

**CHEMX MATERIALS LIMITED**  
**ACN 644 982 123**

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## **PROSPECTUS**

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For the offers of:

- (a) up to 11,645,837 Options to participants in the Placement, on the basis of one (1) free attaching Option for every two (2) Shares subscribed for and issued under the Placement, exercisable at \$0.09 each on or before the date that is three (3) years from the date of issue (**Placement Options**) (**Placement Options Offer**);
- (b) up to 5,208,334 Options, on the basis of one (1) free attaching Option for every two (2) Shares issued to Eligible Shareholders under the Company's security purchase plan (**SPP**), on the same terms as the Placement Options (**SPP Options**) (**SPP Options Offer**);
- (c) up to 5,208,334 Options, on the basis of one (1) free attaching Option for every two (2) Shares issued to SPP Shortfall Participants, on the same terms as the Placement Options (**Shortfall Options**) (**Shortfall Options Offer**); and
- (d) 900,000 Options to the Lead Manager, on the same terms as the Placement Options (**Broker Options**) (**Broker Options Offer**),

(together, the **Offers**).

No funds will be raised under the Offers.

### **IMPORTANT NOTICE**

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

**The Options offered under this Prospectus should be considered as speculative.**

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## CORPORATE DIRECTORY

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### Directors

Warrick Hazeldine  
*Non-Executive Chairman*

Stephen Strubel  
*Executive Director*

Alwyn Vorster  
*Non-Executive Director*

### Company Secretary

Stephen Strubel

### Registered Office

Danpalo Group Pty Ltd  
Suite 1, 1 Tully Road  
EAST PERTH WA 6004

Telephone: +61 08 6374 2070

Email: [info@chemxmaterials.com.au](mailto:info@chemxmaterials.com.au)  
Website:  
<http://www.chemxmaterials.com.au/>

### ASX Code

CMX

### Auditors\*

William Buck Audit (VIC) Pty Ltd  
Level 20, 181 William Street  
MELBOURNE VIC 3000

### Share Registry\*

Computershare Investor Services Pty  
Limited  
Level 17, 221 St Georges Terrace  
PERTH WA 6000

Telephone:  
1300 850 505 (within Australia)  
+61 (0)3 9415 4000 (international)

Website:  
<https://www.computershare.com/au>

### Lawyers

Steinepreis Paganin  
Lawyers and Consultants  
Level 4, 50 Market Street  
MELBOURNE VIC 3000

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

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## 2. TIMETABLE AND IMPORTANT NOTES

### 2.1 Timetable

Action	Date*
Record date for SPP	22 March 2024
Opening date of SPP	3 April 2024
Issue of Shares under the Placement	8 April 2024
Closing date of SPP	10 May 2024
Announcement of results of SPP	15 May 2024
Prospectus lodged with ASIC and ASX	15 May 2024
Opening date of the Offers	15 May 2024
Issue of Shares under SPP (other than Shortfall Shares (if any))	17 May 2024
Shareholder Meeting to approve issue of Options (other than Shortfall Options (if any))	27 May 2024
Closing date of the Offers (other than the Shortfall Options Offer)**	28 May 2024
Issue of Options under the Offers (other than Shortfall Options (if any))	29 May 2024
Holding statements dispatch to Applicants pursuant to the Offers	31 May 2024

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

\*\* Applicants under the Offers should ensure that they have lodged their Application Form by this date.

### 2.2 Important Notes

This Prospectus is dated 15 May 2024 and was lodged with the ASIC on that date. The ASIC, the 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 Options 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 the 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 Options the subject of this Prospectus should be considered highly speculative.

Applications for Options offered pursuant to this Prospectus can only be submitted on an original Application 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. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

### **2.3 Investment Advice**

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for Options under this Prospectus.

### **2.4 Risk factors**

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options and any Shares issued on the exercise of the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

### **2.5 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 Placement Options and SPP Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (<http://www.chemxmaterials.com.au>).

By making an application under the Placement Options Offer and SPP Options Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

### **2.6 Taxation implications**

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of applying for Options under this Prospectus.

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

### **2.7 Applicants outside Australia**

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 advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This

Prospectus does not constitute an offer of Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

## **2.8 Disclaimer**

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

## **2.9 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 our 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 our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6 of this Prospectus.

## **2.10 Website – Electronic Prospectus**

A copy of this Prospectus can be downloaded from the website of the Company at <http://www.chemxmaterials.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 an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

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.

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.

For personal use only

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### 3. DETAILS OF THE OFFERS

#### 3.1 Placement

On 25 March 2024, the Company announced it had received firm commitments from unrelated professional, sophisticated and institutional investors (**Unrelated Placement Participants**) for a placement of 21,937,508 Shares at an issue price of \$0.048 per Share to raise approximately \$1,053,000 (before costs) (**Placement**).

Subject to Shareholder approval, the Placement includes the offer of up to 10,968,754 free-attaching Placement Options, being one (1) Placement Option for every two (2) Shares subscribed for and issued pursuant to the Placement. Fractional entitlements will be rounded down to the nearest whole number.

The Shares under the Placement were issued on 8 April 2024 utilising the Company's placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A.

Additionally, the Company is seeking shareholder approval for the Directors, Mr Warrick Hazeldine, Mr Stephen Strubel and Mr Alwyn Vorster (**Related Placement Participants**) to participate in the Placement by subscribing for an aggregate of 1,354,166 Shares and 677,083 Placement Options.

Accordingly, the offer of up to 11,645,837 Placement Options to the Unrelated Placement Participants and Related Placement Participants (together, the **Placement Participants**) are the subject of the Placement Options Offer under this Prospectus.

#### 3.2 SPP

In addition to the Placement, the Company is undertaking the SPP to Eligible Shareholders (as detailed below).

Under the SPP, Eligible Shareholders, will be entitled to apply for Shares up to the value of \$30,000 at \$0.048 per Share (**SPP Share**), together with, subject to Shareholder approval, one (1) free-attaching SPP Option for every two (2) SPP Shares subscribed for and issued under the SPP. Fractional entitlements will be rounded down to the nearest whole number.

This will mean that Eligible Shareholders can participate in the capital raising on the same terms as the Placement Participants.

Further details of the Placement and the SPP (together, the **Capital Raising**) are set out in the Company's ASX announcements released on 25 March 2024, 3 April 2024 and 22 April 2024.

#### 3.3 SPP Shortfall

The terms of the SPP provide that, in the event that not all SPP Shares offered under the SPP are issued, the Shares not issued will comprise a shortfall (**SPP Shortfall**) and may be placed to unrelated sophisticated and professional investors as a separate placement, at the discretion of the Directors, at the same offer price as the SPP Share, subject to compliance with all necessary legal requirements. One Shortfall Option will be issued for every two (2) Shares applied for under the SPP Shortfall (**Shortfall Shares**) issued, meaning up to a maximum of 5,208,334 SPP Shortfall Options (on the basis that the full amount of the SPP is placed under the SPP Shortfall) may be offered to participants in the SPP Shortfall (**Shortfall Participants**). Fractional entitlements will be rounded down to the nearest whole number.



The Company intends to place the Shortfall Shares after the upcoming general meeting of Shareholders to be held on 27 May 2024 (**Meeting**). The Company reserves the right to appoint a third party manager, broker or other corporate advisor to assist in placing the SPP Shortfall and the Company may agree to pay fees upon usual commercial terms.

### **3.4 Lead Manager – Placement**

The Company appointed Sanlam, to act as lead manager to the Placement (**Lead Manager**).

Pursuant to this appointment, the Company agreed to issue, subject to Shareholder approval, 900,000 Broker Options to the Lead Manager. The Broker Options are the subject of the Broker Options Offer under this Prospectus.

### **3.5 Shareholder approvals**

The issue of the Placement Options (including to the Unrelated Placement Participants and Related Placement Participants), SPP Options and Broker Options are each subject to Shareholder approval.

Accordingly, the Company is seeking Shareholder approval for the issue of the Options under the respective Offers at the upcoming Meeting.

If Shareholder approval is obtained for the Placement Options, SPP Options and/or Broker Options, the Company will proceed with the respective issue and offer of these Options, no later than 3 months (or a later time with ASX waiver) from the date of Shareholder approval.

If Shareholder approval is not obtained for the Placement Options, SPP Options and/or Broker Options, the Company will be unable to proceed with the Offers and issue the Options.

Further information is set out in the notice of Meeting announced on 22 April 2024.

### **3.6 The Offers**

#### **3.6.1 Placement Options Offer**

The Placement Options Offer is an offer of one (1) Placement Option for every two (2) Shares subscribed for and issued to the Placement Participants, subject to Shareholder approval at the Meeting. Based on the number of Shares issued under the Placement, 11,645,837 Placement Options will be issued under the Placement Options Offer.

The terms and conditions of the Placement Options are set out in Section 5.1. All of the Shares issued upon exercise of the Placement Options will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 5.2 for further information regarding the rights and liabilities attaching to the Shares.

No funds will be raised from the issue of Placement Options as the Placement Options are free attaching to Shares issued under the Placement on a one (1) for two (2) basis.

### **3.6.2 SPP Options Offer**

The SPP Options Offer is an offer of one (1) SPP Option for every two (2) Shares subscribed for and issued to Eligible Shareholders that participated in the SPP (**SPP Participants**).

Based on the maximum number of Shares offered under the SPP, up to 5,208,334 SPP Options may be issued under the SPP Options Offer, subject to Shareholder approval at the Meeting.

The terms and conditions of the SPP Options are set out in Section 5.1. All of the Shares issued upon exercise of the SPP Options will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 5.2 for further information regarding the rights and liabilities attaching to the Shares.

No funds will be raised from the issue of SPP Options as the SPP Options are free attaching to SPP Shares issued under the SPP on a one (1) for two (2) basis.

### **3.6.3 Shortfall Options Offer**

The Shortfall Options Offer is an offer of one (1) Shortfall Option for every two (2) Shortfall Shares subscribed for and issued to Shortfall Participants.

Based on the maximum number of Shortfall Shares offered under the SPP Shortfall, up to 5,208,334 SPP Shortfall Options (on the basis that the full amount of the SPP is placed under the SPP Shortfall) may be issued under the SPP Options Offer.

The terms and conditions of the Shortfall Options are set out in Section 5.1. All of the Shares issued upon exercise of the Shortfall Options will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 5.2 for further information regarding the rights and liabilities attaching to the Shares.

No funds will be raised from the issue of Shortfall Options as the Shortfall Options are free attaching to Shortfall Shares issued under the SPP Shortfall on a one (1) for two (2) basis.

### **3.6.4 Broker Options Offer**

The Broker Options Offer is an offer of one 900,000 Broker Options to the Lead Manager.

The terms and conditions of the Broker Options are set out in Section 5.1. All of the Shares issued upon exercise of the Broker Options will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 5.2 for further information regarding the rights and liabilities attaching to the Shares.

No funds will be raised from the issue of Broker Options as they are issued in consideration for lead manager services provided by the Lead Manager under the Placement.

### **3.7 Not underwritten**

The Offers are not underwritten.

### **3.8 Minimum subscription**

There is no minimum subscription for the Offers.

### 3.9 ASX listing

The Company will not apply for official quotation on ASX of the Options offered pursuant to this Prospectus.

### 3.10 Applications

By completing an Application Form, applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

#### Placement Options Offer

The Placement Options Offer will only be extended to the Placement Participants (or their nominee/s). Application Forms will only be provided to these parties on invitation by the Directors.

No subscription monies are payable for the Placement Options offered pursuant to this Prospectus under the Placement Options Offer as the Options are being issued on the basis of one (1) Placement Option for every two (2) Shares subscribed for and issued under the Placement.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**.

#### SPP Options Offer

The SPP Options Offer will only be extended to the SPP Participants (or their nominee/s). Application Forms will only be provided to these parties on invitation by the Directors.

No subscription monies are payable for the SPP Options offered pursuant to this Prospectus under the SPP Options Offer as the SPP Options are being issued on the basis of one (1) SPP Option for every two (2) SPP Shares subscribed for and issued under the SPP.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**.

#### Shortfall Options Offer

The Shortfall Options Offer will only be extended to the Shortfall Participants (or their nominee/s). Application Forms will only be provided to these parties on invitation by the Directors.

No subscription monies are payable for the Shortfall Options offered pursuant to this Prospectus under the Shortfall Options Offer as the Shortfall Options are being issued on the basis of one (1) Shortfall Option for every two (2) Shortfall Shares subscribed for and issued under the SPP Shortfall.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on 28 August 2024, being the date 3 months from the Closing Date, or earlier date at the Company's discretion**.

## Broker Options Offer

The Broker Options Offer will only be extended to the Lead Manager (or its nominee/s). Application Forms will only be provided to these parties on invitation by the Directors.

No subscription monies are payable for the Broker Options offered pursuant to this Prospectus under the Broker Options Offer as the Broker Options are being issued in consideration for lead manager services by the Lead Manager to the Placement.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**.

### **3.11 Issue**

Options issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Holding statements for Options issued under the Offers will be mailed in accordance with the timetable set out at the commencement of this Prospectus.

### **3.12 Restrictions on the distribution of the Prospectus**

The Offers do not, and are 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.

The Offers are not being extended and Options will not be issued to applicants with a registered address which is outside Australia or New Zealand.

#### **New Zealand**

The Offers to New Zealand investors are regulated offers made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

These Offers and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offers may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

### **3.13 Enquiries**

Any questions concerning the Offers should be directed to Stephen Strubel, Company Secretary on +61 08 6374 2070 or email [info@chemxmaterials.com.au](mailto:info@chemxmaterials.com.au).

## 4. PURPOSE AND EFFECT OF THE OFFERS

### 4.1 Purpose of the Offers

The purpose of the Offers are to make an offer of Options to the Placement Participants, SPP Participants, Shortfall Participants and the Lead Manager.

Additionally, the Offers are being made such that the relief provided under *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80* with respect to the on-sale provisions of section 707 of the Corporations Act is available. Specifically, if the Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised from the issue of the Options as they are being issued free-attaching to Shares issued to Placement Participants, SPP Participants and Shortfall Participants under the Placement, SPP and SPP Shortfall, respectively, and to the Lead Manager in consideration for lead manager services provided.

### 4.2 Effect of the Offers

The principal effect of the Offers will be to increase the number of Options on issue from 37,644,774 as at the date of this Prospectus to 55,398,945.

### 4.3 Effect of the Offers on capital structure

The effect of the Offers on the Company's capital structure is set out below.

Options	Number
Options currently on issue <sup>1</sup>	37,644,774
Placement Options <sup>2,3</sup>	11,645,837
SPP Options / Shortfall Options <sup>2,3,4</sup>	5,208,334
Broker Options <sup>2,3</sup>	900,000
<b>Total Options on issue on completion of the Offers</b>	<b>55,398,945</b>

#### Notes:

- Comprising:
  - 22,693,038 quoted Options exercisable at \$0.30 each on or before 11 July 2025;
  - 2,000,000 unlisted Options exercisable at \$0.30 each on or before 18 January 2025;
  - 2,000,000 unlisted Options exercisable at \$0.30 each on or before 1 November 2024;
  - 1,500,000 unlisted Options exercisable at \$0.40 each on or before 11 July 2025;
  - 6,179,009 unlisted Options exercisable at \$0.1376 each on or before 9 October 2026;
  - 2,272,727 unlisted Options exercisable at \$0.11 each on or before 9 October 2026; and
  - 1,000,000 unlisted Options exercisable at \$0.205 each on or before 9 August 2026.
- The rights and liabilities attaching to the Options are summarised in Section 5.1 of this Prospectus.
- The issue of these Options (other than the Shortfall Options) are subject to Shareholder approval at the Meeting. Refer to Section 3.5 of this Prospectus for further details.
- In the event that all the SPP Shares are placed under the SPP, the maximum number of SPP Options will be issued and no Shortfall Options will be issued. Conversely, if no SPP Shares

are placed under the SPP, and all Shortfall Shares are placed under the SPP Shortfall, the maximum number of Shortfall Options will be issued and no SPP Options will be issued.

5. The final number of Options issued under the Offers will depend on the level of applications received under the Placement, SPP and SPP Shortfall, and the rounding of fractional entitlements of the Placement Options, SPP Options and Shortfall Options, respectively.

The Company currently has 117,280,681 Shares on issue (including 2,000,000 restricted Shares and 21,937,508 Shares issued under the Placement). The Company may issue up to an additional 10,416,667 Shares under the SPP and SPP Shortfall which is intended to occur after the date of this Prospectus. There will be no resulting change to the number of Shares on issue by virtue of the Offers.

#### 4.4 Financial effect of the Offers and pro-forma balance sheet

As stated above, there will be no proceeds from the Offers. The expenses of the Offers (approximately \$18,206) will be met from the Company's existing cash reserves. A total of approximately \$1,618,000 was raisable under the Capital Raising.

The Company's audited balance sheet as at 30 June 2023, reviewed the 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 completion of the Capital Raising and that no Options or convertible securities are exercised prior to the closing date of the Offers.

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.

	30 June 2023 (AUDITED) \$	31 December 2023 (REVIEWED) \$	Effect of Capital Raising and Offers (UNAUDITED) \$	Pro-forma 31 December 2023 (UNAUDITED) \$
<b>Current Assets</b>				
Cash and cash equivalents	798,012	1,229,526	1,513,714	2,743,240
Trade and other receivables	1,049,569	343,164	-	343,164
Other assets	25,631	78,813	-	78,813
<b>Total Current Assets</b>	<b>1,873,212</b>	<b>1,651,503</b>	<b>1,513,714</b>	<b>3,165,217</b>
Property, plant and equipment	39,279	37,608	-	37,608
Right-of-Use assets	565,785	498,128	-	498,128
Intangibles	1,105,534	1,040,179	-	1,040,179

	30 June 2023 (AUDITED) \$	31 December 2023 (REVIEWED) \$	Effect of Capital Raising and Offers (UNAUDITED) \$	Pro-forma 31 December 2023 (UNAUDITED) \$
Exploration and evaluation expenditure	4,324,509	4,696,670	-	4,696,670
Other assets	88,807	68,807	-	68,807
<b>Total non-current assets</b>	<b>6,123,914</b>	<b>6,341,392</b>	<b>-</b>	<b>6,341,392</b>
<b>Total assets</b>	<b>7,997,126</b>	<b>7,992,895</b>	<b>1,513,714</b>	<b>9,506,609</b>
Trade and other payables	636,754	394,412	-	394,412
Borrowings	-	1,389,253	-	1,389,253
Lease liabilities	117,390	124,582	-	124,582
Provisions	74,969	81,472	-	81,472
<b>Total current liabilities</b>	<b>829,113</b>	<b>1,989,719</b>	<b>-</b>	<b>1,989,719</b>
Lease liabilities	475,286	410,859	-	410,859
Provisions	249	239	-	239
<b>Total non-current liabilities</b>	<b>475,535</b>	<b>411,098</b>	<b>-</b>	<b>411,098</b>
<b>Total liabilities</b>	<b>1,304,648</b>	<b>2,400,817</b>	<b>-</b>	<b>2,400,817</b>
<b>Net assets/ (net asset deficiency)</b>	<b>6,692,478</b>	<b>5,592,078</b>	<b>1,513,714</b>	<b>7,105,792</b>
<b>Equity</b>				
Issued Capital	11,130,414	11,331,774	1,493,374	12,825,148
Reserves	1,747,206	2,208,762	20,340	2,229,102
Accumulated Losses	(6,185,142)	(7,948,458)	-	(7,948,458)
<b>Total equity/ (deficiency in equity)</b>	<b>6,692,478</b>	<b>5,592,078</b>	<b>1,513,714</b>	<b>7,105,792</b>



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## 5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

### 5.1 Terms and Conditions of Options

The terms and conditions of the Options are as follows:

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.09 (**Exercise Price**).

(c) **Expiry Date**

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

(d) **Exercise Period**

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

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) 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.

(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 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 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 Options.

If a notice delivered under (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 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 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 the Options.

(k) **Change in exercise price**

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

(l) **Transferability**

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

## 5.2 **Rights and liabilities attaching to Shares**

The following is a summary of the more significant rights and liabilities attaching to the Shares to be issued upon the exercise of the Options 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 on exercise of the Options 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.

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## 6. RISK FACTORS

### 6.1 Introduction

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

There are specific risks which relate directly to the 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 the Options.

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

### 6.2 Company specific

Risk Category	Risk
<b>Potential for dilution</b>	<p>Assuming all Options under the Offers are exercised prior to the Expiry Date, the number of Shares in the Company will increase from 117,280,681 Shares on issue at the date of this Prospectus to 135,034,852 Shares. This means that each Share will represent a significantly lower proportion of the ownership of the Company.</p> <p>It is not possible to predict what the value of the Company or a Share will be following the completion of the Offers being implemented and the Directors do not make any representation as to such matters.</p>
<b>Going concern risk</b>	<p>The Company's half year financial report for the six months ended 31 December 2023 (<b>Half Year Report</b>) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' paragraph included in the Half Year Report, the Directors believe that the Company will have sufficient funds to adequately meet the Company's current expenditure commitments and short-term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long-term working capital costs of the Company.</p>
<b>Additional requirements for capital</b>	<p>The Company's capital requirements depend on numerous factors, including the successful take up of the Offers. 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 Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If</p>

Risk Category	Risk
	<p>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 technology development and exploration programs 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>Additionally, the Company is currently in early stage discussions with a third-party lender for the advance of loan funds to be secured against, and repaid by, a future research and development tax refund payable to the Company under the Federal Government of Australia's Research and Development Tax Incentive. The funds (if provided) will help fund the Company's short-term working capital requirements. No assurance can be given that the Company will secure an advance of these loan funds.</p>
<b>Contractual risk</b>	<p>The Company has entered into a mineral rights agreement with Pirie Resources Pty Ltd (<b>Pirie</b>) under which the Company has agreed to grant Pirie mineral rights and allow Pirie the right to explore for and if warranted, develop mining operations on the Company's tenements exclusively for graphite.</p> <p>The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under these (and other) agreements.</p> <p>If the Company is unable to satisfy its undertakings under these agreements the Company's interest in their subject matter may be jeopardised.</p> <p>If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.</p>
<b>HPA Pilot Plant</b>	<p>The HiPurA®HPA Technology has been developed to a stage of confirming its ability to produce HPA at a small scale. The HiPurA®HPA Technology has not been proven at a commercial scale. Any proposed development will be subject to risks usual with this type of development including but not limited to scale up risk, cost increases, delays in milestones being reached and commissioning risk.</p> <p>The HPA Pilot Plant under construction required to confirm that the process can be upscaled to a larger scale and produce HPA within the required specifications at an economically viable cost of production is unclear. There is a risk that the proposed test work program does not produce the anticipated results to justify further development.</p> <p>Furthermore, there is a risk that delays in construction, cost increases and other commercial variables may result in further funding requirements to complete the HPA Pilot Plant.</p>

Risk Category	Risk
<b>Exploration and operating</b>	<p>The mineral exploration licences comprising the Company's Eyre Peninsula Project in South Australia (<b>Eyre Peninsula Project</b>), are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.</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, changing government regulations and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Eyre Peninsula Project and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Eyre Peninsula Project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Eyre Peninsula Project.</p>
<b>Tenure, access and grant applications of</b>	<p><b>Tenure and Renewal</b></p> <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 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 South 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>



Risk Category	Risk
	<p><b>Access</b></p> <p>A number of the Company's tenements overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities including private land, public land and areas on which native title is determined to exist.</p> <p>The key kaolin and manganese deposits located within the Eyre Peninsula Project are located on freehold farmland. As such, there are periods in the cropping cycle when access is limited. The Company will work with the landowners to reduce the impact of exploration activities on farm activities.</p>
<p><b>Reliance on key personnel</b></p>	<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> <p>The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.</p>
<p><b>Climate risk</b></p>	<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> <p>(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</p> <p>(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</p>

Risk Category	Risk
	risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.
<b>COVID-19 risk</b>	<p>The outbreak of the coronavirus disease (SARS-CoV-2 (severe acute respiratory syndrome coronavirus 2), coronavirus disease 2019 or COVID 19, including any future resurgence or evolutions or mutations thereof or any related or associated epidemic, pandemic or disease outbreak) (<b>COVID-19</b>) may continue to impact global economic markets. While COVID-19 is not currently materially affecting the Company's operations, with the potential for further outbreaks and new strains of the virus, the ongoing nature and extent of the effect of the outbreak on the performance of the Company remains unknown.</p> <p>The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by further outbreaks and new strains of COVID-19. Further, any new governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>In addition, the effects of COVID-19 on the market price of the Shares and global financial markets generally may also affect the Company's ability to raise equity or debt if and when required or require the Company to issue capital at a discount, which may result in dilution for some or all Shareholders.</p>

### 6.3 Industry specific

Risk Category	Risk
<b>Native title and Aboriginal Heritage</b>	<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>Both of the Company's tenements comprising the Eyre Peninsula Project are within the external boundaries of one Native Title determination.</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>
<b>Exploration costs</b>	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

Risk Category	Risk
	assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the processes 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 impact the Company's viability.
<b>Resource reserves and exploration</b>	<p>The Company has identified a number of exploration opportunities based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. As announced to ASX on 20 September 2023, the Company has defined a manganese Resource at the Eyre Peninsula Project. Further work is required to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work with the aim of defining a larger resource, no assurances can be given that additional exploration will result in the determination of an improved resource on any of the exploration opportunities identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.</p> <p>Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.</p>
<b>Grant of future authorisations to explore and mine</b>	If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licence and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.
<b>Mine development</b>	<p>Possible future development of mining operations at the Eyre Peninsula Project is dependent on a number of factors including, but not limited to, the delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production on one of the</p>

Risk Category	Risk
	<p>Eyre Peninsula Project deposits, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Eyre Peninsula Project.</p> <p>The risks associated with the development of a mine will be considered in full should the Eyre Peninsula Project reach that stage and will be managed with ongoing consideration of stakeholder interests.</p>
<b>Environmental</b>	<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 programmes or mining activities.</p>
<b>Regulatory Compliance</b>	<p>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 to authorise the Company's operations. These permits relate to</p>

Risk Category	Risk
	<p>exploration, development, production and rehabilitation activities.</p> <p>While the Company believes that it is in substantial compliance with all material current laws and 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 planned development projects.</p> <p>Obtaining necessary permits can be a time-consuming process and there is a risk that the Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the 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 Company's tenements.</p>
<b>Research and Development</b>	The Company intends to undertake research and development activities in relation to the Projects, which may or may not result in any commercially viable outcome within the expected timeframe or not at all.
<b>Production Risk</b>	The Company intends to construct production facilities to produce its materials. The facilities are likely to be unique in process and design. There is no guarantee that a facility will operate as expected or that construction and/or operating costs do not exceed budgeted costs potentially making production unprofitable.
<b>Marketing Risk</b>	<p>The Company must locate buyers for its production. There is a risk that the Company may not be able to enter into arrangements with sufficient buyers to enable production to become profitable.</p> <p>The nature of the industrial materials that are the focus of the Company may require them to meet buyer specific specification. There is a risk that any production by the Company does not meet the required specifications and may not be accepted by the intended buyer.</p>

#### 6.4 General risks

Risk Category	Risk
<b>Economic</b>	General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse

Risk Category	Risk
	effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that the Company's tenements may have to be surrendered or not proceeded with. General economic conditions may also affect the value of the Company and its valuation regardless of its actual performance.
<b>Competition risk</b>	The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.
<b>Market conditions</b>	<p>Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> <li>(a) general economic outlook;</li> <li>(b) introduction of tax reform or other new legislation;</li> <li>(c) interest rates and inflation rates;</li> <li>(d) changes in investor sentiment toward particular market sectors;</li> <li>(e) the demand for, and supply of, capital; and</li> <li>(f) terrorism or other hostilities.</li> </ul> <p>The market price of Shares 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> <p>Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of small cap companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the shares regardless of the Company's performance.</p> <p>Further, after the end of the relevant escrow periods affecting Shares in the Company, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse effect on the Company's Share price.</p>
<b>Commodity price volatility and exchange rate risks</b>	If the Company achieves HiPurA® HPA Technology test work and/or exploration and/or research and development success leading to production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and



Risk Category	Risk
	<p>are impacted by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p> <p>Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company 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>The Company may also develop production facilities in other countries. If this were to happen, the Company would be potentially exposed to currencies and the resultant risk of changes relative to the Australian dollar.</p>
<b>Government policy changes</b>	<p>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 South Australia may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.</p> <p>The Company is also planning to sell into foreign markets. Changes to laws relating to market access, tariffs and other taxes, process and procedures required to access these markets may impact the viability of the Company.</p>
<b>Insurance</b>	<p>The Company intends to insure its operations in accordance with industry practice. However, 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.</p> <p>Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.</p>
<b>Force Majeure</b>	<p>The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.</p>
<b>Taxation</b>	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p>

Risk Category	Risk
	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 Shares under this Prospectus.
<b>Litigation Risks</b>	The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims, intellectual property disputes 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, reputation, financial performance and financial position. The Company is not currently engaged in any litigation.
<b>Economic conditions and other global or national issues</b>	<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>Specifically, it should be noted that the current evolving conflict between Ukraine and Russia is impacting global macroeconomics and markets generally. The nature and extent of the effect of this conflict on the performance of the Company and the value of its Securities remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflict between Ukraine and Russia and overall impacts on global macroeconomics. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.</p>

## 6.5 Speculative investment

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

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



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

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## **7. ADDITIONAL INFORMATION**

### **7.1 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.

### **7.2 Continuous disclosure obligations**

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

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the 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.

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 3 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.

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 or an ASIC office during normal office hours.

Details of documents lodged 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
15 May 2024	Results of Share Purchase Plan
7 May 2024	Investor Presentation
30 April 2024	Quarterly Activities/Appendix 5B Cash Flow Report
22 April 2024	Update - Proposed issue of securities - CMX
22 April 2024	Update - Proposed issue of securities - CMX
22 April 2024	Extension of Share Purchase Plan
22 April 2024	Notice of General Meeting/Proxy Form
9 April 2024	Ceasing to be a substantial holder
9 April 2024	Change in substantial holding from AXE
9 April 2024	Change in substantial holding for CMX
9 April 2024	Cleansing Notice Section 708A(5)
9 April 2024	Application for quotation of securities – CMX
4 April 2024	Update – Proposed issue of securities – CMX
3 April 2024	ChemX Share Purchase Plan Offer
3 April 2024	CLEANSING NOTICE – SHARE PURCHASE PLAN
2 April 2024	Update – Proposed issue of securities – CMX
26 March 2024	Update – Proposed issue of securities – CMX
25 March 2024	Proposed issue of securities – CMX
25 March 2024	Proposed issue of securities – CMX
25 March 2024	\$1.118m Placement and SPP to complete of HPA Pilot Plant
21 March 2024	Trading Halt
13 March 2024	Half Year Accounts
5 February 2024	ChemX Granted Australian Patent for HiPurA HPA

Date	Description of Announcement
30 January 2024	Quarterly Activities/Appendix 5B Cash Flow Report
19 January 2024	Application for quotation of securities – CMX
10 January 2024	Release of Unlisted Options from Escrow
5 January 2024	Release of Securities from Escrow
27 December 2023	Change of Director's Interest Notice – WNH
27 December 2023	Change of Director's Interest Notice – APV
12 December 2023	ChemX HPA Project Update
29 November 2023	Results of Meeting
29 November 2023	Company Presentation – 2023 AGM
29 November 2023	Chair's Address – 2023 AGM
20 November 2023	ChemX Receives \$909k R&D Rebate
13 November 2023	HPA Micro Plant Delivers Impressive New 4N Results
31 October 2023	Quarterly Activities/Appendix 5B Cash Flow Report
27 October 2023	Notice of Annual General Meeting/Proxy Form
26 October 2023	Notification of cessation of securities – CMX
26 October 2023	Final Director's Interest Notice – TB
26 October 2023	Resignation of Director
24 October 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 <http://www.chemxmaterials.com.au/>.

### 7.3 Market price of Shares

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

#### Shares

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 most recent dates of those sales were:

	Price	Date
Highest	\$0.078	21 February 2024
Lowest	\$0.04	15 April 2024
Last	\$0.054	14 May 2024

### Quoted Options

The highest, lowest and last market sale prices of the quoted Options (ASX:CMXO) on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date
Highest	\$0.001	20 March 2024
Lowest	\$0.001	20 March 2024
Last	\$0.001	20 March 2024

## 7.4 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	%
RJ&A Investments Pty Ltd	19,250,000	16.41%
Archer Materials Limited	11,571,119	9.87%

There will be no change to the substantial holders on completion of the Offers.

## 7.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offers.

### **Security holdings**

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus and following completion of the Offers are set out in the table below.

Director	Shares (current)	Shares (post Offers) <sup>1</sup>	Options (current)	Options (post Offers) <sup>1</sup>	Performance Rights	Convertible Notes
Warrick Hazeldine	450,000 <sup>2</sup>	866,666	1,075,000 <sup>3</sup>	1,283,333	1,500,000	Nil

Director	Shares (current)	Shares (post Offers) <sup>1</sup>	Options (current)	Options (post Offers) <sup>1</sup>	Performance Rights	Convertible Notes
Stephen Strubel	5,125,000 <sup>4</sup>	5,645,834	1,250,000 <sup>5</sup>	1,510,417	Nil	Nil
Alwyn Vorster	343,417	760,083	Nil	208,333	1,500,000	Nil

**Notes:**

1. The issue of Subject to Shareholder approval to participate in the Placement.
2. Including 150,000 Shares subject to ASX escrow.
3. Comprising of:
  - (a) 75,000 quoted Options exercisable at \$0.30 and expiring from 11 July 2025; and
  - (b) 1,000,000 unlisted Options exercisable at \$0.30 and expiring from 11 November 2024, subject to ASX escrow.
4. Including 5,049,999 Shares subject to ASX escrow.
5. Quoted Options exercisable at \$0.30 and expiring from 11 July 2025.

**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. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (ie 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.

Director	Current Financial Year Ending 30 June 2024 <sup>1</sup>			Financial Year Ended 30 June 2023			Financial Year Ended 30 June 2022		
	Directors' Fees/Salaries	Share-based Payments	Other	Directors' Fees/Salaries	Share-based Payments	Other	Directors' Fees/Salaries	Share-based Payments	Other
Warrick Hazeldine	\$96,000	-	-	\$136,847 <sup>2</sup>	\$227,925	-	\$58,233 <sup>3</sup>	\$83,446	-
Stephen Strubel	\$220,000	-	-	\$177,718	-	\$38,082 <sup>4</sup>	\$137,885	-	\$22,310 <sup>5</sup>
Alwyn Vorster <sup>6</sup>	\$60,000	-	-	\$39,146	\$227,925	-	-	-	-

**Notes:**

1. Proposed cash fee estimates only for director salary and inclusive of superannuation, other than Mr Strubel's estimate which is exclusive of superannuation.
2. Includes \$59,708 paid to Cannings Purple in which Warrick Hazeldine is a director. Cannings Purple provides strategic communications support services to the Company.

3. Includes \$11,800 paid to Cannings Purple in which Warrick Hazeldine is a director. Cannings Purple provides strategic communications support services to the Company).
4. Comprising of \$19,374 in non-monetary payments, \$18,660 in superannuation payments and \$48 in long service leave payments.
5. Comprising of \$8,476 in non-monetary payments, \$13,814 in superannuation payments and \$20 in long service leave payments.
6. Mr Vorster was appointed on 18 October 2022.

## 7.6 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 Offers; or
- (f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$10,000 (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 \$264,661 (excluding GST and disbursements) for legal services provided to the Company.

## 7.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Options), 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; and
- (b) in light of the above, only 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 included in this Prospectus with the consent of that party as specified in this Section.

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

## 7.8 Estimated expenses of Offers

The total expenses of the Offers are estimated to be approximately \$18,206 as follows:

Expense	(\$)
ASIC Fees	3,206
Legal Fees	10,000
Miscellaneous, printing and other expenses	5,000
<b>Total</b>	<b>18,206</b>

## 7.9 Electronic Prospectus

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

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company <http://www.chemxmaterials.com.au/> or email [info@chemxmaterials.com.au](mailto:info@chemxmaterials.com.au) and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

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 Prospectus or any of those documents were incomplete or altered.

## 7.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing certificates to investors. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer



sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Options 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.

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.

## **7.11 Privacy Act**

If you complete an application for Options, 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, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, 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 Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

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

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**8. 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.

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## 9. DEFINITIONS

**\$** means Australian dollars.

**Application Form** means the application form either attached to or accompanying this Prospectus.

**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 CHES.

**Broker Options** has the meaning given to that term on the cover page of this Prospectus.

**Broker Options Offer** has the meaning given to that term on the cover page of this Prospectus.

**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.

**Capital Raising** has the meaning given to it in Section 3.2.

**Closing Date** means the date specified in the timetable in Section 2.1 of this Prospectus (unless extended or brought forward).

**Company** means ChemX Materials Limited (ACN 644 982 123).

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

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

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

**Eligible Shareholders** means, in relation to the SPP, Shareholders of the Company who are registered as holders of Shares at 5.00pm (WST) on 23 April 2023 and whose registered address is in Australia or New Zealand.

**Lead Manager** means Sanlam Private Wealth Pty Ltd (ACN 136 960 775).

**Meeting** has the meaning given to it in Section 3.3.

**Offers** means the Broker Options Offer, Placement Options Offer, Shortfall Options Offer and SPP Options Offer.

**Opening Date** means the opening date of the Offers as specified in the timetable set out in Section 2.1 of this Prospectus (unless varied).

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Placement** has the meaning given to it in Section 3.1.

**Placement Options** has the meaning given to that term on the cover page of this Prospectus.

**Placement Options Offer** has the meaning given to that term on the cover page of this Prospectus.

**Placement Participants** has the meaning given to it in Section 3.1.

**Prospectus** means this prospectus.

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

**Securities** include a Share, Option and/or a convertible security (as the context requires).

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

**Shareholder** means a shareholder of the Company.

**Share Registry** means Computershare Investor Services Pty Limited (ACN 078 279 277).

**Shortfall Options** has the meaning given to that term on the cover page of this Prospectus.

**Shortfall Options Offer** has the meaning given to that term on the cover page of this Prospectus.

**Shortfall Participants** has the meaning given in Section 3.3.

**Shortfall Shares** has the meaning given in Section 3.3.

**SPP** has the meaning given to that term on the cover page of this Prospectus.

**SPP Options** has the meaning given to that term on the cover page of this Prospectus.

**SPP Options Offer** has the meaning given to that term on the cover page of this Prospectus.

**SPP Participants** has the meaning given to it in Section 3.6.2.

**SPP Share** has the meaning given in Section 3.2.

**SPP Shortfall** has the meaning given in Section 3.3.

**WST** means western standard time as observed in Perth, Western Australia.