

17 June 2024

## NON-RENOUNCEABLE ENTITLEMENT OFFER

**Antilles Gold Limited (“Antilles Gold” or the “Company”) (ASX: AAU, OTCQB: ANTMF) advises that it has lodged a prospectus with ASX and ASIC on 17 June 2024 (Prospectus) pursuant to which the Company is undertaking a non-renounceable entitlement offer.**

### Entitlement Offer

A non-renounceable entitlement offer of one (**New Share**) for every one Share held by Eligible Shareholders on Thursday, 20 June 2024 (**Record Date**) at an issue price of \$0.004 per Share together with one free attaching option (**New Options**) for every two Shares applied for and issued to raise up to \$3,986,139 (based on the number of Shares on issue as at the date of the (**Prospectus**)). The Entitlement Offer is open to Eligible Shareholders who have a registered address within Australia or New Zealand, and who hold Shares on the Record Date. The Entitlement Offer will close at 5:00pm on Tuesday, 9 July 2024 (unless extended), and Eligible Shareholders can apply for any shortfall in excess of their entitlement. As the Entitlement Offer is non-renounceable, Eligible Shareholders cannot trade their rights under the Entitlement Offer.

### Indicative Timetable

The indicative timetable of the Entitlement Offer is set out below:

#### Key Events

Lodgement of Prospectus with the ASIC	Monday, 17 June 2024
Lodgement of Prospectus and Appendix 3B with ASX	Monday, 17 June 2024
Record Date for determining Entitlements	Thursday, 20 June 2024
Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Tuesday, 25 June 2024
Last day to extend the Closing Date (before 12 noon Sydney time)	Thursday, 4 July 2024
Closing Date as at 5:00pm*	Tuesday, 9 July 2024
Securities quoted on a deferred settlement basis	Wednesday, 10 July 2024
Announce results of rights issue, Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities (before 12 noon Sydney time)	Tuesday 16 July 2024
Quotation of Securities issued under the Offer	Wednesday, 17 July 2024

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

## Use of funds

The Company intends to apply the funds raised from the Entitlement Offer as follows:

- (a) Subscription for shares in Cuban joint venture company, Minera La Victoria SA – to be applied towards:
  - a. completion of an in-fill drilling program, revised Mineral Resource Estimate, Preliminary Feasibility Study, and permitting for the Nueva Sabana gold-copper mine development (\$950,000);
  - b. completion of metallurgical test work, preliminary engineering and costing for the concentrate processing facility to be added to the La Demajagua gold-silver-antimony mine, and a revised Scoping Study for the expanded project (\$750,000); and
  - c. project management and administration to 31 December 2024 (\$400,000).
- (b) Final share subscription for 50% shareholding in joint venture company, Minera La Victoria, SA in December 2024 (\$230,000).
- (c) Repayment of loans (\$281,040).
- (d) Expenses of the Entitlement Offer (\$176,000).
- (e) General overheads and administration (\$500,000).
- (f) Working capital (\$749,099).

## Lead Manager fees

Mahe Capital Pty Ltd (AFSL 517246) (**Lead Manager**) has been appointed as the lead manager of the Offer. As consideration for these services, the Company has agreed to pay:

- a \$60,000 lead manager fee which will be satisfied by the issue of Shares to the Lead Manager (or its nominees) from the Shortfall if available, otherwise by cash;
- a management fee of 1% of total funds raised under the Offer which will be satisfied by the issue of Shares to the Lead Manager (or its nominees) from the Shortfall if available, otherwise by cash;
- a placement fee of 5% of any Shortfall placed by the Lead Manager.

An Appendix 3B and a prospectus in respect of the Entitlement Offer accompany this announcement.

END

This announcement has been authorised by the Chairman of Antilles Gold Limited.

For further information, please contact:

**Brian Johnson,**

Chairman,

**Antilles Gold Limited**

**T: +61 (02) 4861 1740**

**E: [brianjohnson@antillesgold.net](mailto:brianjohnson@antillesgold.net)**

**ANTILLES GOLD LIMITED**  
**ACN 008 031 034**

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## **ENTITLEMENT ISSUE PROSPECTUS**

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For a pro-rata non-renounceable entitlement issue of one Share for every one Share held by those Shareholders registered at the Record Date at an issue price of \$0.004 per Share together with one free New Option for every two Shares applied for and issued to raise up to \$3,986,139 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

### **IMPORTANT NOTICE**

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

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

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## IMPORTANT NOTICE

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This Prospectus is dated 17 June 2024 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

Applications for Securities offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall 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 and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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

### No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your

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

### Forward-looking statements

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

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

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

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

### Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or

to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

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

For further information on overseas Shareholders please refer to Section 3.9.

### Continuous disclosure obligations

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

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

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

Please refer to Section 7.2 for further details.

## Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company and the Lead Manager will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (<https://antillesgold.net/>). By making an application under the Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

## Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at <https://antillesgold.net/>. 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. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on + 61 2 4861 1740 during office hours or by emailing the Company at [admin@antillesgold.net](mailto:admin@antillesgold.net).

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

## Company Website

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

## Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would

contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

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

The Company will apply to participate 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.

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

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

## Photographs and Diagrams

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

## Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 9.

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

## Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your

application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

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

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

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

## Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offer please call the Company Secretary on + 61 2 4861 1740.

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## CORPORATE DIRECTORY

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### Directors

Brian Johnson (Chairman)  
James Tyers (Chief Executive Officer)  
Ugo Carlo (Non-Executive Director)  
Angela Pankhurst (Non-Executive Director)

### Company Secretary

Tracey Aitkin

### Registered Office

55 Kirkham Road  
BOWRAL NSW 2576

Telephone: + 61 2 4861 1740

Email: [admin@antillesgold.net](mailto:admin@antillesgold.net)  
Website: <https://antillesgold.net/>

### Auditor

HLB Mann Judd  
Level 4, 130 Stirling Street  
PERTH WA 6000

### Share Registry\*

Automic Registry Services  
Level 5, 126 Phillip Street  
SYDNEY NSW 2000

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

Facsimile: +61 2 8583 3040

### Legal advisers

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

### Lead Manager

Mahe Capital Pty Ltd (AFSL 517246)  
Level 8, 99 St Georges Terrace  
PERTH WA 6000

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

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1. **LETTER FROM THE CHAIR**

Dear Investor

We are offering you the opportunity to invest in Antilles Gold Limited through this non-renounceable rights issue at a price that reflects its serious fall over the past few months rather than the intrinsic value of the Company and the potential of its projects and prospects in Cuba.

Unexpectedly poor results from the award in April 2024 from arbitration proceedings against the Dominican Republic Government, which related to genuine claims from a previous project, precipitated a dramatic fall in Antilles Gold's share price.

Finalisation of the prolonged arbitration will now allow all outstanding project matters to be settled with the government, including proceeds due under the award, and the sale of surplus plant and equipment.

Downward pressure on the Share price has also been increased by the conduct of the holder of convertible notes which, fortunately, no longer holds AAU shares.

The Company is resilient and is focussed on investing in the mining-friendly jurisdiction of Cuba where the value of its investments in the mineral-rich country have not diminished.

Antilles Gold is in a position to re-set and take advantage of the 50:50 joint venture company, Minera La Victoria SA, progressing two near-term mining projects, and exploring four concessions that are highly prospective for porphyry copper deposits.

With the co-operation of our Cuban partner, the multiple properties are now held in the single joint venture company which is unique in Cuba, and this will make it easier for the joint venture to achieve its objective of growing organically from the construction of its modest first mine (Nueva Sabana) to becoming a substantial mining company.

Additionally, recent changes to the existing joint venture agreement will allow Minera La Victoria to increase its capital with additional shareholders in order to fund copper exploration and future mine developments.

Antilles Gold expects to be in a position to monetise its shareholding in the joint venture in the second half of next year at an amount that should be well in excess of its investment.

The Company is offering new Shares on a one for one basis to Eligible Shareholders at \$0.004 per Share to raise up to \$3,986,139 with one free New Option for every two Shares applied for and issued. The New Options will be exercisable at \$0.01 each on or before 31 December 2026, and the Company intends to apply to ASX to list the new Shares.

Eligible Shareholders interested in taking up their Entitlement, or applying for any Shortfall might refer to the Corporate Presentation dated 15 May 2024 in the Company's website [www.antillesgold.net](http://www.antillesgold.net) to observe the NPV's published in Scoping Studies for the Nueva Sabana gold-copper mine, and the La Demajagua gold-antimony-silver mine, which reflects what Minera La Victoria is aiming to achieve over the next few years.

Yours sincerely

Brian Johnson  
Chairman  
Antilles Gold Limited



## 2. KEY OFFER INFORMATION

### 2.1 Timetable

Lodgement of Prospectus with the ASIC	Monday, 17 June 2024 (pre-market open)
Lodgement of Prospectus and Appendix 3B with ASX	Monday, 17 June 2024 (pre-market open)
Record Date for determining Entitlements	Thursday, 20 June 2024
Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Tuesday, 25 June 2024
Last day to extend the Closing Date (before 12 noon Sydney time)	Thursday, 4 July 2024
Closing Date as at 5:00pm*	Tuesday, 9 July 2024
Securities quoted on a deferred settlement basis	Wednesday, 10 July 2024
Announce results of rights issue, Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities (before 12 noon Sydney time)	Tuesday, 16 July 2024
Quotation of Securities issued under the Offer	Wednesday, 17 July 2024

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

### 2.2 Key statistics of the Offer

#### Shares

	Full Subscription (\$3,986,139) <sup>1</sup>
Offer Price per Share	\$0.004
Entitlement Ratio (based on existing Shares)	1:1
Shares currently on issue	996,534,993
Shares to be issued under the Offer <sup>2</sup>	996,534,993
Gross proceeds of the issue of Shares	\$3,986,139
<b>Shares on issue Post-Offer</b>	<b>1,993,069,986</b>

#### Notes:

1. Assuming the Full Subscription of \$3,986,139 is achieved under the Offer.
2. Refer to Section 5.1 for the terms of the Shares.

## Options

	<b>Full Subscription (\$3,986,139)<sup>1</sup></b>
Offer Price per New Option	nil
Option Entitlement Ratio (based on Shares subscribed for)	1:2
Listed Options currently on issue	550,176,761
New Options to be issued under the Offer <sup>2</sup>	498,267,497
Gross proceeds of the issue of Options	nil
<b>Options on issue Post-Offer</b>	<b>1,048,444,258</b>

### Notes:

1. Assuming the Full Subscription of \$3,986,139 is achieved under the Offer.
2. Refer to Section 5.2 for the terms of the New Options.

## 2.3 Key Risk Factors

Prospective investors should be aware that subscribing for Securities involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 6.

## 2.4 Directors' Interests in Securities

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

Director	Shares	Listed Options <sup>1</sup>	Performance Rights	Share Entitlement	New Option Entitlement	\$	Percentage (%) Full Subscription, Fully Diluted
Brian Johnson <sup>2</sup>	102,056,122	40,101,455	Nil	102,056,122	51,278,061	408,224	9.69%
James Tyers	3,666,892	955,631	3,200,000 <sup>5</sup>	3,666,892	1,833,446	14,667	0.44%
Ugo Cario <sup>3</sup>	518,256	817,680	Nil	518,256	259,128	2,073	0.07%
Angela Pankhurst <sup>4</sup>	556,464	330,416	Nil	556,464	278,232	2,226	0.06%

### Notes:

1. Options exercisable at \$0.10 on or before 30 June 2025.
2. Comprise of:
  - (a) 70,260,000 Shares and 30,020,000 Options indirectly held by Moonstar Investments Pty Ltd;
  - (b) 25,000,000 Shares and 8,333,330 Options indirectly held by Hawthorne Pty Ltd ATF BGJ Super Fund A/C; and

- (c) 6,796,122 Shares (500,000 of which are escrowed) and 1,748,125 Options indirectly held by Tristar Holdings Pty Ltd.
3. Held indirectly by Asgard Capital Management Ltd ATF Cario Super Fund A/C.
  4. Held indirectly by Dent Financial Pty Ltd <Angela Dent Super Fund A/C>.
  5. Refer to appendix A and B of the notice of general meeting dated 23 March 2023 for a summary of the Performance Rights.

The Board recommends all Shareholders take up their Entitlements. The Directors reserve the right to take up their respective Entitlement in whole or in part at their discretion.

As at the date of this Prospectus, the Company owes \$490,000 to Moonstar Investments Pty Ltd (**Moonstar**), a related party of Mr Brian Johnson. Moonstar has advised the Company that it intends to offset \$281,040 of the current \$490,000 debt of the Company by taking up its full entitlement of 70,260,000 Shares at the issue price of \$0.004 and 35,130,000 New Options.

## 2.5 Details of Substantial Holders

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

Shareholder	Shares	%	Share Entitlement	New Option Entitlement
Moonstar Investments Pty Ltd	70,260,000	7.05	70,260,000	35,130,000
Axel Sartingen	74,193,494	7.45	74,193,494	37,096,747

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

## 2.6 Lead Manager

Mahe Capital Pty Ltd (AFSL 517246) (**Lead Manager**) has been appointed as the lead manager of the Offer. Terms of the lead manager mandate and total fees payable are set out in Section 7.4.1 below.

## 2.7 Effect on Control

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

Further as set out in Section 3.6, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

Further there will be no change to any Shareholder's voting power as a result of the issue of the New Options. Where New Options are exercised into Shares, the voting power of the Shareholders who exercise the New Options will increase.

The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

## 2.8 Potential dilution on non-participating Shareholders

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 20% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

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

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	1.00%	10,000,000	10,000,000	0.50%
Shareholder 2	5,000,000	0.50%	5,000,000	5,000,000	0.25%
Shareholder 3	1,500,000	0.15%	1,500,000	1,500,000	0.08%
Shareholder 4	400,000	0.04%	400,000	400,000	0.02%
Shareholder 5	50,000	0.01%	50,000	50,000	0.00%
<b>Total</b>	996,534,993		996,534,993		1,993,069,986

### Notes:

1. This is based on a share capital of 996,534,993 Shares as at the date of the Prospectus and assumes no Options currently on issue or other Shares are issued (including New Options or Performance Rights are exercised).
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

### 3. DETAILS OF THE OFFER

#### 3.1 The Offer

The Offer is being made as a pro-rata non-renounceable entitlement issue of one Share for every one Share held by Shareholders registered at the Record Date at an issue price of \$0.004 per Share together with one New Option for every two Shares subscribed for and issued. Fractional entitlements will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no Shares are issued prior to the Record Date including on exercise or conversion of securities on issue) approximately 996,534,993 Shares and 498,267,497 New Options may be issued under the Offer to raise up to \$3,986,139. No funds will be raised from the issue of the New Options.

As at the date of this Prospectus the Company has 550,176,761 Options and 6,866,667 Performance Rights on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 4.3 for information on the exercise price and expiry date of the Options and Performance Rights on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares. The New Options will be exercisable at \$0.01 on or before 31 December 2026 and otherwise on the terms set out in Section 5.1.

The purpose of the Offer and the intended use of funds raised are set out in Section 4.

#### 3.2 What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Prospectus, or which can be accessed by logging into your Automic Investor Portal found at <https://investor.automic.com.au/#/home>. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
<b>Take up all of your Entitlement</b>	<ul style="list-style-type: none"><li>• Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which accompanies this Prospectus, or which can be accessed by logging into your Automic Investor Portal found at <a href="https://investor.automic.com.au/#/home">https://investor.automic.com.au/#/home</a>. Please read the instructions carefully.</li><li>• Payment can be made by the methods set out in Section 3.3. As set out in Section 3.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.</li></ul>	Section 3.3 and Section 3.4.

Option	Key Considerations	For more information
<p><b>Take up all of your Entitlement and also apply for Shortfall Securities</b></p>	<ul style="list-style-type: none"> <li>Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which accompanies this Prospectus, or which can be accessed by logging into your Automic Investor Portal found at <a href="https://investor.automic.com.au/#/home">https://investor.automic.com.au/#/home</a>. Please read the instructions carefully.</li> <li>Payment can be made by the methods set out in Section 3.3. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying.</li> <li>If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company's absolute discretion as per the allocation policy set out in Section 3.6. Accordingly, your application for additional Shortfall Securities may be scaled-back.</li> <li>The Company's decision on the number of Shortfall Securities to be allocated to you will be final.</li> </ul>	<p>Sections 3.3, 3.4 and 3.6.</p>
<p><b>Take up a proportion of your Entitlement and allow the balance to lapse</b></p>	<p>If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus, or which can be accessed by logging into your Automic Investor Portal found at <a href="https://investor.automic.com.au/#/home">https://investor.automic.com.au/#/home</a>, for the number of Securities you wish to take up and making payment using the methods set out in Section 3.3 below. As set out in Section 3.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.</p>	<p>Section 3.3 and Section 3.4</p>
<p><b>Allow all or part of your Entitlement to lapse</b></p>	<p>If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse.</p>	

**3.3 Payment options**

(a) **By BPAY®**

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

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00PM (AEST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

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

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

#### **(b) By Electronic Funds Transfer (overseas applicants)**

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

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall

Securities (if any) under the Shortfall Offer, to the extent of the excess.

(c) **By Cheque**

Payment by cheque or cash will not be accepted.

**3.4 Implications of an acceptance**

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

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

**3.5 Minimum subscription**

There is no minimum subscription.

**3.6 Shortfall Offer**

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.004 being the price at which Shares have been offered under the Offer.

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

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Securities in accordance with Section 3.3.

Allocation of the Shortfall Securities will be at the discretion of the Board in conjunction with the Lead Manager. If the Offer is oversubscribed (by take up of Entitlements and applications for Shortfall Securities by Eligible Shareholders), scale back will be applied to applications under the Shortfall Offer on a pro-rata basis to the respective shareholdings of Eligible Shareholders. There is no guarantee that Eligible Shareholders will receive Securities applied for under the Shortfall Offer. The Board, in consultation with the Lead Manager, may also issue Shortfall Securities to other parties identified by the Directors and the Lead Manager, which may include parties who are not currently Shareholders.



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

The Company will have no liability to any Applicant who receives less than the number of Shortfall Securities they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Securities under the Shortfall Offer any Application monies will be returned (without interest) as soon as practicable.

### **3.7 ASX listing**

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

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

### **3.8 Issue of Securities**

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

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for, or where no issue is made surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

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

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

### **3.9 Overseas shareholders**

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

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

Shareholders with a registered address which is outside Australia or New Zealand.

### **New Zealand**

This Offer to New Zealand investors is a regulated offer 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.

This Offer 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 Offer 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.

### **Nominees and custodians**

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New Zealand

without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

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4.	Expenses of the Offer <sup>3</sup>	\$176,000	4.4%
5.	General overheads and administration for six months	\$500,000	12.5%
6.	Working Capital	\$749,099	18.8%
	<b>Total</b>	<b>\$3,986,139</b>	<b>100%</b>

**Notes:**

1. Based on an exchange rate of \$1 to US\$0.66, the aggregate expenditure equals to approximately US\$1,353,000.
2. Moonstar Investments Pty Ltd will offset payment for its Entitlement of \$281,040 against partial repayment of the \$490,000 currently owed to it by the Company with the subscription due for its full entitlement to 70,260,000 Shares and 35,130,000 New Options. This will have no net effect on the use of funds table above, Section 4.2 and Section 4.4.
3. Refer to Section 7.8 for further details relating to the estimated expenses of the Offer.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives. In the event the Offer is not fully subscribed, operational objectives are likely to be modified, which may result in delay or substantial changes to the Company's future plans. In this event (and after accounting for associated Offer costs) it is likely that the Company will scale back funds available for item 6, 5, 2 and 1 (ii), in that order.

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

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

#### **4.2 Effect of the Offer**

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

- (a) increase the cash reserves by \$3,529,099 (after deducting the estimated expenses of the Offer and assuming the offset of \$281,040 of debt currently owed to Moonstar Investments Pty Ltd by virtue of subscription for Entitlement) concurrent with completion of the Offer;
- (b) increase the number of Shares on issue from 996,534,993 as at the date of this Prospectus to 1,993,069,986 Shares; and
- (c) increase the number of Options on issue from 550,176,761 as at the date of this Prospectus to 1,048,444,258 Options.

#### **4.3 Effect on capital structure**

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

## Shares

	Number
Shares currently on issue	996,534,993
Shares offered pursuant to the Offer	996,534,993
<b>Total Shares on issue after completion of the Offer</b>	<b>1,993,069,986</b>

## Options

	Number
Listed Options currently on issue <sup>1</sup>	550,176,761
<b>Total Options on issue as at the date of this Prospectus</b>	<b>550,176,761</b>
New Options to be issued pursuant to the Offer <sup>2</sup>	498,267,497
<b>Total Options on issue after completion of the Offer</b>	<b>1,048,444,258</b>

### Notes:

1. Exercisable at \$0.10 on or before 30 June 2025.
2. Exercisable at \$0.01 on or before 31 December 2026 and otherwise on the terms set out in Section 5.2.

## Performance Rights

	Number
Performance Rights currently on issue <sup>1</sup>	6,866,667
Performance Rights offered pursuant to the Offer	Nil
<b>Total Performance Rights on issue after completion of the Offer</b>	<b>6,866,667</b>

### Notes:

1. Granted on the following dates and vesting in accordance with the below:

Grant date	Vesting date	Number of Performance Rights
5 July 2022	1 December 2024	1,333,333
5 July 2022	1 December 2025	2,333,334
15 November 2022	1 December 2024	800,000
15 November 2022	1 December 2025	2,400,000

The capital structure on a fully diluted basis as at the date of this Prospectus would be 1,553,578,421 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 1,993,069 Shares.

Other than 500,000 Shares on issue, no Shares, Options or Performance Rights on issue are subject to escrow restrictions, either voluntary or ASX imposed.

#### 4.4 Pro-forma balance sheet

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

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

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

	AUDITED 31 December 2023 US\$	PROFORMA Full Subscription US\$
<b>CURRENT ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	1,279,415	3,635,020
Other current assets	341,112	341,112
<b>TOTAL CURRENT ASSETS</b>	<b>1,620,527</b>	<b>3,976,132</b>
<b>NON-CURRENT ASSETS</b>		
Plant and equipment	152,548	152,548
Intangibles	3,223,147	3,223,147
Investments	24,129,328	24,129,328
<b>TOTAL NON-CURRENT ASSETS</b>	<b>27,505,023</b>	<b>27,505,023</b>
<b>TOTAL ASSETS</b>	<b>29,125,550</b>	<b>31,481,155</b>
<b>CURRENT LIABILITIES</b>		
Creditors and borrowings	2,091,667	1,932,581
JV future contributions payable	3,859,923	3,859,923
<b>TOTAL CURRENT LIABILITIES</b>	<b>5,951,590</b>	<b>5,792,504</b>

	AUDITED 31 December 2023	PROFORMA Full Subscription
	US\$	US\$
<b>NON-CURRENT LIABILITIES</b>		
JV future contributions payable	9,553,037	9,553,037
Other non-current liabilities	17,209	17,209
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>9,570,246</b>	<b>9,570,246</b>
<b>TOTAL LIABILITIES</b>	<b>15,521,836</b>	<b>15,362,750</b>
<b>NET ASSETS (LIABILITIES)</b>	<b>13,603,714</b>	<b>16,118,405</b>
<b>EQUITY</b>		
Share capital <sup>1</sup>	96,305,161	98,819,852
Reserves	(722,456)	(722,456)
Retained loss	(81,978,991)	(81,978,991)
<b>TOTAL EQUITY</b>	<b>13,603,714</b>	<b>16,118,405</b>

**Notes:**

1. Post 31 December 2023, and prior to this Offer, an additional \$1,897,508 of share capital was issued following conversions under a convertible note facility entered into by the Company in March 2024.
2. Using an exchange rate of \$1 to US\$0.66.



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## 5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

### 5.1 Rights and liabilities attaching to Shares

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

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

#### (a) General meetings

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

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

#### (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 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 a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

#### (c) Payment of Dividend

Subject to the Corporations Act, the Constitution and the rights of any persons entitled to shares with special rights to dividend, the Directors may determine that a dividend is payable, fix the amount and the time for payment of the dividend and authorise the payment or crediting of the dividend by the Company to, or at the direction of, each Shareholder entitled to that dividend. No dividend shall carry interest as against the Company.

#### (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) Transfer of Shares**

Generally, Shares in the Company are freely transferable, subject to the Constitution and to any restrictions attached to a Share, a Shareholder may transfer any of the Shareholder's Shares by:

- (i) a proper ASTC transfer;
- (ii) a written transfer in any usual form or in any other form approved by the Directors; or
- (iii) any other electronic system established or recognised by the Listing Rules.

**(f) Future increase in capital**

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

**(g) Variation of rights**

Under Section 2468 of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

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

**(h) Changes to Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of the members present and voting at a general meeting of the Company. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

**(i) Meetings and Notices**

Each Shareholder will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Constitution, the Corporations and the Listing Rules.

**(j) Dividend Policy**

The Company does not intend to declare or pay any dividends in the foreseeable future. Any future determination as to payment of dividends by the Company will be at the sole discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

**5.2 Terms of New Options**

**(a) Entitlement**

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

**(b) Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.01 (**Exercise Price**).

**(c) Expiry Date**

Each Option will expire at 5:00pm (AEST) on 31 December 2026 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**(d) Exercise Period**

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

**(e) Notice of Exercise**

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

**(f) Exercise Date**

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

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

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

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## 6. RISK FACTORS

### 6.1 Introduction

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

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 6, together with all other information contained in this Prospectus.

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

The risk factors set out in this Section 6, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 6 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 6 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

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

### 6.2 Company specific

Risk Category	Risk
<b>Potential for dilution</b>	<p>In addition to potential control impacts set out in Section 2.7, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus) (refer to Section 2.8).</p> <p>No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 20% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offer being implemented and the Directors do not make any representation as to such</p>

Risk Category	Risk
	<p>matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.006 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.</p> <p>The last trading price of Listed Options on ASX prior to the Prospectus being lodged of \$0.001 is not a reliable indicator as to the potential trading price of Listed Options after implementation of the Offer.</p>
<b>Control risk</b>	<p>Mr Axel Sartingen is currently the largest Shareholder of the Company and has a relevant interest in approximately 7.45% of the Shares in the Company. Assuming Mr Sartingen takes up his full Entitlement and no other Shareholders accept their entitlements, his voting power in the Company could be as high as 13.86%.</p> <p>Mr Sartingen's significant interest in the capital of the Company means that he is in a position to potentially influence the financial decisions of the Company, and his interests may not align with those of all other Shareholders.</p>
<b>Future capital needs</b>	<p>Additional funding will be required by the Company and the joint venture to effectively implement business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company or the joint venture may incur.</p> <p>The Company may seek to raise further funds through equity or debt financing, joint venture, licensing agreement, production sharing arrangement or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of activities. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders. Failure to gain funding as and when required may result in the Company being unable to finance its operations and ultimately being unable to operate as a going concern.</p> <p>No assurances can be made that appropriate funding, if and when needed, will be available on favourable terms or at all. Any inability to obtain sufficient financing for the Company's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Company.</p>
<b>Going Concern</b>	<p>The Company's annual financial report for 31 December 2023 (<b>Financial Report</b>) includes a note on the financial condition of the Company and the possible existence of</p>

Risk Category	Risk
	<p>a material uncertainty about the Company's ability to continue as a going concern.</p> <p>As disclosed in the Financial Report:</p> <p>(a) the consolidated entity incurred a loss of US\$4,139,944 (2022: US\$7,747,366) and had net cash outflows from operations and investing activities of US\$6,861,039 (2022: US\$6,818,727);</p> <p>(b) as at 31 December 2023, the current liabilities exceeded its current assets by US\$4,331,063 (2022: US\$3,803,237);</p> <p>(c) the Las Lagunas Gold Tailings Project in the Dominican Republic finished production in December 2019. The Company's rights and obligations in relation to the Las Lagunas Project are governed by the "Special Contract" entered into with the Dominican Government. As outlined in Note 32, a number of disputes with the Government have been submitted for arbitration under the rules of the World Bank's International Centre for Settlement of Investment Disputes (ICSID) in Washington DC. The Group has entered into an Agreement with a subsidiary of Cuban Government owned mining company, GeoMinera S.A., for the joint venture company, Minera La Victoria S.A., to develop the La Demajagua gold/silver mine. Minera La Victoria was registered in August 2020. The Group has committed to provide a total of US\$25.9 million of equity capital to Minera La Victoria across two stages of development. The first stage, totalling US\$13.0 million, is payable between Q4 2020 and Q4 2024 to progress feasibility studies and pay for infrastructure for the La Demajagua open pit gold/silver mine. At a meeting in April 2023, shareholders resolved to increase the Group's ownership from 49% to 50%. The shareholders subsequently agreed to expand the scope of the joint venture to include the development of the Nueva Sabana gold-copper mine in central Cuba, increasing the Group's capital contribution for the first stage to US\$15.0 million. At 31 December 2023 the amount remaining to be paid to meet this obligation is US\$3.9 million, which is scheduled to be paid by December 2024.</p> <p>The Directors are of the opinion that the use of the going concern basis of accounting is appropriate. Notwithstanding this, in the event of the Company being unsuccessful in raising additional equity and/or securing debt financing, the above conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore whether it will realise its assets</p>



Risk Category	Risk
	<p>and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.</p>
<p><b>Cuban sanctions risk</b></p>	<p>The Company's main development projects are located in Cuba and held within a joint venture company.</p> <p>The United States has maintained an embargo against Cuba, administered by the United States Department of Treasury. The laws and regulations establishing the embargo have been amended from time to time. The embargo applies to almost all transactions involving Cuba or Cuban enterprises, and it prohibits United States persons from such transactions unless such persons obtain specific licenses from the United States Department of Treasury authorising their participation.</p> <p>The United States embargo may adversely affect the Company's assets, business and operations by limiting the Company's access to US capital, US financing, US customers, and US suppliers. These negative impacts could become more severe in time and possibly prevent the Company from continuing to operate in Cuba.</p>
<p><b>Joint venture risk</b></p>	<p>The Company is earning a 50% shareholding in the Cuban joint venture mining company Minera La Victoria SA (<b>MLV</b>), with the Cuban Government's mining company, GeoMinera SA, holding a 50% shareholding.</p> <p>The Company has to date contributed approximately US\$13.5 million of its obligation to subscribe US\$15.0 million for its 50% shareholding in MLV.</p> <p>The Company is subject to the risk that changes in the status of the Company's joint venture interest (including changes caused by financial failure or default by a participant in a joint venture) may adversely affect the operations and performance of the Company. As is the case in all joint venture arrangements, there is a risk that joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture, which in either case would likely have an adverse effect on the interests and prospects of the Company. Any failure by a counterparty to act in the best interests of the joint venture may or may not give the Company contractual remedies, however, even if such remedies are available, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.</p>
<p><b>Redemption of Convertible Note</b></p>	<p>The Company has advised the holder of a convertible note that it intends to redeem the \$102,000 outstanding (refer to ASX announcement dated 3 June 2024). The noteholder does not agree with the Company's calculation but has indicated a willingness to resolve the matter by negotiation. There is no certainty as to the outcome of the negotiations.</p>
<p><b>Litigation and</b></p>	<p>The Company may, in the ordinary course of business</p>

Risk Category	Risk
<b>arbitration risk</b>	become involved in litigation and disputes with third parties. The outcome of any such claim or dispute is inherently uncertain and, if proven, may impact adversely on the Company's operations, financial performance, and financial position.
<b>Exploration risk</b>	Mineral exploration and project development are high risk undertakings. There can be no assurance that further exploration on the joint venture's projects will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. Until the Company is able to realise value, or dividends from the joint venture's mineral projects, it is likely to incur ongoing operating losses.
<b>Operating risk</b>	<p>The operations of the Company may be affected by various factors outside its control.</p> <p>The Company intends to support the joint venture's exploration programs at El Pilar in Cuba and progressing the Feasibility Studies for the development of the Nueva Sabana, and La Demajagua mines.</p> <p>The operations of the joint venture, and thereby the Company, may be affected by failure to establish a viable Feasibility Study for the two mines or sufficient quantity or grade of resources to justify the proposed developments. Operations may also be impacted by unanticipated metallurgical problems which may affect eventual extraction costs, possible seismic activity, operational and technical difficulties encountered in drilling and exploration, operating and maintaining plant and equipment, mechanical failure, industrial and environmental accidents, labour shortages, industrial and environmental disputes, obtaining government approvals, extreme weather events such as flooding, heatwaves, wildfires, droughts and unexpected shortages or increases in the costs of consumables, spare parts, plant, equipment or labour. These risks and hazards could also result in damage to or destruction of property, plant and equipment, personal injury, environmental damage, business interruption, monetary losses and possible legal liability.</p> <p>The Company, or the joint venture may become subject to liability for accidents, pollution or other hazards against which it cannot insure or against which it may elect not to insure because of premium costs or for other reasons, or in amounts which exceed policy limits. No assurances can be given that the Company, or the joint venture will achieve commercial viability through exploration success and exploitation of its projects and, until the Company is able to realise value from the joint venture's projects, it is likely to incur ongoing operational losses.</p>
<b>Sovereign risks</b>	The Company's projects and operations are all held

Risk Category	Risk
	<p>within the joint venture in Cuba. The Company cannot guarantee that the Cuban Government will remain stable or supportive of the mining and resources sector and existing ownership structures. Accordingly, the Company cannot guarantee ongoing access, surety of title and tenure of its Cuban assets. Outcomes in Courts in Cuba may be less predictable than in Australia, which could affect the enforceability of contracts entered into by the Company or its subsidiary in Cuba.</p>
<p><b>Regulation risks</b></p>	<p>There is a risk that applicable foreign investment law, or mining law, other laws or other regulations of the governing authorities in Cuba could change, and that such changes could result in additional material expenditures or time delays.</p> <p>There is also a risk that the necessary land acquisitions, permits, certificates, consents, authorisations and agreements required to implement future exploration and project development may not be obtained under conditions or within timeframes that make such plans economic.</p>
<p><b>Government policies and legislation risks</b></p>	<p>Any material adverse changes in government policies, legislation or shifts in political attitude in Cuba that affect mineral exploration activities, tax laws, royalty regulations, government subsidies and environmental issues may affect the viability of the projects or the Company.</p> <p>No assurance can be given that amendments to current laws and regulations or new rules and regulations will not be enacted, or that existing rules and regulations will not be applied in a manner which could substantially limit or affect the Company's exploration, development, and operating activities.</p>
<p><b>Economic and government risks</b></p>	<p>Economic and legislative changes in Cuba may affect the future viability of the joint venture. The future viability is also dependent on a number of other factors affecting the performance of all industries, not just the exploration and mining industries. These factors include, but are not limited to:</p> <ul style="list-style-type: none"> <li>(a) general economic conditions in Cuba and their respective major trading partners;</li> <li>(b) changes in government policies, taxation and other laws;</li> <li>(c) the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards Cuba and the commodities (resources) sector;</li> <li>(d) movement in, or outlook on, interest rates and inflation rates; and</li> <li>(e) natural disasters, social upheaval or war in Cuba</li> </ul>

Risk Category	Risk
	<p>or other countries.</p> <p>Industry profitability can be affected by changes in government within Cuba and other jurisdictions, which are outside the control of the Company. The Company's activities are subject to extensive laws and regulations controlling not only the exploration for and mining of minerals, but also the possible effects of such activities upon the environment. Permits from regulatory authorities are required for many aspects of mine operation and reclamation. There is no assurance that permits will be obtained when sought or that unfavourable conditions will not be imposed. Future legislation and regulations could cause additional expense, capital expenditures, restrictions and delays in development of the joint venture's tenements, the extent of which cannot be predicted.</p>
<p><b>Commodity and price volatility and exchange rate</b></p>	<p>The joint venture's Cuban projects are prospective for, inter alia, gold, antimony, silver, and copper. The market price of these commodities fluctuates and are affected by numerous factors beyond the control of the Company. These factors include current and expected future supply and demand, forward selling by producers, production costs levels in major metal producing centres as well as macroeconomic conditions such as inflation and interest rates. Fluctuations in commodity prices may impact on the commercial attractiveness or viability of the joint venture's projects.</p> <p>Furthermore, the international prices of most commodities are denominated in US dollars and the joint venture's cost base will be in a combination of US dollars, Canadian dollars and Cuban pesos. Consequently, changes in these exchange rates may impact on the expenditure of the joint venture and its purchasing capacity. The exchange rate is affected by numerous factors beyond the control of the Company, including interest rates, inflation and the general economic outlook.</p>
<p><b>Environmental risk</b></p>	<p>The joint venture's projects are subject to Cuban environmental laws and regulations, and its activities are expected to have some impact on the environment, particularly if mine development occurs in the future. It is the joint venture's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p>The joint venture will, in future, require approval from authorities before it can undertake mining activities that will impact the environment. Failure to obtain such approvals may prevent the joint venture from undertaking its desired activities, and is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws and regulations would materially</p>

Risk Category	Risk
	increase the joint venture's costs of doing business or affect its operations in any area.
<b>Climate Risk</b>	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <ul style="list-style-type: none"> <li>(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</li> <li>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</li> </ul>
<b>Related party risk</b>	<p>The Company may enter into key contractual relationships with related parties. If these relationships breakdown and the related party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement.</p> <p>Further, the operations of the Company will require involvement of related parties and other third parties including suppliers, manufacturers and customers. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:</p> <ul style="list-style-type: none"> <li>(a) financial failure or default by a participant in any agreement to which the Company may become a party; and/or</li> <li>(b) insolvency, default on performance or delivery by any operators, contractors or service providers.</li> </ul> <p>There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company</p>

Risk Category	Risk
	may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor and the impact the Company's position, performance and reputation.

**6.3 Industry specific**

Risk Category	Risk
<b>Mining and Exploration Risk</b>	<p>The business of mineral exploration, development and production is subject to risk by its nature. The success of the business depends, inter alia, on successful exploration and/or acquisition of reserves, securing and maintaining title to concessions and tenements, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining are speculative undertakings which may be hampered by force majeure circumstances, land claims and unforeseen mining problems. Increased costs, lower output or high operating costs may all contribute to make a project less profitable than expected at the time of the development decision. There is no assurance that the Company's attempts to exploit its exploration activities will be successful.</p> <p>The Company's exploration activities to date are not advanced to a stage where reliable reserve estimates can be made. Reserve estimates, if made in the future, are judgments based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Ore estimation is an interpretive process based on available data and interpretations and, thus, estimations may prove inaccurate.</p> <p>The actual quality and characteristics of ore deposits cannot be known until mining takes place, and will almost always differ from the assumptions used to develop reserves. Further, reserves are valued based on future costs and future prices and, consequently, the actual reserves and resources may differ from those estimated, which may result in either a positive or negative effect.</p> <p>No assurance can be given that commercial tonnages, grades or recovery will be achieved or realised. Commodity price fluctuations, increased production costs, or reduced recovery rates, may render possible reserves containing relatively lower grades uneconomic and may result in a restatement of such reserves. Moreover, short-term operating factors relating to possible reserves, such as sequential development of ore</p>



Risk Category	Risk
	<p>bodies and processing of new or different ore types or grades, may cause mining operations to be unprofitable in any particular accounting period.</p> <p>There is a risk that unforeseen geological and geotechnical difficulties may be encountered if and when developing and mining reserves. In this event, a loss of revenue may be caused by lower than expected production and/or higher than anticipated operation and maintenance costs, and/or on-going unplanned capital expenditure in order to meet production targets.</p>
<b>Title</b>	<p>The Company's mining exploration activities are dependent on the grant, or as the case may be, the maintenance of appropriate licenses, which may be withdrawn or made subject to limitations. The granting of license, maintaining of license or obtaining renewals, often depends on the Company being successful in obtaining required statutory approvals for its proposed activities and that the licenses, concessions, tenements, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.</p>
<b>Results of Studies</b>	<p>Subject to the results of future exploration and testing programs, the Company may progressively undertake a number of studies in respect to the Company's current or new projects. These studies may include scoping, pre-feasibility and bankable feasibility studies.</p> <p>These studies will be completed within certain parameters designed to determine the economic feasibility of the Company's current or new projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Company's current or new projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).</p> <p>Further, even if a study determines the economics of the Company's current or new projects, there can be no guarantee that the current or new projects will be successfully brought into production as assumed or within the estimated parameters in the feasibility study once production commences including but not limited to operation costs, mineral recoveries and commodity prices. In addition, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.</p>
<b>Metallurgy</b>	<p>Metal or mineral recoveries are dependent upon the metallurgical process, and by its nature processing contains elements of significant risk such as:</p> <p>(a) identifying a metallurgical process through test work to produce a saleable metal or</p>

Risk Category	Risk
	<p>concentrate;</p> <p>(b) developing an economic process route to produce a metal or concentrate; and</p> <p>(c) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.</p> <p>No assurance can be given that any particular level of recovery from mineral resources or reserves will in fact be realised or that a mineral resource will ever qualify as commercially viable which can be legally and economically exploited.</p>
<p><b>Insurance</b></p>	<p>Insurance of all risks associated with exploration or project development is not always available and, where it is available, the cost may be high. The Company will have insurance in place considered appropriate for the Company's needs.</p> <p>The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as extreme weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties, buildings, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.</p> <p>Although the Company seeks to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, insurance will not always be available or cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.</p> <p>It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration, development or production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.</p>

**6.4 General risks**

Risk Category	Risk
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Risk Category	Risk
<b>Economic</b>	<p>General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p>
<b>Market conditions</b>	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> <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 securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company or its Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
<b>Security investments</b>	<p>Investors should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the price of the Company's securities, regardless of its performance.</p>
<b>Force majeure</b>	<p>Events may occur within or outside the markets in which the Company operates that could impact upon the global and Australian economies, the operations of the Company and the market price of its securities. These events include acts of terrorism, outbreaks of international hostilities, fires, pandemics, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, and other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. Given the Company has only a limited ability to insure against some of these risks, its business, financial performance and operations may be materially adversely affected if any of the events described above occurs.</p>
<b>Government regulation</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,</p>

Risk Category	Risk
	<p>employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities and stakeholders to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.</p> <p>While the Company believes that it, and the joint venture, are in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or joint venture's properties, which could have a material adverse impact on the joint venture'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 joint venture will not obtain required permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could materially delay or restrict the joint venture 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 joint venture's activities or forfeiture of one or more of the tenements which make up the Projects.</p>
<b>Dividends</b>	<p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.</p>
<b>Taxation</b>	<p>The acquisition and disposal of securities in the Company will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring securities from a taxation point of view and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for securities under this Prospectus.</p>
<b>Reliance on key</b>	<p>The responsibility of overseeing the day-to-day operations</p>

Risk Category	Risk
<b>personnel</b>	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.
<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>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p>

**6.5 Speculative investment**

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

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

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

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

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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

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

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

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

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

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

Date	Description of Announcement
12/06/2024	In-Fill Drilling Program for Nueva Sabana Copper Mine
11/06/2024	Consolidation of Ownership of Concessions
6/06/2024	Notification of cessation of securities

Date	Description of Announcement
6/06/2024	Notification of cessation of securities
5/06/2024	Progress Report
4/06/2024	Progress Report
3/06/2024	Issued Capital - Other
31/05/2024	Proxy Form
31/05/2024	Company Secretary Appointment/Resignation
28/05/2024	Response to ASX Query
23/05/2024	Cleansing Notice
23/05/2024	Application for Quotation of Securities
17/05/2024	Results of Meeting
16/05/2024	Company Presentation
10/05/2024	Cleansing Notice
10/05/2024	Application for Quotation of Securities
10/05/2024	Progress Report
7/05/2024	Progress Report
30/04/2024	Cleansing Notice
30/04/2024	Application for Quotation of Securities
30/04/2024	Trading Halt Lifted
30/04/2024	First Quarter Activities Report
26/04/2024	Notification of Unquoted Equity Securities
26/04/2024	Issued Capital - Other
26/04/2024	Trading Halt
17/04/2024	Cleansing Notice
17/04/2024	Application for Quotation of Securities
16/04/2024	Notice Of Annual General Meeting
2/04/2024	Cleansing Notice
2/04/2024	Application for Quotation of Securities
6/06/2024	Notification of cessation of securities
6/06/2024	Notification of cessation of securities
5/06/2024	Progress Report
4/06/2024	Progress Report
3/06/2024	Issued Capital - Other
31/05/2024	Proxy Form
31/05/2024	Company Secretary Appointment/Resignation
28/05/2024	Response to ASX Query
23/05/2024	Cleansing Notice
23/05/2024	Application for Quotation of Securities

Date	Description of Announcement
17/05/2024	Results of Meeting
16/05/2024	Company Presentation
10/05/2024	Cleansing Notice
10/05/2024	Application for Quotation of Securities
10/05/2024	Progress Report
7/05/2024	Progress Report
30/04/2024	Cleansing Notice
30/04/2024	Application for Quotation of Securities
30/04/2024	Trading Halt Lifted
30/04/2024	First Quarter Activities Report
26/04/2024	Notification of Unquoted Equity Securities
26/04/2024	Issued Capital - Other
26/04/2024	Trading Halt
17/04/2024	Cleansing Notice
17/04/2024	Appendix 2A (Application for Quotation of Securities)
16/04/2024	Notice Of Annual General Meeting
2/04/2024	Cleansing Notice
2/04/2024	Application for Quotation of Securities
27/03/2024	Annual Reports

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 <https://antillesgold.net/>.

### 7.3 Market price of Shares and New Options

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

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

	(\$)	Date
Highest	\$0.022	21 March 2024
Lowest	\$0.005	28 May 2024
Last	\$0.006	14 June 2024

The highest, lowest and last closing market sale prices of the Listed Options on ASX during the three months immediately preceding the date of lodgement of

this Prospectus with the ASIC and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.002	30 April 2024
Lowest	\$0.001	24 May 2024
Last	\$0.001	24 May 2024

## 7.4 Material Contracts

### 7.4.1 Lead Manager Mandate

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

<b>Fees</b>	<p>Under the terms of this engagement, the Company will pay the Lead Manager:</p> <ul style="list-style-type: none"> <li>(a) \$60,000 lead manager fee which will be satisfied by the issue of Shares to the Lead Manager (or its nominees) from the Shortfall if available, and if not, in cash;</li> <li>(b) a management fee of 1% of total funds raised under the Offer which will be satisfied by the issue of Shares to the Lead Manager (or its nominees) from the Shortfall if available, and if not, in cash;</li> <li>(c) a placement fee of 5% of any Shortfall placed by the Lead Manager; and</li> <li>(d) any reasonable disbursements and out of pocket expenses. Any single expense greater than \$1,500 requires the Company's consent prior to its incursion.</li> </ul>
<b>Termination by the Lead Manager</b>	<p>The Lead Manager may terminate the Lead Manager Mandate by providing two days' written notice to the Company, if any of the following events occur:</p> <ul style="list-style-type: none"> <li>(a) the Company defaults in relation to any term of this Lead Manager Mandate;</li> <li>(b) any information provided to Lead Manager contains a false or a misleading statement;</li> <li>(c) the All Ordinaries Index as published by ASX falls 7% or more below the closing level on the date of the Lead Manager Mandate;</li> <li>(d) the price of COMEX gold or the price of NYMEX WTI crude oil fall 7% or more below the closing level on the date of the Lead Manager Mandate; or</li> <li>(e) any representations or warranties made by the Company are or become untrue.</li> </ul>
<b>Termination Fee</b>	<p>The Company will pay the Lead Manager \$30,000 in the event that the Company or Lead Manager terminate the</p>



	Lead Manager Mandate.
<b>Right of First Refusal</b>	The Company agrees to offer the Lead Manager the lead role in any future capital raising undertaken by the Company within one month of completion of the Offer.

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

## 7.5 Interests of Directors

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

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

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

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

### **Security holdings**

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set out in Section 2.4.

### **Remuneration**

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as



the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors.

Director	FY ending 31 December 2023	FY ending 31 December 2024
Brian Johnson <sup>1</sup>	US\$353,867	US\$220,000
James Tyers	US\$304,344 <sup>2</sup>	US\$275,000
Ugo Cario <sup>3</sup>	US\$33,189	US\$33,000
Angela Pankhurst <sup>3</sup>	US\$33,176	US\$33,000

**Notes:**

1. Comprising of cash consulting fees of US\$155,000 and director's fees of US\$65,000.
2. Comprising of US\$240,087 cash salary and fees, US\$18,824 superannuation, US\$45,433 Performance Rights based payments.
3. Comprising cash salary and fees.

## 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 Offer,

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

- (f) the formation or promotion of the Company; or

- (g) the Offer.

Mahe Capital Pty Ltd has acted as the lead manager of the Offer. The Company estimates it will pay Mahe Capital Pty Ltd the fees set out in Section 7.4.1 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Mahe Capital Pty Ltd has not received any fees from the Company.

Steinepreis Paganin has acted as the legal advisers to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$20,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not received any other fees for any other services.

HLB Mann Judd has been paid \$57,490 (excluding GST for auditing the Company's 31 December 2023 financial statements and balance sheet. During the 24 months preceding lodgement of this Prospectus with the ASIC, HLB Mann Judd has not received any fees from the Company for any other services.

## **7.7 Consents**

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

Each of the parties referred to in this Section:

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

Mahe Capital Pty Ltd has given its written consent to being named as the lead manager to the Offer in this Prospectus.

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

HLB Mann Judd has given its written consent to being named as the auditors to the Company in this Prospectus and to the use of audited and reviewed financials to prepare the balance sheet set out in Section 4.4.

## 7.8 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$176,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,200
ASX fees	29,000
Lead Manager fees <sup>1</sup>	100,000
Legal fees	23,000
Share Registry services	15,000
Printing and distribution	5,800
<b>Total</b>	<b>176,000</b>

**Notes:**

1. Further details are set out in in Section 7.4.1 (excluding GST and disbursements) for these services.

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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.

For personal use only

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9. **GLOSSARY**

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

**AEST** means Eastern Standard Time as observed in Sydney, New South Wales

**Application Form** means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

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

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

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

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

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

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

**Closing Date** means the date specified in the timetable set out at Section 2 (unless extended).

**Company** or **Antilles Gold** means Antilles Gold Limited (ACN 008 031 034).

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

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

**CRN** means Customer Reference Number in relation to BPAY®.

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

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

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

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

**Exercise Price** means the exercise price of the New Options being \$0.01.

**Ineligible Shareholder** means a Shareholder as at the Record Date whose registered address is not situated in Australia or New Zealand.

**Lead Manager** has the meaning given in Section 2.6.

**Listed Option** means a quoted Option in the Company's existing quoted Option class, ASX:AAUOC, exercisable at \$0.10 on or before 30 June 2025.

**New Option** means an Option issued on the terms set out in Section 5.1(a).

**Offer** means the non-renounceable entitlement issue the subject of this Prospectus.

**Official Quotation** means official quotation on ASX.

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

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

**Prospectus** means this prospectus.

**Record Date** means the date specified in the timetable set out at Section 2.

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

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

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

**Shareholder** means a holder of a Share.

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

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

**Shortfall Offer** means the offer of the Shortfall Securities on the terms and conditions set out in Section 3.6.

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

**US\$** means United States of America dollars.