

REACH RESOURCES LIMITED
ACN 097 982 235

ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of one (1) Share for every three (3) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.002 per Share, together with one (1) New Option for every two (2) Shares applied for and issued exercisable at \$0.003 per New Option on or before the date that is three (3) years from the date of issue (**Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.



IMPORTANT NOTICE

This Prospectus is dated 13 March 2024 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or

taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

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

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

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

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia, New Zealand, Malaysia and Singapore (together, the **Permitted Jurisdictions**).

For further information on overseas Shareholders please refer to Section 2.9.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

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

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

Target Market Determination

In accordance with the design and distribution obligations under the

Corporations Act, the Company has determined the target market for the offer of New Options issued under this Prospectus. The Company and the Lead Manager will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (www.reachresources.com.au). By making an application under the Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

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

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 6268 2641 during office hours or by emailing the Company at admin@reachresources.com.au or chris@beaufortcorp.com.au.

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

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial forecasts

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

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

The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

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

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

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 endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

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

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offer or how to accept the Offer please call the Company Secretary on +61 8 6268 2641.

CORPORATE DIRECTORY

Directors

Robert Downey
Non-Executive Chairman

Matthew O'Kane
Non-Executive Director

Sam Wright
Non-Executive Director

Company Secretary

Chris Achurch

Registered Office

Level 4
216 St Georges Terrace
PERTH WA 6000

Telephone: +61 8 6268 2641

Email: admin@reachresources.com.au
Website: www.reachresources.com.au

Share Registry*

Automatic Registry Services
Level 5
126 Phillip Street
SYDNEY NSW 2000

Telephone (within Australia): 1300 288 664
Telephone (outside Australia): +61 2 9698 5414

Auditor*

In.Corp Audit & Assurance Pty Ltd
Suite 11, Level 1
4 Ventnor Avenue
WEST PERTH WA 6005

Legal Advisers

Steinepreis Paganin
Lawyers and Consultants
Level 4
The Read Buildings
16 Milligan Street
PERTH WA 6000

Lead Manager

Westar Capital Limited
Level 4
216 St Georges Terrace
PERTH WA 6000

Telephone: +61 8 6268 2688

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

TABLE OF CONTENTS

1.	KEY OFFER INFORMATION.....	1
2.	DETAILS OF THE OFFER.....	5
3.	PURPOSE AND EFFECT OF THE OFFER.....	11
4.	RIGHTS AND LIABILITIES ATTACHING TO SECURITIES	15
5.	RISK FACTORS	20
6.	ADDITIONAL INFORMATION	28
7.	DIRECTORS' AUTHORISATION	37
8.	GLOSSARY	38

1. KEY OFFER INFORMATION

1.1 Timetable

Action	Date
Lodgement of Prospectus with the ASIC	Wednesday, 13 March 2024
Lodgement of Prospectus and Appendix 3B with ASX	Wednesday, 13 March 2024
Ex date	Wednesday, 20 March 2024
Record Date for determining Entitlements	Thursday, 21 March 2024
Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Tuesday, 26 March 2024
Last day to extend the Closing Date	Wednesday, 3 April 2024
Closing Date as at 5:00pm*	Monday, 8 April 2024
Securities quoted on a deferred settlement basis	Tuesday, 9 April 2024
ASX notified of under subscriptions	Monday, 15 April 2024
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities (before noon Sydney time)	Monday, 15 April 2024
Date of General Meeting	Monday, 15 April 2024
Quotation of the Securities	Tuesday, 16 April 2024

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Securities are expected to commence trading on ASX may vary.

1.2 Key statistics of the Offer

Shares

	Full Subscription ¹
Offer Price per Share	\$0.002
Entitlement Ratio (based on existing Shares)	1:3
Shares currently on issue ²	3,278,659,013
Shares to be issued under the Offer	1,092,886,338
Gross proceeds of the issue of Shares	\$2,185,773
Shares on issue Post-Offer	4,371,545,351

Notes:

1. Assuming the Full Subscription of \$2,185,773 is achieved under the Offer.
2. Refer to Section 4.1 for the terms of the Shares.

Options

	Full Subscription ¹
Offer Price per New Option	Nil
Option Entitlement Ratio (based on Shares subscribed for)	1:2
Options currently on issue	1,481,168,742
New Options to be issued under the Offer ³	546,443,169
Options on issue Post-Offer	2,027,611,911

Notes:

1. Assuming the Full Subscription of \$2,185,773 is achieved under the Offer.
2. Refer to Section 4.2 for the terms of the New Options.
3. The above table does not contemplate the proposed issue of Options to the Company's existing Listed Optionholders that was announced on 21 February 2024.

1.3 Key Risk Factors

Prospective investors should be aware that subscribing for Securities involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

1.4 Directors' Interests in Securities

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:

Director	Shares	Options	Performance Rights	Share Entitlement	New Option Entitlement	\$
Robert Downey	3,000,000	Nil	3,000,000	1,000,000	500,000	\$2,000
Matthew O'Kane	3,000,000	Nil	3,000,000	1,000,000	500,000	\$2,000
Sam Wright	3,000,000	Nil	3,000,000	1,000,000	500,000	\$2,000

The Board recommends all Shareholders take up their Entitlements. The Company advises that the Directors intend to take up any entitlements available to them under the Offer.

1.5 Details of Substantial Holders

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

Shareholder	Shares	%
Tasex Geological Services Pty Ltd	200,000,000	6.10%

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

1.6 Lead Manager

Westar Capital Ltd (ACN 009 372 838) (AFSL 255789) (**Westar** or **Lead Manager**) has been appointed as the lead manager of the Offer. Terms of the lead manager mandate and total fees payable are set out in Section 6.4 below.

1.7 Consolidation

As announced on 19 February 2024, the Company is proposing to seek Shareholder approval to consolidate the Company's issued capital on a 5:1 basis (**Consolidation**) at its upcoming extraordinary general meeting, to be held on or about 15 April 2024. Unless otherwise stated all references to Securities in this Prospectus are on a pre-Consolidation basis.

1.8 Effect on Control

Based on current shareholding and Entitlements of Shareholders (including substantial Shareholders) as at the date of this Prospectus, regardless of the amount raised under the Offer, no Shareholder will increase their holding, to an amount in excess of 19.9% through applying for their Entitlements.

Further as set out in Section 2.6, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

Further there will be no change to any Shareholder's voting power as a result of the issue of the New Options. Where New Options are exercised into Shares, the voting power of the Shareholders who exercise the New Options will increase. The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

1.9 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 25% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming the New Options offered pursuant to the Offer are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 33% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	0.31%	3,333,333	10,000,000	0.23%
Shareholder 2	5,000,000	0.15%	1,666,667	5,000,000	0.11%
Shareholder 3	1,500,000	0.05%	500,000	1,500,000	0.03%
Shareholder 4	400,000	0.01%	133,333	400,000	0.01%
Shareholder 5	50,000	0.00%	16,667	50,000	0.00%

Notes:

1. This is based on a share capital of 3,278,659,013 Shares as at the date of the Prospectus and assumes no Options currently on issue or other Shares are issued including New Options or Performance Rights are exercised.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.
3. This table does not consider the dilutionary effect that the New Options will have on non-participating Shareholders if the New Options are exercised.

2. DETAILS OF THE OFFER

2.1 Offer

The Offer is being made as a pro-rata non-renounceable entitlement issue of one (1) Share for every three (3) Shares held by Shareholders registered at the Record Date at an issue price of \$0.002 per Share together with one (1) New Option for every two (2) Shares subscribed for and issued. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, approximately 1,092,886,338 Shares and 546,443,169 New Options may be issued under the Offer to raise up to \$2,185,773. No funds will be raised from the issue of the New Options.

As at the date of this Prospectus the Company has 1,481,168,742 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 4.2 for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares. The New Options will be exercisable at \$0.003 on or before the date that is three (3) years from the date of issue and otherwise on the terms set out in Section 4.2.

The purpose of the Offer and the intended use of funds raised are set out in Section 3.

2.2 What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	<ul style="list-style-type: none">Should you wish to accept all of your Entitlement, then your application for your Entitlement under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully.Payment can be made by the methods set out in Section 2.3. A set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. Payment should be made for your Entitlement which you are applying.You should note that, as per the allocation policy set out in Section 2.6, Westar has the exclusive right to the placement of any Shortfall Securities	Sections 2.3 and 2.4 and 2.6.

Option	Key Considerations	For more information
	(in consultation with the Company). The decision on the number of Shortfall Securities to be allocated to you will be final.	
Take up a proportion of your Entitlement and allow the balance to lapse	<ul style="list-style-type: none"> If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus for the number of Securities you wish to take up and making payment using the methods set out in Section 2.3 below. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. 	Section 2.3 and Section 2.4
Allow all or part of your Entitlement to lapse	<ul style="list-style-type: none"> If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse. 	N/A

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

2.3 Payment options

(a) By BPAY®

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

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than your full Entitlement, these excess funds will be returned (without interest) as soon as practicable.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received**

by 5:00pm (WST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your Application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any Application in respect of your remaining Shareholdings will not be valid).

(b) By Electronic Funds Transfer (overseas applicants)

For payment by Electronic Funds Transfer (**EFT**) for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than your full Entitlement, these excess funds will be returned (without interest) as soon as practicable.

(c) By Cheque

Payment by cheque or cash will not be accepted.

2.4 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

2.5 Minimum subscription

There is no minimum subscription.

2.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.002 being the price at which Shares have been offered under the Offer.

If you do not wish to take up any part of your Entitlement, that part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Offer.

Westar has the exclusive right to the placement of any Shortfall Securities (in consultation with the Company).

Westar presently intends to allocate Shortfall Securities taking into account:

- (a) the number of Shares applied for by participants under the Offer;
- (b) the overall level of demand under the Offer;
- (c) the likelihood that participants will be long-term Shareholders;
- (d) the Company's desire to establish a wide spread of investors, including institutional investors; and
- (e) any other factors that the Company and Westar consider appropriate,

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%.

All decisions regarding the allocation of Shortfall Securities will be made by Westar and will be final and binding.

2.7 ASX listing

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

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

2.8 Issue of Securities

Securities issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for,

or where no issue is made surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

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

Holding statements for Securities issued under the Offer will be mailed as soon as practicable after the issue of Securities and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

2.9 Overseas shareholders

The Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside of the Permitted Jurisdictions.

New Zealand

The Securities are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

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

Malaysia

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to the offer of New Shares. The New Shares may not be offered, sold or issued in Malaysia except to existing shareholders of the Company. Any New Shares not taken up under the entitlement offer may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, pursuant to Part I of Schedule 6 and Schedule 7 of the Malaysian Capital Markets and Services Act 2007.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document relating to the New Shares may not be issued, circulated or

distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

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

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

Nominees and custodians

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

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$2,185,773 before costs.

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

Item	Proceeds of the Offer	Full Subscription (\$)	%
1.	Exploration and evaluation of the Company's existing projects	\$1,476,075	68%
2.	Working capital	\$494,698	23%
3.	Expenses of the Offer ¹	\$215,000	9%
	Total	\$2,185,773	100%

Notes:

1. Refer to Section 6.8 for further details relating to the estimated expenses of the Offer.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives. In the event the Offer is not fully subscribed, operational objectives are likely to be modified, which may result in delay or substantial changes to the Company's future plans. In this event (and after accounting for associated Offer costs) it is likely that the Company will appropriately scale back funds available for exploration and evaluation of the Company's existing projects.

In addition, it should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations.

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

3.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by \$1,970,772 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer;
- (b) increase the number of Shares on issue from 3,278,659,013 as at the date of this Prospectus to 4,371,545,351 Shares; and
- (c) increase the number of Options on issue from 1,481,168,742 as at the date of this Prospectus to 2,027,611,911 Options.

3.3 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue	3,278,659,013
Shares offered pursuant to the Offer	1,092,886,338
Total Shares on issue after completion of the Offer	4,371,545,351

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 4.1.

Options

	Number
Options currently on issue ¹	1,481,168,742
New Options to be issued under the Offer ³	546,443,169
Total Options on issue after completion of the Offer	2,027,611,911

Notes:

1. Comprising:
 - (a) 1,284,002,075 Listed Options exercisable at \$0.01 each on or before 20 May 2024;
 - (b) 5,000,000 unlisted Options exercisable at \$0.02 each on or before 17 April 2026;
 - (c) 5,000,000 unlisted Options exercisable at \$0.015 each on or before 17 April 2026;
 - (d) 162,166,667 unlisted Options exercisable at \$0.01 each on or before 4 August 2025; and
 - (e) 25,000,000 unlisted Options exercisable at \$0.0074 each on or before 31 December 2026.
2. The rights and liabilities attaching to the New Options are summarised in Section 4.2 of this Prospectus.
3. The above table does not contemplate the proposed issue of Options to the Company's existing Listed Optionholders that was announced on 21 February 2024.

Performance Rights

	Number
Performance Rights currently on issue	24,000,000
Performance Rights offered pursuant to the Offer	Nil
Total Performance Rights on issue after completion of the Offer	24,000,000

The capital structure on a fully diluted basis as at the date of this Prospectus would be 4,783,827,755 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 6,423,157,262 Shares.

3.4 Pro-forma balance sheet

The audit reviewed balance sheet as at 31 December 2023 and the unaudited pro-forma balance sheet as at 31 December 2023 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options or convertible securities are exercised prior to the Record Date and including expenses of the Offer.

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

	AUDIT REVIEWED 31 December 2023	UNAUDITED PROFORMA ¹
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	2,333,769	4,304,542
Trade and other receivables	162,256	162,256
TOTAL CURRENT ASSETS	2,496,025	4,466,798
NON-CURRENT ASSETS		
Plant and equipment	64,053	64,053
Exploration assets	8,253,876	8,253,876
TOTAL NON-CURRENT ASSETS	8,317,929	8,317,929
TOTAL ASSETS	10,813,954	12,784,727
CURRENT LIABILITIES		
Trade and other payables	970,547	970,547
TOTAL CURRENT LIABILITIES	970,547	970,547
TOTAL LIABILITIES	970,547	970,547
NET ASSETS (LIABILITIES)	9,843,407	11,814,180
EQUITY		
Issued capital	26,777,810	28,963,583
Reserves	369,050	154,050

	AUDIT REVIEWED 31 December 2023	UNAUDITED PROFORMA ¹
	\$	\$
Accumulated losses	(17,303,453)	(17,303,453)
TOTAL EQUITY	9,843,407	11,814,180

Notes:

1. Assumes the Offer is fully subscribed.
2. The pro forma balance sheet does not contemplate the upfront cash payment of \$3,200,000 to be paid Delta Lithium Ltd to the Company on the commencement of the earn-in. Further details in respect of the agreement with Delta Lithium Ltd are set out in the announcement dated 11 March 2024.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

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

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

(b) Voting rights

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

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

(c) Dividend rights

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

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

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

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

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

(f) **Transfer of shares**

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

(g) **Future increase in capital**

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

(h) **Variation of rights**

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

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

(i) **Alteration of constitution**

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

4.2 **Terms of New Options**

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.003 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on the date which is three (3) years from the date of issue (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The New Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

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

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all 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
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

If a notice delivered under (g)(ii) for any reason is not effective 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.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

A New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.

(l) **Transferability**

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

5. RISK FACTORS

5.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Company specific

Risk Category	Risk
Potential for dilution	<p>In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 25% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).</p> <p>No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming the New Options offered pursuant to the Offer are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 33% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.</p>

Risk Category	Risk
	<p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.004 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.</p>
<p>Additional requirements for capital</p>	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
<p>Going Concern</p>	<p>The Company's annual report for the financial year ended 30 June 2023 (Annual Report) includes an emphasis in relation to the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' emphasis included in the Annual Report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements.</p> <p>In the event that the Offer is not completed successfully there is material uncertainty as to whether the Company can continue as a going concern which is likely to have a material adverse effect on the Company's activities.</p>
<p>Exploration costs</p>	<p>The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.</p>

Risk Category	Risk
Exploration success	<p>The Company's tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves, among other things:</p> <ul style="list-style-type: none"> (a) discovery and proving-up, or acquiring, an economically recoverable resource or reserve; (b) access to adequate capital throughout the acquisition/discovery and project development phases; (c) securing and maintaining title to mineral exploration projects; (d) obtaining required development consents and approvals necessary for the acquisition, mineral exploration, development and production phases; and (e) accessing the necessary experienced operational staff, the applicable financial management and recruiting skilled contractors, consultants and employees. <p>There can be no assurance that exploration of the tenements, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit or that the exploration tonnage estimates and conceptual project developments discussed in this Prospectus are able to be achieved.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process and Aboriginal heritage factors, changing government regulations and many other factors beyond the control of the Company.</p>
Renewals	<p>Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the</p>

Risk Category	Risk
	<p>relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. 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.</p> <p>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 budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted tenement for reasons beyond the control of the Company could be significant.</p>
Native title and Aboriginal Heritage	<p>In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.</p> <p>The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.</p>
Climate Risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <ul style="list-style-type: none"> (a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and (b) 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

Risk Category	Risk
	which the Company operates.
Environmental	<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 mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</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 production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.</p> <p>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.</p> <p>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.</p>

5.3 General risks

Risk Category	Risk
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration and development activities, as well as on its ability to fund those activities.
Market conditions	<p>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:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates;

Risk Category	Risk
	<p>(d) changes in investor sentiment toward particular market sectors;</p> <p>(e) the demand for, and supply of, capital; and</p> <p>(f) terrorism or other hostilities.</p> <p>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 and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Litigation risks	<p>The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.</p>
Dividends	<p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.</p>
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.</p>
Reliance on key personnel	<p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p>

Risk Category	Risk
Economic conditions and other global or national issues	<p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p>
Global Conflicts	<p>The current evolving conflict between Ukraine and Russia and Israel and Palestine (Ukraine and Gaza Conflicts) is impacting global economic markets. The nature and extent of the effect of the Ukraine and Gaza Conflicts 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 and Gaza Conflicts.</p> <p>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 and Gaza Conflicts, including limitations on travel and changes to import/export restrictions and arrangements involving the relevant countries may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>The Company is monitoring the situation closely and considers the impact of the Ukraine and Gaza Conflicts 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.</p>

5.4 Speculative investment

The risk factors described above, and other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Securities offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Securities.

Before deciding whether to subscribe for Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

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

6.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
12 March 2024	Update – Consolidation/Split – RR1
12 March 2024	Update – Proposed issue of securities – RR1
11 March 2024	Change of Director's Interest Notice x3
11 March 2024	Section 708A Notice

Date	Description of Announcement
11 March 2024	Notification regarding unquoted securities - RR1
11 March 2024	Application for quotation of securities - RR1
11 March 2024	Application for quotation of securities - RR1
11 March 2024	Earn in & Joint Venture Agreement with Delta Lithium
7 March 2024	Half Year Accounts
6 March 2024	Change of Share Registry Details
21 February 2024	Updated Rights Issue and Options Priority Offer
21 February 2024	Cancel - Proposed issue of securities - RR1
19 February 2024	Consolidation/Split - RR1
19 February 2024	Proposed issue of securities - RR1
19 February 2024	Proposed issue of securities - RR1
19 February 2024	Rights Issue and Options Priority Offer
9 February 2024	Morrissey Hill Phase 2 Drilling Results
31 January 2024	Quarterly Activities/Appendix 5B Cash Flow Report
5 January 2024	Notification of cessation of securities - RR1
21 December 2023	Multiple new Niobium & REE Targets at Wabli Creek
15 December 2023	Amended Phase 2 Drilling Increases Scale at Morrissey Hill
12 December 2023	Phase 2 Drilling Increases Scale at Morrissey Hill
20 November 2023	Phase 2 Drilling Commences at Morrissey Hill Lithium Project
15 November 2023	Results of Annual General Meeting
14 November 2023	Drill Rig Mobilised for Phase 2 Program at Morrissey Hill
13 November 2023	Initial Drilling Confirms Lithium System
2 November 2023	Section 708(5) Notice
2 November 2023	Application for quotation of securities - RR1
30 October 2023	Ceasing to be a substantial holder
25 October 2023	Mining Lease Acquired Adjoining Morrissey Hill
24 October 2023	Quarterly Activities/Appendix 5B Cash Flow Report
19 October 2023	South West Connect Conference - Corporate Presentation
9 October 2023	Section 708(5) Notice
9 October 2023	Application for quotation of securities - RR1
6 October 2023	Notice of Annual General Meeting & Proxy Form
6 October 2023	Notice of Annual General Meeting
4 October 2023	Section 708(5) Notice
4 October 2023	Application for quotation of securities - RR1
4 October 2023	High Grade Manganese up to 48% Mn at White Castles Project

Date	Description of Announcement
29 September 2023	Section 708(5) Notice
29 September 2023	Application for quotation of securities - RR1
27 September 2023	Section 708(5) Notice
27 September 2023	Application for quotation of securities - RR1
20 September 2023	Appendix 4G and Corporate Governance Statement

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

The announcements are also available through the Company's website www.reachresources.com.au.

6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares and New Options are, or are intended to be, enhanced disclosure securities quoted on ASX.

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

	(\$)	Date
Highest	\$0.005	20 - 21 December 2023, 27 December 2023 – 2 January 2024 and 4 January 2024
Lowest	\$0.0015	28 February 2024
Last	\$0.003	13 March 2024

Whilst it is intended that the New Options will be quoted, there is no market or trading history for the New Options. It is not possible to predict the value at which the New Options or Shares will trade be following the Entitlement Offer and the Directors do not make any representations with respect to this.

6.4 Lead Manager Mandate

The Company has signed a mandate letter to engage Westar to act as lead manager of the Offer (**Lead Manager Mandate**), the material terms and conditions of which are summarised below:

Fees	Under the terms of this engagement, the Company will pay the Lead Manager: (a) a fee of 6% of total funds raised under the Offer (plus GST); and (b) a \$35,000 signing fee (plus GST).
Reimbursement of Expenses	The Company will reimburse the Lead Manager all reasonable travel and other out of pocket expenses

	<p>including legal fees properly incurred in relation to the engagement of the Lead Manager under the Lead Manager Mandate, irrespective of completion of the Placement.</p> <p>Any expense incurred above \$2,000 will require prior approval of the Company.</p>
Termination	<p>(a) The Lead Manager Mandate may be terminated by the Company at any time prior to the issue of Securities under the Offer:</p> <ul style="list-style-type: none"> (i) if the Lead Manager fails to rectify any material breach of the Lead Manager Mandate, having been given 10 business days' notice in writing by the Company of such breach having occurred; or (ii) on a no-fault basis with 10 business days' notice in writing by the Company. <p>(b) The Lead Manager may terminate the Lead Manager Mandate at any time, if one or more of the following events occur in its sole and absolute opinion:</p> <ul style="list-style-type: none"> (i) the Australian equity capital market conditions and/or ASX trading conditions are such that they are not, in the bona fide judgement of the Lead Manager, conducive to the successful completion of the Lead Manager Mandate or other events beyond the control of the Lead Manager are so material and adverse as to make it impracticable or inadvisable to proceed with the Offer on the terms and in the manner contemplated; (ii) there is a material adverse effect including any adverse change in the assets, liabilities, financial position or prospects of the Company as disclosed to the ASX and/or to the Lead Manager, other than for the costs incurred by the Company in relation to the Offer; (iii) there is a false or misleading statement, material omission or misrepresentation in the information supplied to the Lead Manager or any presentation materials; (iv) any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or the international financial markets, or any material adverse change occurs in national or international political, financial or economic conditions, the effect of which is that, it is impracticable to market the Offer or to enforce any contract to issue and allot the Shares or that the success of the

	<p>Offer is likely to be adversely affected;</p> <p>(v) there is introduced, or there is a public announcement of a proposal to introduce, into the parliament of Australia or any state of Australia, a new law, or the Reserve Bank of Australia, any federal or state authority of Australia adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Lead Manager Mandate), which does or is likely to prohibit or regulate financial institutions or credit providers, capital issues or stock markets;</p> <p>(vi) ASX gives formal or informal notice that the Shares under the Offer will not be unconditionally quoted on the official list of the ASX;</p> <p>(vii) ASX announces that the Shares will be delisted, removed from quotation, withdrawn from admission to trading status or suspended from trading;</p> <p>(viii) default by the Company of any material term of the Lead Manager Mandate;</p> <p>(ix) any of the warranties or representations by the Company are or become materially untrue;</p> <p>(x) a Director of the Company is charged with an indictable offence or any Director is disqualified from managing a corporation under the Corporations Act;</p> <p>(xi) ASIC commences, or threatens to commence, a proceeding, hearing or investigation in relation to the Offer;</p> <p>(xii) any government agency commences any public action, hearing or investigation against the Company or any of its directors in their capacity as a director of the Company or announces that it intends to take such action; or</p> <p>(xiii) all of the conditions to the Lead Manager Mandate have not been, or will not in the Lead Manager's sole and absolute opinion be, satisfied, or waived by the Lead Manager, prior to 30 June 2024 or such later date agreed by the Lead Manager in writing.</p>
Termination Fee	<p>If the Company terminates the Lead Manager Mandate or the Lead Manager terminates for cause, the Lead Manager will be entitled to:</p> <p>(a) reimbursement of incurred or accrued reasonable expenses up to the date of termination; and</p> <p>(b) a termination fee of \$7,500 payable by the Company within 2 Business Days of the date of</p>

	termination.
Placement of Shortfall Securities	Westar has the exclusive right to the placement of any Shortfall Securities (in consultation with the Company).
Right of First Refusal	The Company agreed to grant the Lead Manager a first right of refusal for a period of 12 months from the date of execution of the Lead Manager Mandate to act in the lead role for any future equity capital raising during this period, subject to competitive terms in respect of pricing, fees and timing relative to market practices at that time.

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

6.5 Interests of Directors

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

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

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

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (i) the Offer.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 1.4.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having

regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's Annual Report.

Director	Remuneration for the financial year ended 30 June 2023	Proposed remuneration for the financial year ending 30 June 2024 ¹
Robert Downey	\$64,649	\$63,000
Matthew O'Kane	\$37,649	\$36,000
Sam Wright	\$37,649	\$36,000

Notes:

1. Comprising director's fees.

6.6 Interests of experts and advisers

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

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

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

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer, and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:
 - (i) the formation or promotion of the Company; or

- (ii) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$25,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$13,314.50 (excluding GST and disbursements) for legal services provided to the Company.

Westar Capital Limited will be paid a broker fee of approximately \$166,146 in respect of the Offer. During the 24 months preceding lodgement of this Prospectus with the ASIC, the Lead Manager has received \$567,000 (excluding GST) in fees from the Company.

6.7 Consents

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

Each of the parties referred to in this Section:

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

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

Westar Capital Limited has given its written consent to being named as lead manager to the Company in this Prospectus.

6.8 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$215,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	\$3,206
ASX fees	\$18,059
Lead Manager Fee	\$166,146
Legal fees	\$25,000
Miscellaneous	\$2,589
Total	\$215,000

Notes:

1. Includes fee payable to the Steinepreis Paganin and other legal fees.

7. DIRECTORS' AUTHORISATION

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

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

8. GLOSSARY

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

Application Form means an Entitlement and Acceptance Form.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

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

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

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means Reach Resources Limited (ACN 097 982 235).

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

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

CRN means Customer Reference Number in relation to BPAY®.

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

Eligible Shareholder means a Shareholder as at the Record Date who is eligible to participate in the Offer.

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

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

Exercise Price means the exercise price of the New Options being \$0.003.

Full Subscription means \$2,185,773 being the maximum amount which can be raised under the Offer.

General Meeting means the extraordinary general meeting of Shareholders to be held on 15 April 2024.

Listed Option means a quoted Option in the Company's existing quoted Option class, ASX:RR1O, exercisable at \$0.01 each on or before 20 May 2024.

New Option means an Option issued on the terms set out in Section 4.2.

Offer has the meaning given in Section 2.1.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Permitted Jurisdictions means Australia, New Zealand, Malaysia and Singapore.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 1.

Section means a section of this Prospectus.

Securities means Shares and/or Options as the context requires.

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

Shareholder means a holder of a Share.

Shortfall means the Securities not applied for under the Offer (if any).

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 2.6.

Shortfall Securities means those Securities not applied for under the Offer (if any) and offered pursuant to the Shortfall Offer.

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