavourable climatic conditions.
70. The application for extension of term must sufficiently make out one of the grounds for extension.

71. As the Tenements are in their first year of grant, it will not be necessary to make an application for an extension of term until 2026 or 2027, as the case may be.

### **Aboriginal Heritage**

72. The Companies must ensure that they comply with the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (**Commonwealth Heritage Act**) and the *Aboriginal Heritage Act 1972* (WA) (**WA Heritage Act**).
73. On 15 December 2021, the Aboriginal Cultural Heritage Bill 2021 was passed by the parliament of Western Australia and the Aboriginal Cultural Heritage Act came into operation on 22 December 2021 (**New Heritage Act**).
74. The New Heritage Bill will ultimately repeal the WA Heritage Act and introduces various reforms to the WA heritage regime.
75. The New Heritage Act will be implemented in three stages, over a transition period of 18 months. Currently, the WA Heritage Act is still in effect during the transition period.
76. A mining tenement may contain sites or objects of Aboriginal significance. To ensure compliance with the applicable legislation and industry standards, it is the usual course for a company to conduct heritage surveys to determine if any sites or objects of Aboriginal significance exist within the area of the Tenements.
77. It may be necessary for the Companies to enter into heritage-centric agreements with the traditional owners of the sites or objects of Aboriginal significance to facilitate a heritage survey prior to undertaking any ground disturbing work on areas which have not previously been heritage cleared. The Companies have entered into agreements of this type.

### **Commonwealth Legislation**

78. The Commonwealth Heritage Act legislates the preservation and protection from injury or desecration of areas and objects that are of particular significance to Aboriginals per Aboriginal tradition.
79. Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make declarations of preservation regarding areas and objects that are of particular significance to Aboriginals per Aboriginal tradition. These declarations can be interim or permanent.
80. It is an offence to contravene a declaration made under the Commonwealth Heritage Act.
81. Declarations can potentially halt exploration and mining activities. However, compensation is payable by the Minister for Aboriginal Affairs to a person who is, or is likely to be, affected by a permanent declaration of preservation.
82. There are currently three Indigenous-class places listed on the Commonwealth Department of Agriculture, Water and the Environment National Heritage List and Commonwealth Heritage list within Western Australia, being:
- (a) Cheetup Rock Shelter in Esperance;
  - (b) Dampier Archipelago (including Burrup Peninsula) in Dampier; and
  - (c) Wilgie Mia Aboriginal Ochre Mine in Cue.

### **Western Australian Legislation**

83. Mining tenements are granted subject to conditions requiring compliance with the WA Heritage Act.
84. It is an offence to alter or damage a sacred ritual or ceremonial Aboriginal site or object and any area of significance to an Aboriginal site or any objects on or under that site. This is a continuous, global obligation.
85. Aboriginal sites or objects may be registered under the WA Heritage Act. Registration is not a legislative requirement, and the WA Heritage Act protects all registered and unregistered sites or objects that meet the relevant definition in the WA Heritage Act, being:
  - (a) any place of importance and significance where persons of Aboriginal descent have, or appear to have, left any object, natural or artificial, used for, or made or adapted for use for, any purpose connected with the traditional cultural life of the Aboriginal people, past or present;
  - (b) any sacred, ritual or ceremonial site, which is of importance and special significance to persons of Aboriginal descent;
  - (c) any place which, in the opinion of the Committee, is or was associated with the Aboriginal people and which is of historical, anthropological, archaeological or ethnographical interest and should be preserved because of its importance and significance to the cultural heritage of the State; and
  - (d) any place where objects to which this Act applies are traditionally stored, or to which, under the provisions of this Act, such objects have been taken or removed.
86. Disturbing or otherwise altering this site is an offence against the WA Heritage Act and consent under section 18 of the WA Heritage Act would be required to do so.
87. Our searches of the DPLH Aboriginal Heritage register revealed that there are registered sites located on E63/2151, E63/2152, E63/2154, E63/2185, E69/3893 and E69/3984. The details of these registered sites are set out in Part II of the Schedule.
88. Neither the Searches nor the Documents indicate that there has been any non-compliance by the Group with the WA Heritage Act or the Commonwealth Heritage Act.

### ***The New Heritage Act***

89. The New Heritage Act received Royal Assent on 22 December 2021.
90. The New Heritage Act was introduced to ultimately repeal the WA Heritage Act and is intended to grant greater protection to Aboriginal cultural heritage. As with the WA Heritage Act, the New Heritage Act makes it an offence to destroy or damage Aboriginal places and objects. However, there are several notable differences between the New Heritage Act and the WA Heritage Act, including:
  - (a) the introduction of a new tiered assessment system for different categories of activities that may harm Aboriginal cultural heritage. Activities will now be classified as tier 1,2 or 3, in accordance with the risk profile of the activity, in relation to the potential harm to Aboriginal cultural heritage;
  - (b) the introduction of the new ACH Permit and ACH Management Plan regime, which must be approved by the newly established ACH Council before any activity can commence;
  - (c) the introduction of a positive obligation to conduct due diligence assessment before commencing tier 2 (low level of ground disturbance) or tier 3 (moderate to high level of ground disturbance) activity;
  - (d) the significant increase of penalties imposed for harming Aboriginal cultural heritage; and
  - (e) the amendment of the definition of 'Aboriginal cultural heritage' to include intangible elements

that are important to the Aboriginal people of Western Australia and cultural landscapes.

91. The full extent of the differences to the WA Heritage Act are unknown until the associated regulations, statutory guidelines and operational policies are announced.
92. The New Heritage Act will be implemented in 3 stages as it gradually transitions away from the WA Heritage Act. Following Royal Assent, the New Heritage Act will be implemented in the following stages:
  - (a) Part 1 of the new laws came into operation on 22 December 2021. Part 1 includes the commencement clause, an overview of the proposed Act, the objects and principles of the proposed Act, terms used, and the interaction with other legislation. On 23 December 2021, section 18 of the WA Heritage Act was amended to introduce a five-year limit on any new section 18 consent approvals applied for and granted after 22 December 2021 (**Stage 1**);
  - (b) After regulations, statutory guidelines and operational policies have been prepared, the WA Heritage Act will be further amended so its operation is limited to dealing with any unfinished land use applications made under that Act (**Stage 2**).
  - (c) The WA Heritage Act will be repealed six months after the commencement of Stage 2 (**Stage 3**).
93. The transition period is expected to be a minimum of 18 months.

#### **Native Title**

94. On 3 June 1992, the High Court of Australia in *Mabo and others v Queensland (No. 2)* [1992] HCA 23; (1992) 175 CLR 1 (**Mabo**) held by 6:1 majority that the common law of Australia recognises a form of native title that reflects the entitlement of indigenous inhabitants, in accordance with their laws and customs, to their traditional lands.
95. In order for native title to be recognised, a native title claim group must prove that:
  - (a) the rights and interests claimed are possessed under the claim group's traditional laws and customs;
  - (b) these traditional laws and customs are currently being observed by the claim group;
  - (c) the claim group have a 'connection' with the claim area by way of those traditional laws and customs; and
  - (d) the rights and interests are recognised by the common law of Australia.
96. A native title claim will not be recognised if native title has been extinguished. Extinguishment can occur by a voluntary surrender to the Crown, the death of the last survivor of a group entitled to native title, abandonment of the land or laws and customs of the land by a group or by the Crown's grant of an 'inconsistent interest' in the land.
97. An example of an inconsistent interest is the grant of a freehold interest in the land. The grant of a lesser form of interest will not extinguish native title unless it is wholly inconsistent with native title.
98. Once native title has been extinguished, this prior extinguishment can be disregarded in specific circumstances, namely:
  - (a) where the area is vested for the benefit of Aboriginal or Torres Strait Islander people;
  - (b) where the area is vacant crown land; or

- (c) where the area is vested for the purpose of preserving the natural environment of the area.

### **The Native Title Act**

99. In response to the High Court's decision in *Mabo*, the Commonwealth enacted the *Native Title Act 1993* (Cth) (**NT Act**).
100. The NT Act provides for:
- (a) the establishment of the NNTT where Aboriginal people may lodge claims for native title rights over land and have those claims registered;
  - (b) jurisdiction for the Federal Court to assess native title claims and determine if native title rights exist, and issue binding determinations whether native title does or not does exist in the claim area; and
  - (c) that an act (such as the grant or renewal of mining tenement) carried out after 23 December 1996 (referred to as a **Future Act**) must comply with certain requirements for the Future Act to be valid under the NT Act (**Future Act Provisions**).

### **Registration Testing**

101. For the NNTT to register a native title claim, it must satisfy the registration test conditions outlined in Part 7 of the NT Act. If a native title claim does not meet all of the conditions, it must not be registered.
102. The registration test conditions are:
- (a) the information and map contained in the application to identify with reasonable certainty the particular 'land and waters' where native title rights and interests are claimed;
  - (b) the persons in the native title claim group are named in the application and the persons in that group are described sufficiently clearly so that it can be ascertained whether any particular person is in that group;
  - (c) the application's description of the claimed native title rights and interests is sufficient to allow the rights and interests to be readily identified;
  - (d) that there is a sufficient factual basis to support the assertion that the claimed native title rights and interests exist. The factual basis must support the assertion that:
    - (i) the native title claim group have, and the predecessors of those persons had, an association with the area;
    - (ii) there exist traditional laws acknowledged by, and traditional customs observed by, the native title claim group that give rise to the native title rights and interests; and
    - (iii) the native title claim group have continued to hold the native title in accordance with those traditional laws and customs;
  - (e) *prima facie*, at least some of the native title rights and interests claimed in the application can be established;
  - (f) at least one member of the native title claim group currently has or previously had a traditional physical connection with any part of the land or waters covered by the application;
  - (g) the application does not offend section 61A of the NT Act, in that a native title determination application must not be made in relation to:

- (i) an area for which there is an approved determination of native title;
  - (ii) an area where an exclusive possession act has been made; or
  - (iii) the rights and interests conferring exclusive possession, occupation, use and enjoyment of an area where a non-exclusive possession act has been made;
- (h) the application does not claim ownership of minerals, petroleum or gas that are wholly owned by the Crown or exclusive possession over all or part of waters in an offshore place and the native title rights and interests have not otherwise been extinguished;
- (i) the application must contain all the prescribed details and other information and be accompanied by an affidavit or other document;
- (j) no person in the native title claim group must be a member of the native title claim group for any previous overlapping application; and
- (k) the application has been certified by all representative Aboriginal and Torres Strait Islander bodies that could certify the application. If the application is not certified, it must be established that the applicant is a member of the native title claim group and is authorised to make the application and deal with matters arising in relation to it, by all other persons in the native title claim group.
103. Registration of a native title claim provides the claim group with certain procedural rights, most relevantly the right to be notified of any Future Act affecting the claim, and the right to participation in Right to Negotiate (**RTN**) negotiations.

### ***The Future Act Provisions***

104. The Future Act Provisions vary depending on the Future Act to be carried out. We note that the grant of a tenement does not need to comply with Future Act Provisions if in fact native title has never existed over the land covered by the tenement, or has been validly extinguished prior to the grant of the tenement.
105. Unless it is clear that native title does not exist (for example in relation to freehold land), the usual practice of the State is to comply with the Future Act Provisions when granting a tenement. This ensures the grant will be valid in the event a court determines that native title rights do exist over the land subject to the tenement, and as such, the Future Act Provisions apply.
106. The Future Act Provisions vary depending on the Future Act to be carried out. In the case of the grant of a mining tenement, typically there are three alternatives:
- (a) the RTN procedure;
  - (b) an ILUA; and
  - (c) the Expedited Procedure.

107. These are summarised below.

### ***Right to Negotiate procedure***

108. RTN refers to a formal negotiation between the State of Western Australia (**State**), the applicant for a mining tenement and any registered native title claimants and holders.
109. During the RTN procedure, all parties must negotiate in good faith with a view to agreeing to the terms and conditions on which the tenement can be granted. During this process the applicant for a mining

tenement and any registered native title claimants and holders negotiate an ancillary agreement (in Western Australia, for Mining Leases, a mining and production agreement, and for Prospecting Licences or Exploration Licences, a heritage agreement).

110. These parties then notify the State that they have agreed to the terms of the ancillary agreement. The State, applicant for a mining tenement and native title party then each sign a State Deed which confirms compliance with the NT Act and that the mining tenement may be validly granted.
111. The applicant for the mining tenement is liable for any compensation that the parties agree will be paid to the registered native title claimants and holders.
112. If agreement has not been, or is likely not to be, reached after six months of negotiations (starting from when the native title party is notified of the mining tenement application), the matter may be referred to the NNTT for determination. The NNTT must decide whether the tenement can be granted within six months of a referral.
113. The NNTT is unable to decide whether a tenement can be granted unless the applicant for a mining tenement has negotiated in good faith, that is, good faith negotiations are a necessary prerequisite to enliven the NNTT's jurisdiction.
114. As a result, the NNTT must first make a finding as to whether the applicant for a mining tenement has negotiated in good faith before it can decide whether a tenement may be granted.
115. The Tenements were not subject to the RTN procedure.

#### ***Indigenous Land Use Agreements***

116. An Indigenous Land Use Agreement (**ILUA**) is a formal contract created under the NT Act.
117. An ILUA must set out the terms on which a mining tenement can be granted and specify the conditions on which activities may be carried out within the mining tenement. The applicant for the mining tenement is liable for any compensation that the parties agree will be paid to the registered native title claimants and holders. These compensation obligations pass to the transferee of the mining tenement.
118. Once an ILUA has been executed and registered on the ILUA Register maintained by the NNTT, the whole native title claim group and all holders of native title in the area (including future claimants) are bound by the terms of the ILUA.
119. E63/2115, E63/2151, E63/2152, E63/2153, E63/2154, E63/2185, E69/3893, E69/3905 and E74/693 each fall within the area covered by the Esperance Nyungar Government Indigenous Land Use Agreement (WI2014/006). The encroachment on E69/3893 is minor (0.1%), however the encroachment on E63/2115 (90.85%), E63/2151 (100%), E63/2152 (81.23%), E63/2153 (80.1%), E63/2154 (100%), E63/2185 (100%), E69/3905 (64.23%) and E74/693 (100%) is more substantial.
120. The Esperance Nyungar Government Indigenous Land Use Agreement requires the State to impose a condition on the grant of any tenement within the Esperance Nyungar Government Indigenous Land Use Agreement area requiring the tenement holder to enter into a proforma heritage agreement prior to exercising any rights, powers or duties over the portion of the area the subject of the Esperance Nyungar Government Indigenous Land Use Agreement.
121. The Companies have entered into an Esperance Nyungar Proponent Standard Heritage Agreement in respect of Tenements which require it, being E63/2115, E69/3893 and E69/3905 held by Odette Six and E63/2151, E63/2152, E63/2153, E63/2154, E63/2185 and E74/693 held by Grass Patch.

122. E63/2115, E63/2153, E69/3905 and E74/643 each fall within the area covered by the State Barrier Fence (Esperance Nyungar Country) Indigenous Land Use Agreement (WI2022/001). The encroachments are minor (each below 0.11%).
123. The State Barrier Fence (Esperance Nyungar Country) Indigenous Land Use Agreement does not affect the Companies or the Tenements.

#### ***Expedited Procedure***

124. Where the State considers that the grant of a mining tenement is likely to have minimal impact on native title rights, they may grant the tenement without undergoing the RTN procedure. This is known as the **Expedited Procedure**. The Expedited Procedure applies where the State considers that the grant of a mining tenement is not likely to:
  - (a) interfere directly with the community or social activities of the registered native title claimants or holders;
  - (b) interfere with areas or sites of particular significance to the registered native title claimants or holders; or
  - (c) involve major disturbance to land or waters.
125. DMIRS has a policy whereby it considers all Exploration Licences are Future Acts attracting the Expedited Procedure.
126. The State must advertise its intention to grant a mining tenement under the Expedited Procedure to all registered native title claimants and holders. If no objection is lodged by a registered native title claimant or holder, the State may grant the mining tenement.
127. If an objection is lodged, the NNTT must determine whether the grant of the mining tenement attracts the Expedited Procedure. This involves each of the parties making submissions in respect of the factors outlined at paragraph 124 above. If the answer is yes, the State may grant the mining tenement. If the answer is no, the Future Act Provisions must be followed before the mining tenement can be granted (i.e., RTN or ILUA).
128. It is a standard industry process that registered native title claimants or holders will withdraw objections if the applicant executes an Aboriginal heritage agreement. These agreements typically involve funding and carrying out heritage surveys before conducting activities on the mining tenement, conditioning the activities that may be carried out on the mining tenement and paying compensation.
129. The Tenements held by Odette Six were each subject to expedited procedure objections by Ngadju Native Title Aboriginal Corporation (ICN 8297) (**NNTAC**) on behalf of the Ngadju (WCD2014/004) native title determination. Odette Six entered into a heritage agreement with NNTAC to resolve these objections.

#### ***Infrastructure Procedure***

130. When the State receives an application for a Miscellaneous Licence or General Purpose Lease, it provides notice of the application to the registered native title claimants or holders who may be affected by that application. Any registered native title claimants or holders may object within two months of receiving the notice on the ground that it affects their registered native title rights and interests. If the State does not receive an objection, the Miscellaneous Licence or General Purpose Lease will proceed to grant (**Infrastructure Procedure**).
131. If an objection is received, the applicant for the Miscellaneous Licence or General Purpose Lease must consult with any registered native title claimants or holders about ways of minimising impact on

the registered native title rights and interests in relation to the land and waters and any access to the land or waters by the grant of the Miscellaneous Licence or General Purpose Lease.

132. If the objection remains unresolved for eight months after the application for a Miscellaneous Licence or General Purpose Lease has been notified, the State is obliged to refer the objection to an independent body or person for determination.
133. The Tenements, as Exploration Licences, were not subject to the Infrastructure Procedure.

#### **Registered Native Title Claims and Determinations**

134. Our Searches indicate that the Tenements are subject to the following registered native title claims or determinations:
  - (a) each of the Tenements held by Odette Six – Ngadju (WAD6020/1998, WCD2014/004); and
  - (b) E63/2115, E69/3893 and E69/3905 held by Odette Six and each of the Tenements held by Grass Patch – Esperance Nyungars (WAD6097/1998, WCD2014/002)
135. The status of the native title claims or determinations is summarised in Part II of Schedule 1.
136. The native title claimants and holders of native title under the determinations are entitled to certain rights under the Future Acts Provisions.

#### **Validity of Tenements under the NT Act**

137. Mining tenements granted before 23 December 1996 are not required to comply with the Future Act Provisions in order to be valid under the NTA. None of the Tenements were granted before 23 December 1996.
138. Mining tenements renewed after 23 December 1996 must comply with the Future Act Provisions in order to be valid under the NTA. The exception to this requirement is where the renewal is the first renewal of a mining tenement that was validly granted before 23 December 1996 and:
  - (a) the area to which the mining tenement applies is not extended;
  - (b) the term of the renewed mining tenement is no longer than the term of the old mining tenement; and
  - (c) the rights to be created are not greater than the rights conferred by the old mining tenement,however, none of the Tenements were validly granted before 23 December 1996 and renewed after 23 December 1996.
139. Mining tenements granted after 23 December 1996 must comply with the Future Act Provisions in order to be valid under the NTA. The Tenements were all granted after 23 December 1996 and must have complied with the Future Act Provisions for the grant to be valid.

#### **Access Issues**

##### ***Private Land***

140. The Tenements have been granted with respect to sub-surface rights only (i.e. below 30 metres) where those Tenements encroach on private land of a kind described in section 29(2) of the Mining Act.

141. For the purposes of the Mining Act, private land includes freehold land and certain leases, including General Leases.
142. E63/2115, E63/2151, E63/2152, E63/2153, E63/2154, E63/2185, E69/3893, E69/3894, E69/3905 and E74/693 each encroach on either freehold land or a General Lease.
143. Section 29(2) of the Mining Act provides that the consent in writing of the owner and occupier of private land is required before a mining tenement can be granted in respect of private land –
- (a) which is in bona fide and regular use as a yard, stockyard, garden, orchard, vineyard, plant nursery or plantation or is land under cultivation;
  - (b) which is the site of a cemetery or burial ground;
  - (c) which is the side of a dam, bore, well or spring;
  - (d) on which there is erected a substantial improvement; or
  - (e) which is situated within 100m of any private land referred to in (a)-(d); or
  - (f) which is a separate parcel of land and has an area of 2,000m<sup>2</sup> or less,
- unless the mining tenement is granted only in respect of that part of that private land which is not less than 30m below the lowest part of the natural surface of that private land.
144. If the Companies wish to obtain access to the surface rights in relation to areas of the Tenements which are covered by private land, as described in section 29(2) of the Mining Act, it will need to apply to the Minister under section 29(5) of the Mining Act for the tenement to be amended to include the surface rights. The Minister will only grant an application made under section 29(5) if satisfied that both the owner and the occupier of the private land have consented in writing to the inclusion of the surface rights in the grant.
145. E63/2115, E63/2151, E63/2152, E63/2153, E63/2154, E63/2185, E69/3893, E69/3905 and E74/693 each encroach on private land lots.

#### **Reserves**

146. Written consent of the Minister is required before mining is carried out on mining on national parks or reserves classified as “A” Class under the *Land Administration Act 1997* (WA) or any other Act.
147. The Minister for Mines must, before giving consent, consult with and obtain the concurrence of the Minister responsible for the relevant national park or reserve classified “A” Class.
148. A Mining Lease or General Purpose Lease cannot be granted over national parks or reserves classified “A” Class unless both Houses of Parliament consent to the grant, and then only on such terms and conditions as are specified in the resolution.
149. Ministerial consent under the Mining Act will be required before the Companies can undertake any exploration activities on “C” Class reserves.
150. E63/2115, E63/2151, E63/2152, E63/2154, E63/2185, E69/3894 and E69/3905 are subject to conditions requiring Ministerial consent before undertaking exploration within one or more “A” Class or “C” Class reserves.

#### **File Notation Areas**

151. File Notation Areas are used by DMIRS to identify areas which may be subject to rights or interests in the future which may affect the rights of any tenement holder. File Notation Areas do not grant any rights or interests in and of themselves.
152. E63/2115, E63/2151, E63/2152, E63/2153, E63/2154, E69/3893, E69/3894, E69/3905 and E74/693 each encroach upon FNAs.

#### ***Threatened Ecological Communities***

153. The *Biodiversity Conservation Act 2016* (WA) allows the Minister for Environment to declare areas as threatened ecological communities.
154. It is an offense, under section 48 of the *Biodiversity Conservation Act 2016* (WA), to modify a threatened ecological community. A person may apply, under section 45 of the *Biodiversity Conservation Act 2016* (WA), for authorisation to modify a threatened ecological community.
155. E63/2115, E63/2151 and E69/3905 encroach upon threatened ecological communities.

#### **Material Agreements**

##### ***Esperance Nyungar Proponent Standard Heritage Agreement***

156. Odette Six and Grass Patch, as the case may be, and the Esperance Tjaltjraak Native Title Aboriginal Corporation are parties to the Esperance Nyungar Proponent Standard Heritage Agreement (ENPSHA).
157. Entry into this agreement is mandatory pursuant to the condition imposed by DMIRS on any mining tenement granted within the area of Esperance Nyungar Government Indigenous Land Use Agreement (WI2014/006).
158. As described in paragraph 120 of this Report, Odette Six and Grass Patch, as the case may be, must comply with the terms of the ENPSHA when undertaking (or proposing to undertake) activities within the areas of E63/2115, E69/3893 and E69/3905 (for Odette Six) and E63/2151, E63/2152, E63/2153, E63/2154, E63/2185 and E74/693 (for Grass Patch) which fall within the area of the Esperance Nyungar Government Indigenous Land Use Agreement (WI2014/006).
159. The obligations under the ENPSHA include providing an outline of the nature, location and timing of any activities planned ahead of each field season. Where Odette Six or Grass Patch, as the case may be, intend to undertake activities it must issue a notice to the Esperance Tjaltjraak Native Title Aboriginal Corporation particularising those proposed activities. A notice is not required for "Minor Impact Activities" (being activities that involve negligible or no ground disturbance).
160. The Esperance Tjaltjraak Native Title Aboriginal Corporation must, following receipt of the notice of activities, advise whether an Aboriginal heritage survey is required. Any required Aboriginal heritage survey is to be undertaken pursuant to the framework outlined in the ENPSHA.
161. The ENPSHA does not include any requirement to offer preferential employment and contracting opportunities or contain ongoing financial benefits (outside of the Aboriginal heritage survey framework).

##### ***Ngadju Heritage Protection Agreement***

162. Odette Six and the Ngadju Native Title Aboriginal Corporation are parties to the Ngadju Heritage Protection Agreement.

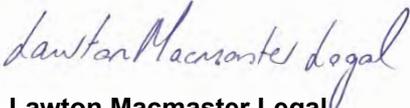
163. Odette Six must comply with the terms of the Ngadju Heritage Protection Agreement when undertaking (or proposing to undertake) activities on the Tenements to the extent the Tenements fall within the Ngadju (WCD2014/004) native title determination area.
164. The Ngadju Heritage Protection Agreement includes terms to the effect that Odette Six must::
- (a) not lodge any application under sections 16 or 18 of the WA Heritage Act without the Ngadju Native Title Aboriginal Corporation's consent;
  - (b) agree to notify the Ngadju Native Title Aboriginal Corporation of any third party seeking to access the Tenements (and, if requested by the Ngadju Native Title Aboriginal Corporation, ensuring that third party agrees to be bound by the terms of the agreement);
  - (c) provide the Ngadju Native Title Aboriginal Corporation with any environmental report or plan as submitted to a governmental body;
  - (d) provide notice of contracting opportunities relating to the Tenements to the Ngadju Native Title Aboriginal Corporation; and
  - (e) provide a notice outlining the location, nature, objectives and timing of proposed activities (**Activity Notice**).
165. Where the Activity Notice is in respect of non-ground disturbing activities, the Ngadju Native Title Aboriginal Corporation may provide a notice that it considers the activities are in fact ground disturbing activities or may impact an Aboriginal site. Odette Six and the Ngadju Native Title Aboriginal Corporation must consult to resolve the matter. An Aboriginal heritage survey will be required if they agree the activities are in fact ground disturbing activities or may impact an Aboriginal site. Otherwise, or if the Ngadju Native Title Aboriginal Corporation does not issue a notice within 7 days of receiving Odette Six's initial notice, Odette Six may undertake the non-ground disturbing activities.
166. Where Activity Notice is in respect of ground disturbing activities, the Ngadju Native Title Aboriginal Corporation may provide a notice that it considers an Aboriginal heritage survey is required. Any required Aboriginal heritage survey is to be undertaken pursuant to the framework outlined in the Ngadju Heritage Protection Agreement.
167. The Ngadju Heritage Protection Agreement is to be reviewed after it has been on foot for five years.

#### **Qualifications and Assumptions**

168. This Report is subject to the following qualifications and assumptions:
- (a) This Report is accurate as at the date(s) the Searches that were performed.
  - (b) We have assumed the accuracy and completeness of all Tenement searches, register extracts and other information or responses which were obtained from the relevant department or authority including the NNTT.
  - (c) We assume that the registered holder of a Tenement has a valid legal title to the Tenement.
  - (d) This Report does not cover any third party interests, including encumbrances, in relation to the Tenements that are not apparent from the Searches and the information provided to us.
  - (e) With respect to the granting of the Tenements, we have assumed that the State and the applicant for the Tenements complied with the applicable Future Act Provisions.

- (f) We have assumed the accuracy and completeness of any instructions or information which we have received from the Companies, or third parties, or any of their respective officers, agents and representatives.
- (g) Unless apparent from our Searches or the information provided to us, we have assumed compliance with the requirements necessary to maintain a Tenement in good standing.
- (h) Reference in the Schedule to any area of land are taken from details shown on Searches obtained from the relevant department. It is not possible to verify the accuracy of those areas without conducting a survey.
- (i) The information in the Schedules is accurate as at the date the relevant Searches.

Yours faithfully



**Lawton Macmaster Legal**

## SCHEDULE 1

### PART I – TENEMENTS

Odette Six Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
E63/2115 36,139.77 hectares	Odette Six Pty Ltd	Application 03/06/2021 Grant 04/02/2022 Expiry 03/02/2027	Minimum \$126,000 Reported N/A	N/A	N/A	<p>No interference with Geodetic Survey Stations Esperance 65 and 65T and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.</p> <p>Mining on a strip of land 30 metres wide with the FNA 13989 as the centre-line being restricted to below a depth of 15 metres from the natural surface.</p> <p>The prior written consent of the Minister responsible for the Mining Act 1978 being obtained, with the concurrence of the Minister for Environment, before entering or commencing any prospecting or exploration activity on Conservation of Flora &amp; Fauna Reserve 38334</p> <p>Esperance Nyungar ILUA condition<sup>1</sup></p>	<p><b>R 38334</b> ("A" Class Reserve – Conservation of Flora and Fauna) – 1.13%</p> <p><b>Karl Berg Road</b> road reserve</p> <p><b>7 Freehold lots</b> – 15.11%</p> <p><b>Unallocated Crown land</b> – 83.62%</p> <p><b>FNA 13989</b> (Proposed creation of reserve for extension of the State Barrier Fence) – 0.11%</p> <p><b>Threatened Ecological Communities</b> (65</p>	<p>Ngadju Heritage Protection Agreement</p> <p>Esperance Nyungar Proponent Standard Heritage Agreement</p>

<sup>1</sup> The licensee must before exercising any of the rights, powers or duties pursuant to this licence over that portion of the area of land the subject of the relevant ILUA, execute and enter into, in respect of this licence, one of the following types of agreements and maintain such agreement for the term of this licence:

- (i) an Aboriginal Heritage Agreement as defined in the relevant ILUA with the Esperance Nyungar Native Title Group;
- (ii) at the election of the Esperance Nyungar Native Title Group, a Regional Standard Aboriginal Heritage Agreement as defined in the relevant ILUA with the Esperance Nyungar Native Title Group;
- (iii) a PSHA as defined in the relevant ILUA with the Esperance Nyungar Native Title Group; or
- (iv) a Proponent Acceptance Deed as defined in the relevant ILUA; and

provide to the Minister for Mines, Industry Regulation and Safety (DMIRS) a statutory declaration from the licensee, (where the licensee is a corporation, from a director of that corporation on its behalf), in the form contained in schedule 6 to the relevant ILUA

Odette Six Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
							land parcels)	
E69/3893 57,437.51 hectares	Odette Six Pty Ltd	Application 28/04/2021 Grant 20/01/2022 Expiry 19/01/2027	Minimum \$200,000 Reported N/A	54/2022	N/A	The rights of ingress to and egress from Miscellaneous Licence 69/23 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.  No interference with Geodetic Survey Station ESPERANCE 1, 28T 1, 28T 2, 28T 3, R283, UM 110, 111, 238, 238T 1, 239 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.  Esperance Nyungar ILUA condition (see footnote 1).	<b>L69/23</b> (road) – Alan Fraser Ridgway and Shelley Patricia Ridgway – 0.01%  <b>Parmango Road</b> road reserve  <b>Lot 491 on DP215215</b> – 0.1%  <b>Unallocated Crown land</b> – 99.73%  <b>FNA 13989</b> (Proposed creation of reserve for extension of the State Barrier Fence) – 0.01%	Ngadju Heritage Protection Agreement  Esperance Nyungar Proponent Standard Heritage Agreement
E69/3894 57,498.44 hectares	Odette Six Pty Ltd	Application 28/04/2021 Grant 20/01/2022 Expiry 19/01/2027	Minimum \$200,000 Reported N/A	55/2022	N/A	The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any prospecting activities on Regenerator Site Reserve 43129.  No interference with Geodetic Survey Stations MALCOLM 4, MALCOM 5, RM 118,122, 125, UM 103, 104, 104T, 105, 106, 107, 108, 109 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.	<b>R 43129</b> (“C” Class Reserve – regenerator site) - <0.01%  <b>2 road reserves</b>  <b>General Lease N623423</b> - <0.01%  <b>Unallocated Crown land</b> – 99.60%	Ngadju Heritage Protection Agreement
E69/3904 48,344.36 hectares	Odette Six Pty Ltd	Application 03/06/2021 Grant	Minimum \$168,000 Reported	55/2022	N/A	The land the subject of this Licence affects a Rare Flora site 92167 declared under the Wildlife Conservation Act 1950. The Licensee is advised to contact the Department of Biodiversity Conservation and Attractions via email address flora.data@dbca.wa.gov.au (with ID numbers) to	<b>Unallocated Crown land</b> – 100%	Ngadju Heritage Protection Agreement

Odette Six Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
		15/02/2022 Expiry 14/02/2027	N/A			receive the population details and information on the management of Declared Rare Flora (or Priority Listed Flora) present within the tenement area.		
E69/3905 57,343.49 hectares	Odette Six Pty Ltd	Application 03/06/2021 Grant 15/02/2022 Expiry 14/02/2027	Minimum \$200,000 Reported N/A	54/2022	N/A	<p>The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on National Park 24047 and Conservation of Flora and Fauna Reserve 38545.</p> <p>No interference with Geodetic Survey Station Esperance 2, Esperance 29, Malcolm 2, Malcolm 3, Malcolm 3T 1, R277 and UM 240 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.</p> <p>Esperance Nyungar ILUA condition (see footnote 1).</p> <p>The land the subject of this Licence affects Rare Flora sites 92438 and 92440 declared under the Wildlife Conservation Act 1950. The Licensee is advised to contact the Department of Biodiversity Conservation and Attractions via email address flora.data@dbca.wa.gov.au (with ID numbers) to receive the population details and information on the management of Declared Rare Flora (or Priority Listed Flora) present within the tenement area.</p>	<p><b>L69/23</b> (road) – Alan Fraser Ridgway and Shelley Patricia Ridgway – 0.01%</p> <p><b>R 24047</b> (“A” Class Reserve – National Park) – 0.2%</p> <p><b>R 38545</b> (“A” Class Reserve – Conservation of Flora and Fauna) – 2.88%</p> <p><b>3 road reserves</b></p> <p><b>7 Freehold lots</b> – 19.26%</p> <p><b>Unallocated Crown land</b> – 77.13%</p> <p><b>FNA 13989</b> (Proposed creation of reserve for extension of the State Barrier Fence) – 0.14%</p> <p><b>Threatened Ecological Communities</b> (52 land parcels)</p>	<p>Ngadju Heritage Protection Agreement</p> <p>Esperance Nyungar Proponent Standard Heritage Agreement</p>

Odette Six Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
E69/3907 861.49 hectares	Odette Six Pty Ltd	Application 04/06/2021 Grant 14/02/2022 Expiry 13/02/2027	Minimum \$15,000 Reported N/A	C55/2022	N/A	N/A	Unallocated Crown land – 100%	Ngadju Heritage Protection Agreement

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
E63/2151 57,284.53 hectares	Grass Patch Metals Pty Ltd	Application 18/10/2021 Grant 02/12/2021 Expiry 01/12/2026	Minimum \$200,000 Reported N/A	117/2022	N/A	<p>No excavation, excepting shafts, approaching closer to the Coolgardie-Esperance Highway, Highway verge or the road reserve than a distance equal to twice the depth of the excavation and mining on the Coolgardie-Esperance Highway or Highway verge being confined to below a depth of 30 metres from the natural surface.</p> <p>The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on Grass Patch Townsite, Scaddan Townsite, Water Reserve 13975, Government Requirements Reserve 13981, Townsite and Water Reserve 14112, Water Reserve 15229, Conservation of Flora and Fauna Reserve 16801, Recreation and Racecourse Reserve 19624, Water Tank No 9 Reserve 19967, Water Tank Reserve 20113, Public Utility Reserve 21044, Esperance Nyungar Social, Cultural and/or Economic Benefit Reserve 26329, Sanitary and Rubbish Disposal Site Reserve 27160, Resting Place for Travellers and Stock Reserve 2780, Conservation of Flora and Fauna Reserve 27985, Gravel Reserve 29327, Gravel Reserve 30862, Gravel Reserve 35302, Government Requirements Reserve 35303, Esperance Nyungar Social, Cultural and/or Economic Benefit Reserve 48332 and Esperance Nyungar Social, Cultural and/or Economic Benefit Reserve 48335.</p> <p>No interference with Geodetic Survey Stations Esperance 84, Esperance 84T, Esperance 91, Esperance 99, Esperance 100, Esperance 101, Esperance 102, Esperance 104, Esperance 150, Esperance 150T, Esperance 151, Esperance 158, Esperance 158T, Esperance 159, Esperance 159T, Esperance 160, Esperance 160T, Esperance 161, Esperance 162, Esperance 165, Esperance 165T, Esperance 166, Esperance 166T, Scaddan and Scaddan T and mining within 15 metres thereof being confined to below a depth</p>	<p><b>PL 59</b> – Esperance Pipeline Co. Pty Limited – 0.02%</p> <p><b>R 13975</b> (“C” Class Reserve – Water) – 0.01%</p> <p><b>R 13981</b> (“C” Class Reserve – Government Requirements) – 0.02%</p> <p><b>R 14112</b> (“C” Class Reserve –Townsite &amp; Water) – 0.01%</p> <p><b>R 15229</b> (“C” Class Reserve – Water) – 0.08%</p> <p><b>R 16801</b> (“C” Class Reserve – Conservation of Flora &amp; Fauna) – 0.02%</p> <p><b>R 19624</b> (“C” Class Reserve – Creation &amp; Racecourse) – 0.05%</p> <p><b>R 19967</b> (“C” Class Reserve – Water Tank No. 9) – 0.26%</p> <p><b>R 20113</b> (“C” Class Reserve – Water</p>	Esperance Nyungar Proponent Standard Heritage Agreement

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
						<p>of 15 metres from the natural surface.</p> <p>In areas of native vegetation within the tenement, no exploration activities commencing until the licensee provides a plan of management to prevent the spread of dieback disease (Phytophthora species) to the Executive Director, Resource and Environmental Compliance, DMIRS for assessment and until the written approval of the Executive Director has been received. All exploration activities shall then comply with the commitments made in the management plan.</p> <p>No mining within 25 metres of either side of the petroleum pipeline licence area of PL 59 and to a depth of 50 metres being the Consultation Area as shown in TENGRAPH, without the mining tenement holder and the petroleum pipeline licensee consulting with each other and reaching agreement on access and mining activities to be undertaken within the Consultation Area.</p> <p>No surface excavation approaching closer to the boundary of the Consultation Area than a distance equal to three times the depth of the excavation without the mining tenement holder and the petroleum pipeline licensee reaching agreement as to a lesser distance.</p> <p>No explosives being used or stored within 150 metres of the petroleum licence area without the mining tenement holder and the petroleum pipeline licensee reaching agreement as to a lesser distance.</p> <p>The rights of ingress to and egress from the petroleum pipeline licence area being at all times preserved for the employees, contractors and agents of the owners and operators of the pipeline.</p> <p>Such further conditions as may from time to time be imposed by the Minister responsible for the Mining Act 1978 for the purposes of protecting the pipeline and any existing condition imposed for</p>	<p>Tank) – 0.08%</p> <p><b>R 21044</b> (“C” Class Reserve – Public Utility) – 0.09%</p> <p><b>R 26329</b> (“C” Class Reserve – Esperance Nyungar Social, Cultural and/or Economic Benefit) – 0.01%</p> <p><b>R 27160</b> (“C” Class Reserve – Sanitary &amp; Rubbish Disposal Site) – 0.01%</p> <p><b>R 2780</b> (“C” Class Reserve – Resting Place for Travellers &amp; Stock) – 0.52%</p> <p><b>R 27985</b> (“C” Class Reserve – Conservation of Flora &amp; Fauna) – 0.09%</p> <p><b>R 29327</b> (“C” Class Reserve – Gravel) – 0.06%</p> <p><b>R 30862</b> (“C” Class Reserve – Gravel) – 0.02%</p> <p><b>R 35302</b> (“C” Class Reserve – Gravel) – 0.07%</p> <p><b>R 48332</b> (“C” Class Reserve –</p>	

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
						<p>this purpose may be cancelled or varied.</p> <p>No mining within 30 metres of either side and to a depth of 15 metres of the Rail Corridor Land 3 (RCL 3 Fleming to Grass Patch) as shown in TENGRAPH without the prior written approval of the Minister responsible for the Mining Act 1978.</p> <p>No surface excavation approaching closer to the boundary of the Safety Zone established by Condition 13 hereof than a distance equal to three times the depth of the excavation without the prior written approval of Mines Safety, DMIRS.</p> <p>Mining below 15 metres from the natural surface of the land in the Safety Zone established in Condition 13 hereof being approved by Mines Safety, DMIRS in consultation with the operator of the railway on corridor land.</p> <p>No interference with the drainage pattern, and no parking, storage or movement of equipment or vehicles used in the course of mining within the Safety Zone established by Condition 13 hereof without the prior approval of the operator of the railway on corridor land.</p> <p>The Licensee not excavating, drilling, installing, erecting, depositing or permitting to be excavated, drilled, installed, erected or deposited within the Safety Zone established in Condition 13 hereof, any pit, well, pavement, foundation, building, or other structure or installation, or material of any nature whatsoever without the prior written consent of Mines Safety, DMIRS.</p> <p>No explosives being used or stored within one hundred and fifty (150) metres of the rail corridor land without the prior written consent of the Director, Dangerous Goods and Petroleum Safety, DMIRS.</p> <p>The rights of ingress to and egress from the rail</p>	<p>Esperance Nyungar Social, Cultural and/or Economic Benefit) – 0.01%</p> <p><b>R 48335</b> (“C” Class Reserve – Esperance Nyungar Social, Cultural and/or Economic Benefit) – 0.02%</p> <p><b>2 unnumbered Railway reserves</b> – 0.2%</p> <p><b>182 Freehold lots</b> – 94.43%</p> <p><b>57 road reserves</b></p> <p><b>Unallocated Crown land</b> – 1.96%</p> <p><b>Dieback risk zone</b> – 23.57%</p> <p><b>FNA 10443</b> (Change purpose of reserve 2780 to resting place for travellers and stock and gravel) – 0.52%</p> <p><b>FNA 10629</b> (addition of lot 2145 to Truslove Nature Reserve) – 0.05%</p> <p><b>FNA 11276</b> (Esperance Nyungar native title final land</p>	

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
						<p>corridor land being at all times preserved to the employees, contractors and agents of the operator of the railway on corridor land, and the Public Transport Authority of WA.</p> <p>Such further conditions as may from time to time be imposed by the Minister responsible for the Mining Act 1978 for the purpose of protecting the rail corridor land.</p> <p>Esperance Nyungar ILUA condition (see footnote 1).</p> <p>The land the subject of this Licence affects Threatened and Priority Flora (DRF88026 and DRF88032 ) declared under the the Biodiversity Conservation Act 2016. The Licensee is advised to contact the Department of Biodiversity Conservation and Attractions via email address flora.data@dbca.wa.gov.au (with ID numbers) to receive the population details and information on the management of Threatened and Priority Flora present within the tenement area.</p>	<p>package)– 0.03%</p> <p><b>FNA 11904</b> (Change of management of gravel reserve 29327)– 0.06%</p> <p><b>FNA 16314</b> (Proposed change of purpose of reserve 19624, being lots 33, 34, 501 and 502, grass patch)– 0.05%</p> <p><b>FNA 5611</b> (Truslove Nature Reserve 27985 – including portion of reserve 2780) – 0.52%</p> <p><b>FNA 9761</b> (proposed access road and level crossing, grass patch) - &lt;0.01%</p> <p><b>Rail Corridor Land</b> (Fleming to Grass Patch) – 0.2%</p> <p><b>Threatened Ecological Communities</b></p>	
E63/2152 57,480.86 hectares	Grass Patch Metals Pty Ltd	Application 18/10/2021  Grant 03/12/2021	Minimum \$200,000  Reported  N/A	117/2022	N/A	No excavation, excepting shafts, approaching closer to the Coolgardie-Esperance Highway, Highway verge or the road reserve than a distance equal to twice the depth of the excavation and mining on the Coolgardie-Esperance Highway or Highway verge being confined to below a depth of 30 metres from the natural surface.	<p><b>PL 59</b> – Esperance Pipeline Co. Pty Limited – 0.01%</p> <p><b>R 13436</b> (“C” Class Reserve – Water) – 0.4%</p>	Esperance Nyungar Proponent Standard Heritage Agreement

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
		Expiry 02/12/2026				<p>The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on Grass Patch Townsite, Water Reserve 13436, Water Supply Reserve 14193, Water Reserve 19231, Water Tank No 8 Reserve 21356, Water and Gravel Reserve 19856, Water Supply (Tank No 14) Reserve 20851, Water Supply Purposes Reserve 21954, Water Tank 21357, Water Tank 21362, Landscape Protection and Water Reserve 20064, Rubbish Disposal Site 34614, Resting Place for Travellers and Stock Reserve 8102, Parkland Reserve 24007, Railway Purposes Reserve 36667, Railway Purposes Reserve 37143 and Hall Site and Recreation Reserve 18877.</p> <p>No exploration activities on Cemetery Reserve 16407 and Cemetary Reserve 20647 and such activities within a distance of 140 metres laterally from the Reserve being confined to below a depth of 50 metres from the lowest part of the surface of the land with rights of ingress to and egress from the said Reserve being at all times preserved to the public.</p> <p>No interference with Geodetic Survey Stations Esperance 105, Esperance 105T, Esperance 106, Esperance 107, Red Lake, Red Lake T and Symonds and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.</p> <p>In areas of native vegetation within the tenement, no exploration activities commencing until the licensee provides a plan of management to prevent the spread of dieback disease (Phytophthera species) to the Executive Director, Resource and Environmental Compliance, DMIRS for assessment and until the written approval of the Executive Director has been received. All exploration activities shall then comply with the commitments made in the management plan.</p>	<p><b>R 14193</b> ("C" Class Reserve – Water Supply) – 0.05%</p> <p><b>R 16407</b> ("C" Class Reserve – Cemetery) – 0.01%</p> <p><b>R 18877</b> ("C" Class Reserve – Hall Site &amp; Recreation) – 0.02%</p> <p><b>R 19023</b> ("C" Class Reserve – Church Site Church of England) – &lt;0.01%</p> <p><b>R 19231</b> ("C" Class Reserve – Water) – 0.11%</p> <p><b>R 19282</b> ("C" Class Reserve – Methodist) – &lt;0.01%</p> <p><b>R 19624</b> ("C" Class Reserve – Recreation &amp; Racecourse) – 0.07%</p> <p><b>R 19856</b> ("C" Class Reserve – Water and Gravel) – 0.08%</p> <p><b>R 20064</b> ("C" Class Reserve – Landscape Protection and Water) – 0.14%</p>	

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
						<p>No mining within 25 metres of either side of the petroleum pipeline licence area of PL 59 and to a depth of 50 metres being the Consultation Area as shown in TENGRAPH, without the mining tenement holder and the petroleum pipeline licensee consulting with each other and reaching agreement on access and mining activities to be undertaken within the Consultation Area.</p> <p>No surface excavation approaching closer to the boundary of the Consultation Area than a distance equal to three times the depth of the excavation without the mining tenement holder and the petroleum pipeline licensee reaching agreement as to a lesser distance.</p> <p>No explosives being used or stored within 150 metres of the petroleum licence area without the mining tenement holder and the petroleum pipeline licensee reaching agreement as to a lesser distance.</p> <p>The rights of ingress to and egress from the petroleum pipeline licence area being at all times preserved for the employees, contractors and agents of the owners and operators of the pipeline.</p> <p>Such further conditions as may from time to time be imposed by the Minister responsible for the Mining Act 1978 for the purposes of protecting the pipeline and any existing condition imposed for this purpose may be cancelled or varied.</p> <p>No mining within 30 metres of either side and to a depth of 15 metres of the Rail Corridor Land 4 (RCL 4 Grass Patch to Salmon Gums) and Railway Corridor Land 3 (RCL 3 Fleming to Grass Patch) as shown in TENGRAPH without the prior written approval of the Minister responsible for the Mining Act 1978.</p> <p>No surface excavation approaching closer to the boundary of the Safety Zone established by</p>	<p><b>R 20107</b> ("C" Class Reserve – Excepted from Sale) – &lt;0.01%</p> <p><b>R 20647</b> ("C" Class Reserve – Cemetery) – 0.01%</p> <p><b>R 20851</b> ("C" Class Reserve – Water Supply (Tank No. 14)) – 0.03%</p> <p><b>R 21356</b> ("C" Class Reserve – Water Tank No 8) – 0.13%</p> <p><b>R 21357</b> ("C" Class Reserve – Water Tank) – 0.07%</p> <p><b>R 21362</b> ("C" Class Reserve – Water Tank) – 0.07%</p> <p><b>R 21954</b> ("C" Class Reserve – Water Supply Purposes) – 0.06%</p> <p><b>R 24007</b> ("C" Class Reserve – Parkland) – 0.19%</p> <p><b>R 27099</b> ("C" Class Reserve – School site) – 0.01%</p> <p><b>R 27160</b> ("C" Class Reserve – Sanitary &amp; Rubbish Disposal</p>	

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
						<p>Condition 14 hereof than a distance equal to three times the depth of the excavation without the prior written approval of Mines Safety, DMIRS.</p> <p>Mining below 15 metres from the natural surface of the land in the Safety Zone established in Condition 14 hereof being approved by Mines Safety, DMIRS in consultation with the operator of the railway on corridor land.</p> <p>No interference with the drainage pattern, and no parking, storage or movement of equipment or vehicles used in the course of mining within the Safety Zone established by Condition 14 hereof without the prior approval of the operator of the railway on corridor land.</p> <p>The Licensee not excavating, drilling, installing, erecting, depositing or permitting to be excavated, drilled, installed, erected or deposited within the Safety Zone established in Condition 14 hereof, any pit, well, pavement, foundation, building, or other structure or installation, or material of any nature whatsoever without the prior written consent of Mines Safety, DMIRS.</p> <p>No explosives being used or stored within one hundred and fifty (150) metres of the rail corridor land without the prior written consent of the Director, Dangerous Goods and Petroleum Safety, DMIRS.</p> <p>The rights of ingress to and egress from the rail corridor land being at all times preserved to the employees, contractors and agents of the operator of the railway on corridor land, and the Public Transport Authority of WA.</p> <p>Such further conditions as may from time to time be imposed by the Minister responsible for the Mining Act 1978 for the purpose of protecting the rail corridor land.</p>	<p>Site) – &lt;0.01%</p> <p><b>R 27617</b> (“C” Class Reserve – Water Supply) – &lt;0.01%</p> <p><b>R 30301</b> (“C” Class Reserve – Shire Depot) – &lt;0.01%</p> <p><b>R 30395</b> (“C” Class Reserve – Recreation) – 0.01%</p> <p><b>R 34614</b> (“C” Class Reserve – Rubbish Disposal Site) – 0.01%</p> <p><b>R 3582</b> (“C” Class Reserve – Water) – &lt;0.01%</p> <p><b>R 36667</b> (“C” Class Reserve – Railway Purposes) – &lt;0.01%</p> <p><b>R 37143</b> (“C” Class Reserve – Railway Purposes) – 0.01%</p> <p><b>R 45239</b> (“C” Class Reserve – Parking &amp; Public Convenience) – &lt;0.01%</p> <p><b>R 8102</b> (“C” Class Reserve – Resting Place for Travellers &amp; Stock) – 0.02%</p> <p><b>4 unnumbered</b></p>	

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
						<p>Esperance Nyungar ILUA condition (see footnote 1).</p> <p>The land the subject of this Licence affects Threatened and Priority Flora (88015, 99674, 99675, 99678, 109526, 109535, 109538, 109540, 18172, 118209, 120149) declared under the the Biodiversity Conservation Act 2016. The Licensee is advised to contact the Department of Biodiversity Conservation and Attractions via email address flora.data@dbca.wa.gov.au (with ID numbers) to receive the population details and information on the management of Threatened and Priority Flora present within the tenement area.</p>	<p><b>railway reserves</b> – 0.11%</p> <p><b>80 road reserves</b></p> <p><b>291 Freehold lots</b> – 96.28%</p> <p><b>Unallocated Crown land</b> – 0.5%</p> <p><b>FNA 11274</b> (Esperance Nyungar native title final land package) – &lt;0.01%</p> <p><b>FNA 11687</b> (transfer of lease 859956 into rural residential freehold) – &lt;0.01%</p> <p><b>FNA 14487</b> (proposed amalgamation of UCL lots 44 and 45 into adjoining reserve 45239, being lot 43) – &lt;0.01%</p> <p><b>FNA 14518</b> (proposed closer of Logan street for subsequent amalgamation into adjoining freehold lot 1) – &lt;0.01%</p> <p><b>FNA 14519</b> (proposed amalgamation of UCL lots 561 562) –</p>	

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
							0.02%  <b>FNA 14520</b> (proposed closure of unconstructed road for subsequent amalgamation into adjoining rail corridor) – <0.01%  <b>FNA 16007</b> (proposed section 91 licence over portion of Logan street, being lot 500, for weigh station and receival site, grass patch) – <0.01%  <b>FNA 16194</b> (proposed request from Department of Water and Environmental Regulation for a section 91 licence over UCL lot 350 on deposited plan 4055570 grass patch) – 0.06%  <b>FNA 16314</b> (proposed change of purpose of reserve 19624, being lots 33, 34, 501 and 502, grass patch) – 0.07%  <b>FNA 7569</b> (freehold grass patch lots 36, 41, 47 and 50) – <0.01%	

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
							<p><b>FNA 8117</b> (proposed change of purpose for reserve 8102 to conservation of flora &amp; fauna) – 0.02%</p> <p><b>Rail corridor land</b> (Fleming to Grass Patch) – 0.01%</p> <p><b>Rail corridor land</b> (Grass Patch to Salmon Gums) – 0.15%</p>	
E63/2153 40,550.60 hectares	Grass Patch Metals Pty Ltd	<p>Application 18/10/2021</p> <p>Grant N/A</p> <p>Expiry N/A</p>	<p>Minimum N/A</p> <p>Reported N/A</p>	N/A	N/A	N/A (not yet granted)	<p><b>PL 59</b> – Esperance Pipeline Co. Pty Limited – &lt;0.01%</p> <p><b>R 13328</b> (“C” Class Reserve – Water under Act 57 Vict 20) – 1.32%</p> <p><b>R 19231</b> (“C” Class Reserve – Water) – 0.1%</p> <p><b>R 19549</b> (“C” Class Reserve – Experimental Farm) – 1.57%</p> <p><b>R 21358</b> (“C” Class Reserve – Water Tank) – 0.34%</p> <p><b>R 21359</b> (“C” Class Reserve – Water Tank) – 0.07%</p> <p><b>R 21361</b> (“C” Class</p>	Esperance Nyungar Proponent Standard Heritage Agreement

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
							Reserve – Water Tank) – 1.09%  <b>R 50434</b> (“C” Class Reserve – Water Supply) – 0.37%  <b>2 unnumbered railway reserves</b> – 0.04%  <b>38 road reserves</b>  <b>121 Freehold lots</b> – 89.29%  <b>Unallocated Crown land</b> – 3.92%  <b>FNA 13989</b> (proposed creation of reserve and management order for extension of the State Barrier Fence) – 0.02%  <b>FNA 15027</b> (proposed additions to peak Charles national park (class A)) – 3.87%  <b>FNA 15755</b> (proposed nature over lot 264 and 225 on plan 202802, salmon gums) – 1.14%  <b>FNA 8104</b> (proposed nature reserve for fitzgerald	

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
							locations 225 & 264) – 1.14%  <b>PNP 36</b> (Proposed National Park) – 3.87%  <b>Rail Corridor Land</b> (Salmon Gums to Daniell Siding) – 0.03%  <b>Salmon Gums Catchment Area</b> – 1.11%  <b>RPZ 979</b> – 1.11%	
E63/2154 43,309.27 hectares	Grass Patch Metals Pty Ltd	Application 18/10/2021  Grant 06/12/2021  Expiry 05/12/2026	Minimum \$151,000  Reported  N/A	118/2022	N/A	The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on Water Tank No 13 Reserve 19965, Recreation and Parklands Reserve 26912, Park Reserve 26913, Parklands Reserve 31739 and Quarry Reserve 41024.  No interference with Geodetic Survey Stations Esperance 98, Ravensthorpe 16 and Ravensthorpe 16A and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.  No interference with the use of the Aerial Landing Ground and mining thereon being confined to below a depth of 15 metres from the natural surface.  The prior written consent of the Minister responsible for the Mining Act 1978 being obtained, with the concurrence of the Minister for Environment, before entering or commencing any prospecting or exploration activity on Conservation	<b>R 19965</b> (“C” Class Reserve – Water Tank No. 13) – 0.09%  <b>R 26912</b> (“C” Class Reserve – Recreation & Parklands) – 3.66%  <b>R 26913</b> (“C” Class Reserve – Park) – 2.04%  <b>R 26915</b> (“C” Class Reserve – Public Utility) – 0.28%  <b>R 29012</b> (“A” Class Reserve – Conservation of flora & fauna) – <0.01%  <b>R 31739</b> (“C” Class	Esperance Nyungar Proponent Standard Heritage Agreement

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
						<p>of Flora and Fauna Reserve 29012.</p> <p>Esperance Nyungar ILUA condition (see footnote 1).</p> <p>The land the subject of this Licence affects Rare Flora sites (DRF100247, DRF100248, DRF100249, DRF 100250, DRF 100252, DRF 100253, DRF 100254, DRF 100255, DRF 100256, DRF 100257, DRF 109509, DRF 114490, DRF 114491, DRF 114509, DRF 115029, DRF 115050, DRF 115051, DRF 115069, DRF88976, DRF88977, DRF 88979 and DRF88980) declared under the Wildlife Conservation Act 1950. The Licensee is advised to contact the Department of Biodiversity Conservation and Attractions via email address flora.data@dbca.wa.gov.au (with ID numbers) to receive the population details and information on the management of Declared Rare Flora (or Priority Listed Flora) present within the tenement area.</p>	<p>Reserve – Parklands) – 0.06%</p> <p><b>R 41024</b> (“C” Class Reserve – Quarry) – 0.06%</p> <p><b>17 road reserves</b></p> <p><b>62 Freehold lots</b> – 87.08%</p> <p><b>Unallocated Crown land</b> – 0.34%</p> <p><b>FNA 13473</b> (proposed closure of portion of Thomas road, for amalgamation with adjoining lots and easement, scaddan) – 0.02%</p> <p><b>FNA 16197</b> (proposed change of management order and purpose of reserve 26912 to conservation of flora and fauna and reclassify to class A) – 3.66%</p> <p><b>PNR 73</b> (proposed nature reserve) – 0.06%</p> <p><b>PNR 74</b> (proposed nature reserve) – 2.04%</p>	

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
E63/2185 6,308.64 hectares	Grass Patch Metals Pty Ltd	Application 19/01/2022 Grant 01/03/2022 Expiry 28/02/2022	Minimum \$22,000 Reported N/A	118/2022	N/A	<p>The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on Park Reserve 26913 and Parklands Reserve 31739.</p> <p>No interference with Geodetic Survey Station SSM - Ravensthorpe 56 &amp; 56T and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.</p> <p>Esperance Nyungar ILUA condition (see footnote 1).</p> <p>The land the subject of this Licence affects Threatened and Priority Flora (DRF115030 ) declared under the Biodiversity Conservation Act 2016. The Licensee is advised to contact the Department of Biodiversity Conservation and Attractions via email address flora.data@dbca.wa.gov.au (with ID numbers) to receive the population details and information on the management of Threatened and Priority Flora present within the tenement area.</p>	<p><b>R 26913</b> ("C" Class Reserve – Park) – 6.65%</p> <p><b>R 31739</b> ("A" Class Reserve – Parklands) – 37.56%</p> <p><b>2 road reserves</b></p> <p><b>9 Freehold lots</b> – 53.45%</p> <p><b>PNR 73</b> (proposed nature reserve) – 37.56%</p> <p><b>PNR 74</b> (proposed nature reserve) – 6.65%</p>	Esperance Nyungar Proponent Standard Heritage Agreement
E74/693 19,555.51 hectares	Grass Patch Metals Pty Ltd	Application 18/10/2021 Grant N/A Expiry N/A	Minimum N/A Reported N/A	N/A	N/A	N/A (not yet granted)	<p><b>R 2786</b> ("C" Class Reserve – Resting Place) – 0.2%</p> <p><b>One road reserves</b></p> <p><b>2 Freehold lots</b> – 0.85%</p> <p><b>Unallocated Crown land</b> – 98.72%</p> <p><b>FNA 13989</b> (proposed creation of reserve and management order for extension of the</p>	Esperance Nyungar Proponent Standard Heritage Agreement

Grass Patch Tenements								
Project, Tenement and Area	Registered Holder/ Applicant	Application, Grant and Expiry Dates	2022 Minimum Expenditure and Reported Expenditure	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests	Material Contracts affecting tenure
							State Barrier Fence) – 0.1%  <b>FNA 15027</b> (proposed additions to peak Charles national park (class A)) – 98.92%  <b>PNP 36</b> (proposed national park) – 98.18%  <b>PNP 37</b> (proposed national park) – 0.2%)	

## PART II – NATIVE TITLE CLAIMS AND ABORIGINAL HERITAGE

### Native Title Claims

Tenement	NNTT Number	Federal Court Number	Application Name	Status	Determination Date	Overlap
<b>Odette Six Tenements</b>						
E63/2115	WCD2014/004	WAD6020/1998	Ngadju	Determined – native title exists in the entire determination area	21/11/2014	9.15%
	WCD2014/002	WAD6097/1998	The Esperance Nyungars	Determined – native title exists in parts of the determination area	14/03/2014	90.85%
E69/3893	WCD2014/004	WAD6020/1998	Ngadju	Determined – native title exists in the entire determination area	21/11/2014	99.72%
	WCD2014/002	WAD6097/1998	The Esperance Nyungars	Determined – native title exists in parts of the determination area	14/03/2014	0.1%
E69/3894	WCD2014/004	WAD6020/1998	Ngadju	Determined – native title exists in the entire determination area	21/11/2014	99.63%
E69/3904	WCD2014/004	WAD6020/1998	Ngadju	Determined – native title exists in the entire determination area	21/11/2014	100%
E69/3905	WCD2014/004	WAD6020/1998	Ngadju	Determined – native title exists in the entire determination area	21/11/2014	35.49%
	WCD2014/002	WAD6097/1998	The Esperance Nyungars	Determined – native title exists in parts of the determination area	14/03/2014	64.26%
E69/3907	WCD2014/004	WAD6020/1998	Ngadju	Determined – native title exists in the entire determination area	21/11/2014	100%
<b>Grass Patch Tenements</b>						
E63/2151	WCD2014/002	WAD6097/1998	The Esperance Nyungars	Determined – native title exists in parts of the determination area	14/03/2014	100%
E63/2152	WCD2014/002	WAD6097/1998	The Esperance Nyungars	Determined – native title exists in parts of the determination area	14/03/2014	100%

E63/2153	WCD2014/002	WAD6097/1998	The Esperance Nyungars	Determined – native title exists in parts of the determination area	14/03/2014	100%
E63/2154	WCD2014/002	WAD6097/1998	The Esperance Nyungars	Determined – native title exists in parts of the determination area	14/03/2014	100%
E63/2185	WCD2014/002	WAD6097/1998	The Esperance Nyungars	Determined – native title exists in parts of the determination area	14/03/2014	100%
E74/693	WCD2014/002	WAD6097/1998	The Esperance Nyungars	Determined – native title exists in parts of the determination area	14/03/2014	100%

## ILUAs

Tenement	ILUA Number	Short Name	Type	Overlap
<b>Odette Six Tenements</b>				
E63/2115	WI2014/006	Esperance Nyungar Government ILUA	Area Agreement	90.75%
	WI2022/001	State Barrier Fence (Esperance Nyungar Country)	Area Agreement	0.11%
E69/3893	WI2014/006	Esperance Nyungar Government ILUA	Area Agreement	0.1%
E69/3905	WI2014/006	Esperance Nyungar Government ILUA	Area Agreement	64.23%
	WI2022/001	State Barrier Fence (Esperance Nyungar Country)	Area Agreement	0.1%
<b>Grass Patch Tenements</b>				
E63/2151	WI2014/006	Esperance Nyungar Government ILUA	Area Agreement	100%
E63/2152	WI2014/006	Esperance Nyungar Government ILUA	Area Agreement	81.23%
E63/2153	WI2014/006	Esperance Nyungar Government ILUA	Area Agreement	80.1%
	WI2022/001	State Barrier Fence (Esperance Nyungar Country)	Area Agreement	0.02%
E63/2154	WI2014/006	Esperance Nyungar Government ILUA	Area Agreement	100%
E63/2185	WI2014/006	Esperance Nyungar Government ILUA	Area Agreement	100%
E74/693	WI2014/006	Esperance Nyungar Government ILUA	Area Agreement	100%
	WI2022/001	State Barrier Fence (Esperance Nyungar Country)	Area Agreement	0.08%

## Aboriginal Heritage Information

Tenement	Registered Aboriginal Site/s	Other Heritage Places
<b>Odette Six Tenements</b>		
E63/2115	N/A	N/A
E69/3893	Mt Buraminya (ID 491) – Man-Made Structure, Water Source	N/A
E69/3894	Breeboorinia (ID 1642) – Artefacts / Scatter, Natural Feature, Water Source	Deralinya (ID 1641) – Artefacts / Scatter, Historical Camp, Water Source – lodged

Tenement	Registered Aboriginal Site/s	Other Heritage Places
E69/3904	N/A	N/A
E69/3905	N/A	N/A
E69/3907	N/A	N/A
<b>Grass Patch Tenements</b>		
E63/2151	Dalyup River (ID 38516) – Mythological, Water Source	Esperance Aboriginal Reserve (ID 20604) – Camp – lodged Truslove Nature Reserve (ID 20606) – Skeletal Material / Burial, Plant Resources - lodged
E63/2152	Red Lake (ID 1459) – Artefacts / Scatter	N/A
E63/2153	N/A	N/A
E63/2154	Lort River (ID 26266) – Mythological, Other: weir type fishtraps	Bald Rock (ID 2159) – Artefacts / Scatter - lodged
E63/2185	Lort River (ID 26266) – Mythological, Other: weir type fishtraps	N/A
E74/693	N/A	N/A

**Attachment 3 – Independent Limited Assurance Report**

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6 May 2022

The Board of Directors  
OD6 Metals Limited  
Level 1  
46-50 Kings Park Road  
WEST PERTH WA 6005

Dear Board of Directors

## Independent Limited Assurance Report on OD6 Metals Limited Historical and Pro forma Financial Information

We have been engaged by OD6 Metals Limited (“OD6”) to prepare this Independent Limited Assurance Report (“Report”) in relation to certain financial information of OD6 Metals Limited for inclusion in the Prospectus.

The Prospectus (or “the document”) is issued for the purposes of raising a minimum of \$6,000,000 before associated costs based on the minimum Public Offer subscription, or a maximum of \$8,000,000 before costs based on a maximum Public Offer subscription; to assist the Company to meet the requirements for listing on the Australian Securities Exchange (“ASX”).

Broadly, the Prospectus will raise a minimum of \$6,000,000 through the issue of 30,000,000 Ordinary Shares at an issue price of \$0.20 per Share or a maximum of \$8,000,000 through the issue of 40,000,000 Ordinary Shares at an issue price of \$0.20 per Share.

Expressions and terms defined in the document have the same meaning in this Report. This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

### Scope

You have requested Hall Chadwick WA Audit Pty Ltd (“Hall Chadwick”) to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

You have requested Hall Chadwick to review the following historical financial information (together the “Historical Financial Information”) of the Company included in the Prospectus:

- (a) The historical Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2021 for Odette Six Pty Ltd and 31 December 2021 for OD6 Metals Limited;
- (b) The historical Statement of Financial Position as at 30 June 2021 for Odette Six Pty Ltd and 31 December 2021 for OD6 Metals Limited;
- (c) The historical Statement of Cash Flows for the period ended 30 June 2021 for Odette Six Pty Ltd and 31 December 2021 for OD6 Metals Limited.

The Historical Financial Information of Odette Six Pty Ltd and OD6 Metals Limited have been extracted from the audited historical financial statements for 30 June 2021 and reviewed historical financial statements for 31 December 2021 respectively. The financial report for the period ended 30 June 2021 was audited by Hall Chadwick in accordance with Australian Auditing Standards. The half year financial report for the period ended 31 December 2021 was reviewed by Hall Chadwick. An unqualified audit opinion was issued for 30 June 2021 with a material uncertainty on going concern and an unqualified review conclusion was issued for 31 December 2021 with a material uncertainty on going concern.

## Pro Forma Historical Financial Information

You have requested Hall Chadwick to review the pro forma historical Statement of Financial Position as at 31 December 2021 referred to as “the pro forma historical financial information.”

The pro forma historical financial information has been derived from the historical financial information of the Company, after adjusting for the effects of the subsequent events and pro forma adjustments described in note 2 of section 4.8 of the Prospectus. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in note 2 of section 4.8 of the Prospectus, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the pro forma historical financial information does not represent the company’s actual or prospective financial position or financial performance.

The pro-forma historical financial information has been prepared by adjusting the statement of financial position of OD6 Metals Limited as at 31 December 2021 to reflect the financial effects of the following subsequent events which have occurred since 31 December 2021:

- (a) The company repaid outstanding creditors of \$320,000.
- (b) The company repaid outstanding borrowings of \$231,578.
- (c) The Company completed the issue of 18,350,000 ordinary shares at \$0.10 per share of which funds of \$1,835,000 had been received.
- (d) The issue of 300,000 Recruiter Options to Contractor (Acacia), each with an exercise price of \$0.30 and an expiry of 13 April 2025. These options have a valuation of \$28,675.

And the following pro forma transactions which are yet to occur, but are proposed to occur following completion of the capital raising:

- (a) the issue of a minimum of 30,000,000 Shares at \$0.02 per Share to raise \$6,000,000 (before costs) (Minimum Subscription) and up to 40,000,000 Shares at \$0.02 per Share to raise up to \$8,000,000 (before costs) (Maximum Subscription);
- (b) Costs of the Offers include capital raising fees payable to the Lead Manager and other costs of the Offers, which are estimated to be \$792,507 assuming the Minimum Subscription is raised, of which \$627,724 is offset against contributed equity and \$164,783 is recognised in Profit or Loss, or \$894,758 assuming the Maximum Subscription is raised, of which \$713,511 is offset against contributed equity and \$181,247 is recognised in Profit or Loss. Included in the costs are:
  - i. Capital Raising Fees payable to the Lead Manager totaling \$300,000 (assuming the Minimum Subscription is raised) and \$400,000 (assuming the Maximum Subscription is raised), pertaining to 5% of all funds raised under the Capital Raising Offer; and
  - ii. the issue to the Lead Manager of 2,500,000 Lead Manager Options exercisable at \$0.30 each with a term of 3 years from their date of issue. The Lead Manager Options are valued at \$0.0956 per Lead Manager Option, amounting to a total value of \$238,960.
- (c) the issue of 3,850,000 Incentive Options to the Directors and management, each with an exercise price of \$0.30 and an expiry 31 March 2026. These options will be issued to the Directors and management or their nominees with a valuation of \$430,200.

Recipient	Number
Brett Hazelden	1,500,000
Darren Holden	500,000
Piers Lewis	350,000
Mitch Loan	350,000
Troy Cavanagh	125,000
Joel Ives	125,000
Timothy Jones	900,000
<b>Total</b>	<b>3,850,000</b>

- (d) The issue of 2,500,000 MD Performance Rights to the Managing Director are valued at \$0.08 (Class A MD Performance Rights) and \$0.04 (Class B MD Performance Rights) each with a total valuation of \$140,000. Details of the probabilities assigned to the milestones attached to the MD Performance Rights are set out in Note 6(c) of section 4.8.
- (e) The issue of 1,500,000 Performance Options to Non-Executive Director, Dr Mitch Loan with an exercise price of \$0.50 and an expiry 31 March 2026. These options were valued at \$0.0937 each. Management has assigned 20% probability to achieving the performance milestone and a value of \$28,118 was recognised

## Directors' Responsibility

The directors of the Company are responsible for the preparation of the historical financial information and pro forma historical financial information, including the selection and determination of pro forma adjustments made to the historical financial information and included in the pro forma historical financial information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of historical financial information and pro forma historical financial information that are free from material misstatement, whether due to fraud or error.

## Our Responsibility

Our responsibility is to express limited assurance conclusions on the historical financial information and pro forma historical financial information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

## Historical Financial Information

### Conclusions

#### *Historical Financial Information*

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the historical financial information for the Company comprising:

- i. The historical Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2021 for Odette Six Pty Ltd and 31 December 2021 for OD6 Metals Limited;
- ii. The historical Statement of Financial Position as at 30 June 2021 for Odette Six Pty Ltd and 31 December 2021 for OD6 Metals Limited;
- iii. The historical Statement of Cash Flows for the period ended 30 June 2021 for Odette Six Pty Ltd and 31 December 2021 for OD6 Metals Limited.

is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in section 4.2 of the Prospectus.

### *Pro Forma Historical Financial Information*

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the pro forma historical financial information comprising the Pro Forma Historical Statement of Financial Position of OD6 Metals Limited 31 December 2021 is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in 4.2 of the Prospectus.

### *Restriction on Use*

Without modifying our conclusions, we draw attention to section 4.1 of the Prospectus, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

### *Consent*

Hall Chadwick has consented to the inclusion of this Independent Limited Assurance Report in this disclosure document in the form and context in which it is so included (and at the date hereof, this consent has not been withdrawn), but has not authorised the issue of the disclosure document. Accordingly, Hall Chadwick makes no representation or warranties as to the completeness and accuracy of any information contained in this disclosure document, and takes no responsibility for, any other documents or material or statements in, or omissions from, this disclosure document.

### *Liability*

The Liability of Hall Chadwick is limited to the inclusion of this report in the Prospectus. Hall Chadwick makes no representation regarding, and takes no responsibility for any other statements, or material in, or omissions from the Prospectus.

### *Declaration of Interest*

Hall Chadwick does not have any interest in the outcome of this transaction or any other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Hall Chadwick will receive normal professional fees for the preparation of the report.

Yours Faithfully

  
**MARK DELAURENTIS** CA  
**Director**

# Corporate Directory

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## Directors

Dr Darren Holden  
Non-Executive Chairman

Mr Brett Hazelden  
Managing Director

Mr Piers Lewis  
Non-Executive Director

Dr Mitch Loan  
Non-Executive Director

## Joint Company Secretaries

Mr Troy Cavanagh  
Mr Joel Ives

## Registered Office

c/- LCP Group  
Level 1, 50 Kings Park Road  
West Perth WA 6005

Telephone: +61 8 6189 8515

Email: [info@od6metals.com.au](mailto:info@od6metals.com.au)

## Website

[www.OD6metals.com.au](http://www.OD6metals.com.au)

## ASX Code

OD6

## Share Registry

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

## Lead Manager

Canaccord Genuity (Australia) Limited  
Level 23, Exchange Tower  
2 The Esplanade  
Perth WA 6000

## Auditor

Hall Chadwick WA Audit Pty Ltd  
283 Rokeby Road  
Subiaco WA 6008

## Investigating Accountant

Hall Chadwick WA Audit Pty Ltd  
283 Rokeby Road  
Subiaco WA 6008

## Independent Geologist

Sahara Operations (Australia) Pty Ltd  
Unit 1, 114 Briggs Street  
Welshpool WA 6108

## Solicitor Tenement Report

Lawton MacMaster  
Level 9, 40 The Esplanade  
Perth WA 6000

## Legal Adviser

AGH Law  
Level 1, 50 Kings Park Road  
West Perth WA 6005



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 Level 1, 50 Kings Park Road  
WEST PERTH WA 6005

 [www.od6metals.com.au](http://www.od6metals.com.au)