

Prospectus

Koonenberry Gold Limited
(ACN 619 137 576)

This Prospectus is being primarily issued for the non-renounceable pro-rata offer to Eligible Shareholders of 6 New Shares for every 7 Shares held on the Record Date at an issue price of \$0.014 each to raise up to approximately \$1.65 million (before costs), with 1 free attaching Quoted Option for every 2 New Shares issued which is exercisable at \$0.04 each and expiring two years from the date of issue (**Entitlement Offer**).

The Entitlement Offer is fully underwritten by BW Equities Pty Ltd and Baker Young Limited. Refer to Section 5.4 for a summary of the material terms and conditions of the Joint Underwriting Agreement.

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

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.

IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR SUITABLY QUALIFIED PROFESSIONAL ADVISER WITHOUT DELAY.

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

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

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Important information

This Prospectus is dated 18 March 2024 and was lodged with ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the Company's offices at Suite 6, Level 2, 72-78 Carrington Street, Adelaide SA 5000 during normal business hours, and on the Company's website at <https://koonenberrygold.com.au/>. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.8).

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

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

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

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

No action has been taken to permit the offer of Securities under this Prospectus in any jurisdiction other than Australia. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia and to the extent permitted in Section 1.20, New Zealand.

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Quoted Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (www.koonenberrygold.com.au). By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

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

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

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

Corporate Directory

Directors

Paul Harris	Non-Executive Chairman
Dan Power	Managing Director
Anthony McIntosh	Non-Executive Director
George Rogers	Non-Executive Director

Company Secretary

Brett Tucker Company Secretary

Registered Office

C/- Automic
Level 5, 191 St Georges Terrace
Perth WA 6000

Principal Place of Business

Suite 6, Level 2
72-78 Carrington Street
Adelaide SA 5000

Phone: +61 8 6245 9869
Email: info@koonenberrygold.com.au
Website: www.koonenberrygold.com.au

ASX Code: KNB

Share Registry*

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000
Telephone: +61 2 9698 5414
Website: www.automicgroup.com.au

Joint Underwriters

BW Equities Pty Ltd (AFSL 389353)
Level 30/360, Collins St
Melbourne, VIC 3000

Baker Young Limited (AFSL 246735)
Level 6, 121 King William St,
Adelaide, SA 5000

Auditor*

Grant Thornton
Level 43, 152-158 St George's Terrace
Perth, WA 6000

Solicitors

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

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

PROPOSED TIMETABLE

Event	Date
Lodgement of Appendix 3B with ASX	4 March 2024
Lodgement of Prospectus with ASIC and ASX	18 March 2024
Shares quoted on an "EX" basis	21 March 2024
Record Date for determining Entitlements under the Entitlement Offer	22 March 2024
Prospectus and Application Forms made available to Eligible Shareholders Opening date of the Offers	27 March 2024
Last day to extend Entitlement Offer Closing Date	11 April 2024
Closing Date of the Entitlement Offer and Top-Up Offer (5.00pm AWST)	16 April 2024
New Shares and Quoted Options quoted on a deferred settlement basis	17 April 2024
ASX and Joint Underwriters and Sub-Underwriters notified of under subscriptions	19 April 2024
General Meeting	22 April 2024
Issue date of new Securities under the Offers and the Tranche 2 Placement Shares. Company lodges an Appendix 2A with ASX applying for quotation of the Quoted Options and New Shares	23 April 2024
Anticipated date for commencement of Quoted Options and New Shares issued under the Offers trading on a normal settlement basis	24 April 2024

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

Letter from the Chairman

On behalf of your Directors, I am pleased to invite you to participate in this non-renounceable pro-rata 6-for-7 Entitlement Offer at an issue price of \$0.014 per New Share, to raise up to approximately \$1.65 million (before costs).

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

- exploration and drilling activities at the Bellagio Au Prospect;
- exploration and drilling activities at the Atlantis Cu-Au Prospect;
- general working capital; and
- the costs of the Offers.

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

The Company anticipates drilling the Atlantis Cu-Au Prospect in early April. This target is defined by up to 15.3% Cu and 0.84g/t Au in outcrop¹, an extensive Cu-Au soil anomaly over 6.5km long and three conductive plates potentially representing copper sulphides at depth as determined by Electromagnetics. The Prospect has never been drill tested.

The Company intends to undertake further drilling at the Bellagio Au Prospect in May 2024. Limited drilling conducted in 2023 defined widespread bedrock gold mineralisation over a 250-300m area and a maximum result of 10m @ 1.61g/t Au from 18m including 1m @ 4.47g/t from 24m in drillhole 23BEAC002². The gold mineralisation is open in all directions, including along the >20km long Royal Oak Fault controlling structure.

The next few months will be an exciting time for the Company and shareholders as we execute the first ever drill program at Atlantis and continue our good work at Bellagio with a focussed strategy and high impact drill programs.

Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders are entitled to subscribe for 6 New Shares for every 7 Shares held on the Record Date, being 5.00pm (AWST) on 22 March. Participants in the Entitlement Offer will also be issued 1 Quoted Option for every 2 New Shares issued.

Shares issued under the Entitlement Offer will rank equally with existing Shares. The Quoted Options will be exercisable at \$0.04 each and expire 2 years from the date of issue.

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

Joint Underwriting

The Offer is fully underwritten by BW Equities Pty Ltd (**BW Equities**) and Baker Young Limited (**Baker Young**). Accordingly, to the extent there remains any shortfall of New Shares and Quoted Options not taken up by Eligible Shareholders pursuant to the Entitlement Offer and Top-Up Offer,

¹ Refer ASX announcement dated 21/03/2023

² Refer ASX Announcement dated 03/10/2023

these Securities will be subscribed for pursuant to the terms of the Joint Underwriting Agreement. Refer to Section 5.4 for a summary of the material terms and conditions of the Joint Underwriting Agreement.

Sub-underwriting

The Joint Underwriters have entered into a number of sub-underwriting agreements with unrelated parties in respect of any shortfall under the Entitlement Offer and the Top-Up Offer, including a sub-underwriting agreement with Lion Selection Group Limited, who will act as a priority sub-underwriter up to \$250,000 of the first of any shortfall under the Top-Up Offer. In the event that the shortfall of the Entitlement Offer is less than \$250,000, the Company intends to undertake a follow-on placement of new Shares to Lion Selection Group Limited on the same terms as the Placement, for any difference to their sub-underwriting commitment up to a maximum amount of \$250,000.

In addition, an entity associated with director Anthony McIntosh, has committed to sub-underwrite up to an aggregate of \$75,000 of the Entitlement Offer.

Refer to Section 5.5 for details.

How to apply

The Entitlement Offer and the Top-Up Offer are scheduled to close at 5.00pm (AWST) on 16 April 2024. Eligible Shareholders wishing to participate in the Entitlement Offer or the Top-Up Offer must ensure that they have completed their Application by paying Application Monies before this time in accordance with the instructions set out on the Application Form and Section 2 of this Prospectus.

Risks and additional information

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

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

I look forward to your continued support,

Yours faithfully

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

Paul Harris
Non-Executive Chairman

Investment Overview

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

Key Information	Further Information
<p>Transaction specific prospectus</p> <p>This Prospectus is a transaction specific prospectus for offers of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	Section 5.6
<p>Risk factors</p> <p>Potential investors should be aware that subscribing for Securities involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> • Future capital and funding requirements: The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds of the Offers should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Prospectus. However, the Company will require additional funding in the future in order to fund its business development activities, exploration program and other Company objectives. • Exploration and development risks: Mineral exploration and development is a high-risk undertaking. There can be no assurance that further exploration on the Company's projects will result in the discovery of an economic ore deposit or that it can be economically exploited. • Grant and renewal of tenements: Exploration activities are dependent upon the maintenance (including renewal) of tenements, which is dependent on, among other things, the Company's ability to meet the licence conditions imposed by relevant authorities including minimum annual expenditure requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. Further, the Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all. • Land access: There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Commonly, this will affect the procedure required for access and may impose obligations in respect of compensation, land rehabilitation and/or land impact management. Inability to access, or delays experienced in accessing, the land and unforeseen expenses associated therewith may impact on the Company's activities. 	Section 4

Key Information	Further Information
<ul style="list-style-type: none"> • Environmental risk: Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or noncompliance with environmental laws or regulation. • General market risks: Share market conditions may affect the value of the Company's Securities regardless of the Company's operating performance. The Company is exposed to general market and economic condition risks including adverse changes in levels of economic activity, exchange rates, interest rates, commodity prices, government policies, employment rates and industrial disruption. 	
<p>The Offers</p> <p><u>Overview</u></p> <p>This Prospectus is for an offer of New Shares and free attaching Quoted Options under the Entitlement Offer and Top-Up Offer. The allocation policy for the Offers is in Section 1.4.</p> <p><u>Entitlement Offer</u></p> <p>The Entitlement Offer is a non-renounceable pro rata offer of 6 New Shares for every 7 existing Shares held by Eligible Shareholders on the Record Date, at an issue price of \$0.014 per New Share to raise up to approximately \$1.65 million (before costs).</p> <p>Eligible Shareholders who are issued New Shares under the Entitlement Offer will also be issued 1 free attaching Quoted Option for every 2 New Shares issued under the Entitlement Offer. The Quoted Options will be exercisable at \$0.04 each and expire 2 years from the date of issue, and are otherwise on the terms and conditions in Section 5.2.</p> <p><u>Top-Up Offer</u></p> <p>Eligible Shareholders may subscribe for additional New Shares in excess of their Entitlement by participating in the Top-Up Offer. The issue price of each New Share issued under the Top-Up Offer will be \$0.014, being the same price at which New Shares are offered under the Entitlement Offer.</p> <p>As with the Entitlement Offer, Eligible Shareholders who are issued Shares under the Top-Up Offer will also be issued 1 free attaching Quoted Option for every 2 New Shares issued under the Top-Up Offer. The Quoted Options will be exercisable at \$0.04 each and expire 2 years from the date of issue, and are otherwise on the terms and conditions in Section 5.2.</p> <p><u>Placement Option Offer</u></p> <p>This Prospectus also includes a separate offer of 25,000,000 Quoted Options to be issued to existing and sophisticated investors as free attaching Quoted Options pursuant to the Placement (Placement Options). The issue of the Placement Options is subject to Shareholder approval at the Company's General Meeting.</p> <p><u>Joint Underwriter Offer</u></p>	<p>Sections 1.1, 1.2, 1.6 and 1.5.</p>

Key Information	Further Information								
<p>The Joint Underwriter Offer comprises a separate offer under this Prospectus of up to 10,000,000 Quoted Options to the Joint Underwriters (or their respective nominees), as partial consideration for the joint lead manager services provided in connection with the Entitlement Offer and Placement to be issued on a 50/50 basis.</p>									
<p>Eligible Shareholders</p> <p>The Entitlement Offer and Top-Up Offer is made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who, on the Record Date:</p> <ul style="list-style-type: none"> • are the registered holder of Shares; and • have a registered address in Australia or, to the extent permitted in Section 1.20, in New Zealand. 	<p>Sections 1.20 and 1.21</p>								
<p>Joint Underwriting</p> <p>The Offer is fully underwritten by BW Equities and Baker Young.</p> <p>Any New Shares and Quoted Options not subscribed for under the Entitlement Offer will be subscribed for pursuant to the Joint Underwriting Agreement.</p> <p>The Joint Underwriters have entered into a number of sub-underwriting agreements in respect of these shortfall securities, which include a priority sub-underwriting arrangement with a cornerstone investor and a related party sub-underwriting agreement respectively as follows:-</p> <ul style="list-style-type: none"> • Lion Selection Group Limited has agreed to act as sub-underwriters up to \$250,000 of the first of any shortfall under the Entitlement Offer; and • Interdale Pty Ltd as trustee for the Maple Super Fund, an entity associated with director Anthony McIntosh, has also committed to sub-underwrite up to \$75,000 of the Top Up Offer. 	<p>Sections 1.3, 1.13 and 5.4</p>								
<p>Use of funds</p> <p>Funds raised under the Offers are intended to be primarily applied towards:</p> <ul style="list-style-type: none"> • exploration and drilling activities at the Bellagio Au Prospect; • exploration and drilling activities at the Atlantis Cu-Au Prospect; and • general working capital; and • the costs of the Offers. 	<p>Section 1.7</p>								
<p>Effect on control of the Company</p> <p>The Company is of the view that the Offers will not affect the control of the Company. No investor or existing Shareholder will hold a voting power greater than 20% as a result of the Offers.</p> <p>Shareholders should note that if they do not participate in the Offers, their holdings will be diluted. Examples of how the dilution may impact Shareholders are set out in Section 1.12.</p>	<p>Sections 1.10 and 1.12</p>								
<p>Indicative capital structure and pro-forma balance sheet</p> <p>The indicative capital structure upon completion of the Offers is set out below:</p> <table border="1" data-bbox="193 1865 1185 1951"> <thead> <tr> <th data-bbox="193 1865 443 1951">Securities</th> <th data-bbox="443 1865 691 1951">Shares</th> <th data-bbox="691 1865 938 1951">Options</th> <th data-bbox="938 1865 1185 1951">Performance Rights</th> </tr> </thead> <tbody> <tr> <td colspan="4" style="height: 20px;"></td> </tr> </tbody> </table>	Securities	Shares	Options	Performance Rights					<p>Sections 3.1 and 3.2</p>
Securities	Shares	Options	Performance Rights						

Key Information				Further Information
Balance at the date of this Prospectus	137,711,450	Nil	6,651,516	
To be issued pursuant to the Entitlement Offer	118,038,386	59,019,193	Nil	
Joint Underwriter Options	-	Min: 5,000,000	-	
		Max: 10,000,000		
Placement Options Offer	-	25,000,000	-	
Tranche 2 Shares to be issued under the Placement	32,037,638	-	-	
Total	287,787,474	Min: 89,019,193	6,651,516	
		Max: 94,019,193		
<p>The above table assumes:</p> <p>(a) that the Offers are fully subscribed;</p> <p>(b) assumes completion of the Placement and receipt of all necessary Shareholder approvals at the General Meeting.</p> <p>(c) No other Securities are issued, including Shares issued on the conversion or exercise of any existing Options or Performance Rights, other than the proposed issue of up to 4,545,454 Performance Rights to Mr Daniel Power (or his nominees) subject to Shareholder approval at the General Meeting.</p> <p>The indicative pro-forma balance sheet showing the effect of the Offers is in Section 3.2.</p>				

Key Information	Further Information																				
<p>Directors' interests in Shares and Entitlements</p> <p>The relevant interest of each of the Directors in Shares as at the date of this Prospectus, together with their respective Entitlements is set out in the table below (subject to rounding):</p> <table border="1" data-bbox="193 445 1190 790"> <thead> <tr> <th data-bbox="193 445 480 568">Name</th> <th data-bbox="480 445 759 568">Existing Shares</th> <th data-bbox="759 445 975 568">Entitlement (New Shares)²</th> <th data-bbox="975 445 1190 568">Entitlement (Quoted Options)²</th> </tr> </thead> <tbody> <tr> <td data-bbox="193 568 480 622">Paul Harris</td> <td data-bbox="480 568 759 622">-</td> <td data-bbox="759 568 975 622">-</td> <td data-bbox="975 568 1190 622">-</td> </tr> <tr> <td data-bbox="193 622 480 676">Dan Power</td> <td data-bbox="480 622 759 676">-</td> <td data-bbox="759 622 975 676">-</td> <td data-bbox="975 622 1190 676">-</td> </tr> <tr> <td data-bbox="193 676 480 730">Anthony McIntosh</td> <td data-bbox="480 676 759 730">3,442,000</td> <td data-bbox="759 676 975 730">2,950,286 ¹</td> <td data-bbox="975 676 1190 730">1,475,143 ¹</td> </tr> <tr> <td data-bbox="193 730 480 790">George Rogers</td> <td data-bbox="480 730 759 790">8,483,000</td> <td data-bbox="759 730 975 790">7,271,143</td> <td data-bbox="975 730 1190 790">3,635,571</td> </tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> <li data-bbox="240 864 1190 947">1. The table does not include any New Shares of free attaching Quoted Options subscribed for through a sub-underwriting arrangement with an associated entity as described at Section 5.5. <li data-bbox="240 965 1190 1048">2. The table does not include participation in the Placement by any Directors as outlined at Section 5.11(b), which is subject to shareholder approval at the General Meeting. <p>Mr Anthony McIntosh intends to take up all of his respective Entitlements pursuant to the Entitlement Offer. The remaining Directors reserve their right to take up their respective Entitlements in whole or in part under the Entitlement Offer.</p> <p>Interdale Pty Ltd as trustee for the Maple Super Fund, an entity associated with director Anthony McIntosh, has agreed to sub-underwrite up to an aggregate of \$75,000 of the Entitlement Offer.</p>	Name	Existing Shares	Entitlement (New Shares) ²	Entitlement (Quoted Options) ²	Paul Harris	-	-	-	Dan Power	-	-	-	Anthony McIntosh	3,442,000	2,950,286 ¹	1,475,143 ¹	George Rogers	8,483,000	7,271,143	3,635,571	<p>Sections 5.11(b), and 5.3 and 5.5</p>
Name	Existing Shares	Entitlement (New Shares) ²	Entitlement (Quoted Options) ²																		
Paul Harris	-	-	-																		
Dan Power	-	-	-																		
Anthony McIntosh	3,442,000	2,950,286 ¹	1,475,143 ¹																		
George Rogers	8,483,000	7,271,143	3,635,571																		
<p>Forward looking statements</p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p>	<p>Key Information and Section 4</p>																				

Key Information	Further Information
These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.	

1. Details of the Offers

1.1 Entitlement Offer

The Company is making an offer to all Eligible Shareholders to participate in a non-renounceable pro-rata entitlement offer to raise up to approximately \$1.65 million (before costs) by the issue of up to approximately 118,038,386 New Shares and 59,019,193 free attaching Quoted Options.

The Entitlement Offer will be determined on the basis of:

- (a) 6 New Shares for every 7 Shares held at the Record Date at an issue price of \$0.014 each; plus
- (b) 1 free Quoted Option for every 2 New Shares subscribed for,

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

The purpose of the Entitlement Offer is to:

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

On 4 March 2024, the Company announced that it had received firm commitments from existing and sophisticated investors to subscribe for 50,000,000 Shares (**Placement Shares**) (and 25,000,000 free attaching Quoted Options exercisable at \$0.04 each and expiring two years from the date of issue) to raise \$700,000 (before costs) pursuant to a two-tranche placement (**Placement**). The issue price of the Placement Shares was \$0.014 per Share.

The Placement is comprised of the following tranches:

- (a) **Tranche 1:** 17,962,362 Placement Shares issued within the Company's existing placement capacity under ASX Listing Rule 7.1 on 8 March 2024, and 8,981,181 free attaching Quoted Options to be issued subject to shareholder approval at a general meeting of the Company anticipated to be held in April 2024 (**General Meeting**).
- (b) **Tranche 2:** up to 32,037,638 Placement Shares and 16,018,819 free attaching Quoted Options will be issued subject to shareholder approval at the General Meeting, including participation by Directors for a total of 7,499,998 Placement Shares and 3,749,999 free attaching Quoted Options as outlined in Section 5.11(b)

As at the date of this Prospectus, the Company has on issue 137,711,450 Shares. Assuming no other Shares are issued or Securities exercised or converted to Shares, prior to the Record Date (and subject to entitlement rounding), the Entitlement Offer is for a maximum of 118,038,386 New Shares and 59,019,193 Quoted Options.

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

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

1.2 Top-Up Offer

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

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

The issue price of any Top-Up Shares will be \$0.014 each, which is the issue price at which New Shares are offered to Eligible Shareholders under the Entitlement Offer. 1 free Quoted Option will be issued for every 2 New Shares issued under the Top-Up Offer on the same terms offered to Eligible Shareholders under the Entitlement Offer.

Top-Up Shares will only be issued if the Entitlement Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions and will be at the discretion of the Board in conjunction with the Joint Underwriters. Refer to the allocation policy in Section 1.4 for additional information.

No Top-Up Shares will be issued to an Eligible Shareholder which would, if issued, result in them increasing their voting power in the Company above 20%, and no Top-Up Shares will be issued if their issue would contravene any law or Listing Rule. There is no guarantee of any allocation of Top-Up Shares, or that applications for Top-Up Shares will be satisfied in full. Excess Application Monies for the Top-Up Offer will be refunded without interest. It is a term of the Top-Up Offer that, should the Company scale back applications for Top-Up Shares, the Applicant will be bound to accept such lesser number allocated to them.

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

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

1.3 Joint Underwriting

The Company is party to a joint underwriting agreement with BW Equities and Baker Young (together, the **Joint Underwriters**) dated 3 March 2024 and amended on 7 March 2024 (**Joint Underwriting Agreement**), pursuant to which the Joint Underwriters have agreed to fully underwrite the Offer.

Pursuant to the Joint Underwriting Agreement, any New Shares not validly applied for under the Entitlement Offer and Top-Up Offer will be subscribed for by or on behalf of the Joint Underwriters.

Each of the New Shares and Quoted Options to be issued to the Joint Underwriters pursuant to the Joint Underwriting Agreement will be issued on the same terms and conditions of the New Shares and Quoted Options being offered under the Entitlement Offer.

A summary of the material terms of the Joint Underwriting Agreement is in Section 5.4.

1.4 Allocation policy

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

- (a) **Step 1 (Entitlement Offer):** Eligible Shareholders apply for their Entitlements pursuant to the Entitlement Offer.
- (b) **Step 2 (Priority-Sub-Underwriting):** Lion Selection Group Limited has agreed to subscribe for any shortfall remaining after Step 1 and will be prioritised above applications to other Sub-Underwriters and under the Top-Up Offer.
- (c) **Step 3 (Top-Up Offer):**
 - (i) Eligible Shareholders who apply for their Entitlements in full may apply for Top-Up Shares. Sub-Underwriters have also agreed to subscribe for shortfall remaining after Steps 1 and 2.
 - (ii) If there is sufficient shortfall from Steps 1 and 2 to satisfy applications for Top-Up Shares, the applications may, in the discretion of the Board (with Mr McIntosh abstaining) and the Joint Underwriters, be satisfied in full, in part or not accepted, subject to compliance with the requirements of the Corporations Act and the Listing Rules.
 - (iii) Applications for Shares pursuant to the Joint Underwriting Agreement to be issued to Sub-Underwriters will be treated in the same manner as all other applications under the Top-Up Offer.

Mr McIntosh is a Director of the Company and is associated with Interdale Pty Ltd (as trustee of the Maple Super Fund) which is a Sub-Underwriter by virtue of Mr McIntosh's position as a director of this entity. Accordingly, Mr McIntosh will abstain from participating in discussions concerning the allocation and scale back the New Shares under the Top-Up Offer.

- (d) **Step 3 (Joint Underwriters):**

The Joint Underwriters have agreed to subscribe for any shortfall remaining after Steps 1, 2 and 3.

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

1.5 Placement Option Offer

This Prospectus includes a separate offer of up to 25,000,000 Quoted Options (**Placement Options**) to be issued to existing and sophisticated investors pursuant to the Placement, exercisable at \$0.04 each and expiring two years from the date of issue.

The Placement Options Offer is an offer of 1 Placement Option for every 2 Placement Shares, on the basis of 1 free attaching Quoted Option for every two Placement Shares issued (**Placement Option Offer**).

The issue of the Placement Options is subject to Shareholder approval at the Company's General Meeting pursuant to Listing Rules 7.1 and 10.11.

No funds will be raised from the Placement Option Offer.

Only the participants in the Placement may accept the Placement Option Offer. The Placement Option Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares issued upon exercise of any Placement Options into Shares, that are issued under the Placement Option Offer.

An Application Form in relation to the Placement Option Offer will be issued to the participants in the Placement together with a copy of this Prospectus.

The Placement Options issued under the Placement Option Offer will be in the same class and will rank equally in all respects with the Quoted Options issued under the Entitlement Offer, Top Up Offer, and Joint Underwriter Offer. A summary of the rights and liabilities attaching to the Quoted Options offered under the Placement Option Offer is in Section 5.2. All Shares issued upon the exercise of the Placement Options will rank equally with the existing Shares on issue, as summarised in Section 5.1.

1.6 Joint Underwriter Offer

This Prospectus includes a separate offer of up to 10,000,000 Quoted Options to the Joint Underwriters (or their respective nominees) to the Entitlement Offer on a 50/50 basis (**Joint Underwriter Options**). The Company will seek shareholder approval for the issue of the Joint Underwriter Options at the General Meeting.

The Joint Underwriter Options are to be issued to the Joint Underwriters (or their respective nominees) as partial consideration for the lead managerial services provided by the Joint Underwriters in connection with the Entitlement Offer and Placement. Refer to Section 5.3 for a summary of the Joint Lead Manager Mandate.

Only the parties nominated by the Joint Underwriters may accept the Joint Underwriter Offer.

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

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

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

The Company will apply for quotation of the Quoted Options, as summarised in Section 1.17.

1.7 Use of funds

The following indicative table sets out the proposed use of funds raised under the Entitlement Offer, assuming the Entitlement Offer is fully subscribed:

Proposed use	\$	%
Exploration and drilling activities at the Bellagio Au Prospect	247,500	14.98
Exploration and drilling activities at the Atlantis Cu-Au Prospect	517,000	31.29
Future acquisitions	107,250	6.49
General working capital ¹	608,581	36.83
Expenses of the Offers ²	172,206	10.42
Total	1,652,537	100

Notes:

1. Working capital includes but is not limited to corporate office, administration, staff and operating costs, directors' fees, executive fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs.
2. The Expenses of the Offers includes ASIC fees, ASX quotation fees, Joint Underwriter fees, legal and preparation expenses, printing mailing and other expenses. Refer to Section 5.13 for details.
3. The above table is based on the assumption that the Entitlement Offer is fully subscribed. If the Entitlement Offer is not fully subscribed, and depending on the amount raised, the Company intends to scale back its proposed expenditure on the Bellagio Au Prospect and Atlantis Cu-Au Prospect exploration programs and further rationalise site maintenance costs and working capital accordingly.
4. The above table does not include any funds raised from exercise of the Quoted Options. To the extent that Quoted Options are exercised, the funds raised are intended to be applied to ongoing exploration and general working capital.

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

1.8 Opening and Closing Dates

For the Entitlement Offer and the Top-Up Offer, the Company will accept Application Forms from the date it makes the Prospectus available to Eligible Shareholders until 5.00pm (AWST) on 16 April 2024 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Closing Date**).

1.9 Minimum subscription

There is no minimum subscription for the Offers.

1.10 Effect on control of the Company

(a) General

The total number of Shares proposed to be issued under the Offers is 118,038,386 which will constitute 41.0% of the Shares on issue following completion of the Offers and following issue of 32,037,638 Shares pursuant to the Tranche 2 Placement (assuming no other Shares are issued or Securities exercised or converted to Shares prior to the Record Date).

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

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

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

(b) Joint Underwriters and control of the Company

In the unlikely event no Eligible Shareholders participate in the Entitlement Offer and the Joint Underwriters subscribe for the maximum potential amount of New Shares under the Joint Underwriting Agreement, less the priority Sub-underwriting arrangement with Lion Selection Group Limited for \$250,000 worth of New Shares, being 100,181,243 New Shares, and no other Shares are issued, the Joint Underwriters' respective voting power would increase as follows:

- (i) in respect to BW Equities, from 0% to 19.59%; and
- (ii) in respect to Baker Young, from 0% to 19.59%.

The number of New Shares that ultimately will be required to be taken up by the Joint Underwriters, and, therefore, increase the Joint Underwriters shareholding in the Company as a result of the Entitlement Offer and associated underwriting, will depend on the extent to which Eligible Shareholders (and any other parties) take up:

- (i) Entitlements under the Entitlement Offer; and
- (ii) shortfall under the Top-Up Offer.

The table below details the Joint Underwriters shareholding in the Company following its underwriting of the Entitlement Offer under several scenarios:

Eligible Shareholders take up under the Entitlement Offer	Total Shares held by BW Equities	BW Equities Voting Power (%)	Total Shares held by Baker Young	Baker Young Voting Power (%)
100% take up	Nil	Nil	Nil	Nil
75% take up	5,826,227	2.28	5,826,227	2.28
50% take up	20,581,025	8.05	20,581,025	8.05

25% take up	35,335,823	13.82	35,335,823	13.82
0% take up	50,090,622	19.59	50,090,622	19.59

Notes:

1. Assumes Lion Selection Group Limited complies with its obligations under its priority sub-underwriting agreement and subscribes for \$250,000 worth of Shares under the Entitlement Offer, being 17,857,142 New Shares.
2. Assumes the Joint Underwriting Agreement is not terminated prior to settlement of the Entitlement Offer and the Joint Underwriters comply with their obligations under the Joint Underwriting Agreement.
3. Subject to rounding.

The number of Shares held by the Joint Underwriters in the table above shows the potential effect of the underwriting of the Offer. It is highly unlikely, however, that no Shareholders will take up Entitlements under the Entitlement Offer and under the Top-Up Offer, or that the Sub-Underwriters do not apply for their respective Shares following any shortfall of the Entitlement Offer. The underwriting obligation and therefore potential shareholding of the Joint Underwriters will reduce by a corresponding amount for the amount of Entitlements under the Entitlement Offer taken up by Eligible Shareholders, the number of Shares subscribed for by Eligible Shareholders under the Top-Up Offer, and the Shares sub-underwritten by the Sub-Underwriters.

The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No Eligible Shareholder or third party will have a Voting Power greater than 20% as a result of the completion of the Offers.

1.11 Mitigating control effects

It is a general rule under section 606 of the Corporations Act that a person cannot acquire a Relevant Interest in issued voting shares in a company if because of the transaction in relation to securities, a person's Voting Power in the company increases from 20% or below to more than 20% or from a starting point that is above 20% and below 90%. The latter does not apply as there is no shareholder with a current Relevant Interest above 20%.

There are exceptions to that prohibition, including an acquisition that results from the issue of securities under a disclosure document to an underwriter or sub-underwriter provided the disclosure document discloses the effect that the acquisition would have on the person's Voting Power in the company (item 13 of section 611 of the Corporations Act).

In order to mitigate the potential control effects of the Entitlement Offer, the Directors have reserved the right (at their absolute discretion and subject to the Corporations Act and Listing Rules) to issue any Top-Up Shares to Eligible Shareholders in priority to the Joint Underwriters. Any Top-Up Shares will be issued in a manner that is in the Company's best interests, having regard to the following and other factors:

- (a) the need to first recognise the ongoing support of existing Shareholders of the Company, in particular long-term and cornerstone investors;
- (b) where the Directors consider it is the best interest of the Company to allocate any portion of the Shortfall Shares to a particular applicant or to particular applicants, in order to maximise total funds raised;
- (c) ensuring an appropriate shareholder base for the Company; and
- (d) minimising the control impact of the Entitlement Offer on the Company.

The Joint Underwriters have entered into a number of sub-underwriting agreements in respect of any shortfall under the Entitlement Offer and the Top-Up Offer, including sub-underwriting

agreements with Lion Selection Group Limited and an entity associated with Director, Anthony McIntosh. No Sub-Underwriter will increase their shareholding to above 19.99% as a direct result of the issue of the Entitlement Offer. Where Shares are issued pursuant to the exercise of free attaching Quoted Options, the voting power of the Sub-Underwriters who exercise their free attaching Quoted Options will increase. The likelihood of the free attaching Quoted Options being exercised is dependent on the price of Shares from time to time until the free attaching Quoted Options expire.

Accordingly, neither the Offers nor the Joint Underwriting Agreement are considered likely to have a material effect on the control of the Company.

Further information on the Top-Up Offer and the Sub-Underwriting Agreements are set out in Sections 1.2 and 5.5, respectively.

1.12 Potential dilution

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

Holder	Holding as at Record Date	% at Record Date	Entitlement to Shares	Shareholding if Entitlement not subscribed	% post Offers
Shareholder 1	5,000,000	3.63%	4,285,714	5,000,000	1.96%
Shareholder 2	2,500,000	1.82%	2,142,857	2,500,000	0.98%
Shareholder 3	1,250,000	0.91%	1,071,429	1,250,000	0.49%
Shareholder 4	625,000	0.45%	535,714	625,000	0.24%
Shareholder 5	312,500	0.23%	267,857	312,500	0.12%

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

The above table also assumes that no Shares are issued (including the Tranche 2 Placement Shares), other than those offered pursuant to this Prospectus.

1.13 Substantial Shareholders

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

Substantial Shareholder	Number of Shares	Voting power
Panchek Pty Ltd	20,148,656	14.64%
Bartholomew Gardner <Second Last Chance Inv A/C>	9,250,000	6.72%

Substantial Shareholder	Number of Shares	Voting power
Mr George Rogers ⁽¹⁾	8,483,000	6.16%

Note: Mr Rogers' interests in Shares are as follows:

1. 6,845,000 fully paid ordinary Shares held indirectly by Padlooka Investments Pty Ltd <A/C G&K Rogers Family A/C> of which Mr Rogers is a director and beneficiary. These shares are subject to a voluntary escrow arrangement with the Company until 20 September 2025;
2. 888,000 fully paid ordinary Shares held indirectly by George Rogers + Kathryn Bartlett <G&K Rogers Superfund A/C> of which Mr Rogers is a trustee and beneficiary; and
3. 750,000 fully paid ordinary Shares held indirectly by SRG Partners Pty Ltd of which Mr Rogers is a director.

1.14 No rights trading

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

1.15 Issue date and dispatch

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

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

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

1.16 Application Monies held on trust

All Application Monies received for the Shares under the Entitlement Offer and Top-Up Offer will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Shares are issued. All Application Monies will be returned (without interest) if the Shares are not issued.

1.17 ASX quotation

Application has been or will be made for the official quotation of the Shares and Quoted Options offered by this Prospectus. If permission is not granted by ASX for the official quotation of the Shares offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

The Company will apply for quotation of the Quoted Options subject to compliance with the requirements of ASX and the ASX Listing Rules, however, the Quoted Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules)). If these requirements are not met within three months from the date of this Prospectus, any issue or transfer of the Options (or Shares issued on exercise of those Options) will be void in accordance with section 723(3) of the Corporations Act.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation to the Shares and Quoted Options is not to be taken in any way as an indication of the merits of the Company, the Shares or the Quoted Options.

1.18 CHESS

The Company participates in the Clearing House Electronic Sub-Register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement.

The CHESS statement will specify the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares.

If you are registered on the Issuer Sponsored sub-register, your statement will be dispatched by the Company's share registry and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

1.19 SRN

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

An Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

1.20 Ineligible Foreign Shareholders

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Securities under the Offers.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

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

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

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

New Zealand

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

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

1.21 Notice to nominees and custodians

Nominees and custodians that hold Shares should note that the Entitlement Offer and Top-Up Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer and Top-Up Offer is compatible with applicable foreign laws.

1.22 Risk factors

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

1.23 Taxation implications

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

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

1.24 Junior Minerals Exploration Incentive

The Company successfully applied to participate in the Federal Government's Junior Minerals Exploration Incentive (**JMEI**) scheme and is allocated credits of up to \$1,260,000 which can be distributed to eligible shareholders who participate in the Offer and any other eligible capital raises undertaken by the Company prior to 30 June 2024.

Investors may be eligible to receive JMEI credits attaching to their investment in the Offer. Shareholders should consult with their personal financial advisor in relation to any distribution of JMEI credits by the Company.

1.25 Major activities and financial information

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2023 can be found in the Annual Report announced on ASX on 29 September 2023, and, for the half-year ended 31 December 2023, the Half Year Report and Accounts announced on ASX on 6 March 2024.

The Company's continuous disclosure notices (i.e. ASX announcements) since 29 September 2023 are listed in Section 5.8.

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

1.26 Privacy

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

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

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

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests can be made in accordance with Principle 12 of the Australian Privacy Principles and may be made in writing to the Company's registered office.

1.27 Enquiries concerning Prospectus

For enquiries concerning the Application Forms and the Prospectus, please contact the Company on +61 8 6245 9869 or info@koonenberrygold.com.au.

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

2. Action required to participate in the Offers

2.1 Actions to be taken by Eligible Shareholders

Eligible Shareholders may either:

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

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Application Form which accompanies this Prospectus.

Only the Joint Underwriters or their respective nominees will be eligible to participate in the Joint Underwriter Offer (refer to Section 2.6).

Only Participants in the Placement may accept the Placement Option Offer (refer to Section 2.7).

2.2 Eligible Shareholders wishing to accept Entitlement in full

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

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

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

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

Any Top-Up Securities applied for pursuant to the Top-Up Offer will be issued in accordance with the allocation policy described in Section 1.4. The Company's decision on the number of Top-Up Securities to be allocated to you will be final.

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

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

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

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

Entitlement, your payment may be treated as an application for as many New Shares as your Application Monies will pay for in full.

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

2.5 Entitlements not taken up

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

2.6 Joint Underwriter Offer

Only the Joint Underwriters, or parties nominated by the Joint Underwriters may accept the Joint Underwriter Offer.

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

2.7 Placement Option Offer

Only the participants in the Placement may accept the Placement Option Offer. Participants in the Placement will receive instructions from the Company on how to participate in the Placement Option Offer.

No monies are payable for the Placement Options to be issued pursuant the Placement Option Offer.

2.8 How to Pay (Via BPAY® or EFT)

The price of \$0.014 per New Share is payable on acceptance of your Application.

If you wish to participate in the Offers and are resident in Australia, you must make your payment by BPAY® or Electronic Funds Transfer (**EFT**) using the payment details in your Application Form.

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

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

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

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

To the fullest extent permitted by law, each Eligible Shareholder agrees that any Application Monies paid by them to the Company will not entitle them to any interest against the Company and that any interest earned in respect of Application Monies will belong to the Company. This will be the case, whether or not all or none (if any Offer is withdrawn) of the New Shares applied for by a person are issued to that person.

Payment by BPay® should be made according to the instructions set out on the Entitlement and Acceptance Form using the BPay® Biller Code and Customer Reference Number shown on the form. You can only make a payment via BPay® if you are a holder of an account with an Australian financial institution that supports BPay® transactions.

Payment by electronic funds transfer (EFT) should be made according to the instructions set out on the Entitlement and Acceptance Form using the unique payment reference number shown on the form.

The reference number shown on each Application Form (Reference Number) is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number to pay for each holding separately. Failure to do so may result in an underpayment. If you pay by BPay® or EFT and do not pay for your full Entitlement, the remaining Entitlement will form part of the Shortfall.

If you pay by BPay® or EFT:

- (a) you do not need to return the Application Form but are taken to have made the declarations on that form; and
- (b) 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 New Shares which is covered by your Application Monies.

You must ensure that your payment by BPay® or EFT is received by 5.00pm (AWST) on the Entitlement Offer Closing Date. Your financial institution may implement cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. The Company is not responsible for any delay in the receipt of BPay® or EFT payment. If Eligible Shareholders have more than one holding, they must login separately for each holding and use the Reference Number specific to the relevant holding. Alternatively, if Eligible Shareholders have requested a personalised Application Form and have more than one holding, they will receive separate forms for each holding. If Eligible Shareholders do not use the correct Reference Number specific to that holding, or inadvertently use the same Reference Number for more than one of their holdings, their application will be recorded against the holding associated with Reference Number they use.

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

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

2.9 Application Form

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

Completing and returning your Application Form with the requisite Application Monies (if applicable), or making a payment via BPAY® or EFT will create a legally binding contract between the Applicant and the Company for the number of Securities accepted by the Company, and you will be deemed to have:

- (a) represented and warranted that you are an Eligible Shareholder, if your Application Form is in respect of the Entitlement Offer;
- (b) represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus;
- (c) agreed to be bound by the terms of the relevant Offer;
- (d) declared that all details and statements in the Application Form are complete and accurate;
- (e) declared that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (f) authorised the Company and its respective officers or agents, to do anything on your behalf necessary for the Securities to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Application Form;
- (g) acknowledged that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that the Securities are suitable for you given your investment objectives, financial situation or particular needs; and
- (h) acknowledged that the Securities offered under this Prospectus have not, and will not be, registered under the securities laws in any jurisdictions outside Australia.

2.10 Enquiries concerning your Entitlement

For enquiries concerning the Application Forms and the Prospectus, please contact the Company on +61 8 6245 9869 or info@koonenberrygold.com.au

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

3. Effect of the Offers

3.1 Capital structure on completion of the Offers

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

- (a) the Offers and Placement are fully subscribed;
- (b) Lion Selection Group Limited sub-underwrites \$250,000 worth of New Shares pursuant to the LSG Sub-Underwriting Agreement and the Follow-on Placement of new Shares (set out in Section 5.5) is not required;
- (c) the maximum number of Joint Underwriter Options are issued under the Joint Underwriter Offer (see Section 5.3 for further details);
- (d) no Performance Rights are converted prior to the Record Date; and
- (e) no other New Shares are issued before the issue date.

	Shares	Options	Performance Rights
Balance at the date of this Prospectus	137,711,450 ⁽¹⁾	Nil	6,651,516 ⁽²⁾⁽⁵⁾
To be issued pursuant to the Entitlement Offer	118,038,386	59,019,193	Nil
Joint Underwriter Options	-	Min: 5,000,000 Max: 10,000,000	-
Placement Options		25,000,000	
Tranche 2 Shares to be issued under the Placement	32,037,638	-	-
Total	287,787,474	Min: 89,019,193 Max: 94,019,193⁽³⁾⁽⁵⁾	6,651,516⁽⁴⁾

Notes:

1. Includes 17,962,362 Placement Shares issued on 8 March 2024.
2. 6,651,516 Performance Rights convertible to Shares subject to various milestones and expiry dates
3. Assumes completion of the Placement and receipt of all necessary Shareholder approvals at the General Meeting.
4. Subject to Shareholder approval at the General Meeting, the Company is proposing to issue Director Dan Power up to 4,545,454 Performance Rights subject to various milestones and expiring on the date that is 24 months from the date of issue.

5. Assumes that the maximum number of Joint Underwriter Options are issued to the Joint Underwriters (or their respective nominees) (on a 50/50 basis) pursuant to the Joint Lead Manager Mandate (refer to Sections 5.3 for further details).

3.2 Pro forma consolidated statement of financial position

Set out below is:

- (a) the reviewed consolidated statement of financial position of the Company as at 31 December 2023 (**Balance Date**);
- (b) the unaudited effects of the Entitlement Offer (assuming the Entitlement Offer is fully subscribed); and
- (c) the unaudited pro forma statement of financial position of the Company at the Balance Date adjusted to reflect paragraph 3.2(b).

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

	31 DECEMBER 2023 \$	ISSUE \$	PRO FORMA \$
Current assets	718,837	2,135,831	2,854,669
Non-current assets	7,788,133	-	7,788,133
Total assets	8,506,970	2,135,832	10,642,802
Current liabilities	258,660	-	258,660
Non-current liabilities	56,254	-	56,254
Total liabilities	314,915	-	314,915
NET ASSETS	8,192,056	2,135,832	10,327,887
Net Issued Capital	13,295,958	1,973,831	15,269,789
Reserves	403,556	162,000	565,556
Accumulated losses	(5,507,458)	-	(5,507,458)
TOTAL EQUITY	8,192,056	2,135,831	10,327,887

3.3 Basis of Preparation

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

The pro forma statement of financial position is based on the reviewed financial position as at 31 December 2023 and is adjusted to reflect the following assumptions:

- (a) the Entitlement Offer is fully subscribed and \$1,652,537 (before costs) is raised;
- (b) the Placement completes and \$700,000 (before costs) is raised and additional costs of the Placement of \$44,500 are recognised in net issued capital;

- (c) the Placement Options Offer is fully subscribed;
- (d) 10,000,000 Joint Underwriter Options are issued under the Joint Underwriter Offer, which are recognised in share based payment reserve, valued using the Black & Scholes model with inputs of volatility of 100%, risk free rate of 3.775% and a deemed price of Shares at issue of \$0.033;
- (e) LSG sub-underwrites \$250,000 of the Entitlement Offer, and no Follow-On Placement is undertaken; and
- (f) the estimated expenses of the Offers are \$172,206.

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

3.4 Market price of Shares

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

Highest: \$0.082 on 17 January 2024

Lowest: \$0.015 on 28 February 2024

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.031 per Share on 15 March 2024.

4. Risk Factors

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

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

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

4.1 Risks specific to the Company

(a) Exploration and development risk

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

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Tenements, or any other tenements that may be acquired in the future, 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.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title processes, land access arrangements, changing government regulations and many other factors beyond the control of the Company.

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

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

(b) Title

Mineral rights in NSW may be owned by private parties, local government, state government, federal government, or indigenous groups. Verifying the chain of title

can be complex and may require that remedial steps be taken to correct any defect in title. Securing exploration and extraction rights to federally-owned mineral rights requires strict adherence to claim staking and maintenance requirements. The Company has taken reasonable steps to verify the title to the Tenements in which it has, or has a right to acquire, an interest. Although these steps are in line with market practice for exploration projects, they do not guarantee title to the Tenements nor guarantee that the Tenements are free of any third party rights or claims.

(c) **Tenement applications and license renewal**

The Company, via its wholly owned subsidiary Lasseter Gold Pty Ltd, owns a 100% interest in fifteen (15) tenements, each of which are in good standing. The Company cannot guarantee additional applications for tenements made by the Company will ultimately be granted, in whole or in part. Further, the Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all. The Company has yet to receive regulatory and environmental approval to convert its exploration licences into production concessions. There is a risk that these approvals may not be obtained.

(d) **Mine development**

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

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

(e) **Underwriting risk**

The Company has entered into the Joint Underwriting Agreement under which the Joint Underwriters have agreed to underwrite the Entitlement Offer, subject to the terms and conditions of the Joint Underwriting Agreement. If certain conditions are not satisfied or certain events occur, the Joint Underwriters may terminate the Joint Underwriting Agreement. Termination of the Joint Underwriting Agreement may have a material adverse impact on the proceeds raised under the Offer. Termination of the Joint Underwriting Agreement could materially adversely affect the Company's business, cash flow, financial condition and results. See Section 5.4 for further details of the Joint Underwriting Agreement.

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

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

Company may require additional funding in the future in order to fund its business development activities, exploration activities and other Company objectives.

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

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

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

(g) Landowner and Access Risk

The Company will be required to negotiate access arrangements and pay compensation to land-owners, local authorities and traditional land users. The Company's ability to resolve access and compensation issues will have an impact on the future success and financial performance of the Company. Legal processes are available in the case of disputes, but in preference the Company has made respectful and fair land-owner interactions an integral component of its strategy.

(h) New projects and potential acquisitions

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

The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the

completion of due diligence, the usual risks associated with the new project/business activities will remain.

(i) **Currency volatility**

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

4.2 Mining industry risks

(a) **Resource risk**

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

(b) **Operating risk**

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

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

(c) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

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

(d) **Environmental risks**

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

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

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(e) **Failure to satisfy expenditure commitments**

Interests in tenements in New South Wales are governed by the mining acts and regulations that are current and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in any Tenement if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

(f) **Tenure and renewals**

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved. Tenements are subject to the applicable mining acts and regulations in New South Wales. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of any tenement comprising a project. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

(g) **Biodiversity**

The Company is required to engage with NSW State and Federal Departments managing biodiversity for its ground disturbing activities, specifically, the NSW Regulator the Biodiversity, Conservation and Science Directorate within the Department of Planning and Environment, and the Commonwealth Department of

Climate Change, Energy, the Environment and Water. From time to time the Company may be required to conduct a test of significance and/or manage any potential adverse effects it may have on ecological communities including those which may be deemed by these departments to be a threatened, endangered or critically endangered species. The list of species and their potential habitats may change over time as determined by these departments. To date the Company has worked closely with all stakeholders including the relevant State and Federal departments to conduct pre-activity surveys for the critically endangered species of the Grey Range Thick-billed Grasswren in order to obtain approvals prior to commencing ground disturbing work such as drilling activities in some locations. There is a risk that these approvals may not be obtained in the future, which could impact drilling activities.

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

The Tenements overlap an area within the Barkandji Native Title Determination Area. While native title was determined to have been extinguished over the majority of this area, it was determined to exist in a small non-strategic area. The subject land parcels are stock watering places, which are a type of travelling stock reserve. The area these cover is estimated to be 8 km².

Although not considered critical to exploration, it is noted that the ability of the Company to gain access to those areas of the tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected.

In addition, there are a number of Aboriginal heritage sites in the vicinity of the Tenements. The existence of the Aboriginal heritage sites within the Tenements may lead to restrictions on the areas that the Company will be able to explore and mine.

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

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

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

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

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities may expose the potential income of the

Company to commodity price and exchange rate risks. The price of gold and other minerals fluctuate and are affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market values of gold and other minerals could cause the development of, and eventually the commercial production from, the Company's projects and the Company's other properties to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of gold, lithium, and base metals are produced, a profitable market will exist for it.

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

In addition to adversely affecting any potential future reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

(j) **Competition risk**

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

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

(k) **Third party contractor risks**

The Company is unable to predict the risk of insolvency or managerial failure by any of the third-party contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity. The effects of such failures may have an adverse effect on the Company's activities.

(l) **Results of studies**

Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in relation to its projects. These studies may include scoping, pre-feasibility and feasibility studies. These studies will be completed within parameters designed to determine the economic feasibility of the subject projects within certain limits. There can be no guarantee that any of these studies will confirm the economic viability of the subject projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

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

(m) **Budget risk**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of operations. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

(n) **Reliance on key personnel**

The Company's future depends, in part, on its ability to attract and retain key personnel. The Company may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(o) **Staffing**

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

There is a limited pool of experienced development and technical personnel with experience in operating within remote mine sites. This, combined with the low Australian unemployment rate increases the risk of finding and retaining a suitably skilled workforce.

(p) **Climate change**

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

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

(q) **Occupational health and safety**

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

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

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

(r) **Insurance**

The Company intends to continue to insure its operations in accordance with industry practice. In certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(s) **Unforeseen expenses**

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

4.3 Risks relevant to the Offers

(a) **Quotation risk**

The Company will apply for quotation of the Quoted Options subject to compliance with the requirements of ASX and the Listing Rules, however, the Quoted Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the Listing Rules)).

The Company makes no guarantee that any such application for quotation will be successful and there is a risk that the Company will not be able to satisfy the ASX

requirements for quotation. In the event that the Company is unable to satisfy the ASX requirements, the Quoted Options may not be issued. If the Quoted Options are admitted to official quotation by ASX, the price of the Quoted Options is subject to uncertainty and there can be no assurance that an active market for the Quoted Options will develop or continue after the Offers.

(b) **Option risk and dilution**

Options are, by their nature, only of value at times when the exercise price is lower than the price of the underlying Shares. There is no guarantee that the Placement Options Offered under this Prospectus will, at any particular time, have an exercise price which is lower than the price of the Shares.

There is a risk that the Quoted Options may expire at a time when they have little or no value.

On completion of the Offers, assuming the Offers are fully subscribed and the Placement has completed, there will be up to approximately 94,019,193 Quoted Options on issue. If exercised, these Quoted Options will be converted into Shares, thereby causing the shareholdings of Shareholders to be diluted by up to 24.62% (on the basis that the Offers are fully subscribed and no other Securities are issued or exercised at the date of this Prospectus).

However, each Quoted Option has an exercise price of \$0.04 which means that the Company will receive additional funds of up to \$3,760,768 (before costs) upon exercise of the Quoted Options, assuming all Quoted Options the subject of the Offers are issued and subsequently exercised. There is no certainty that Quoted Options, if issued, will be exercised in full, or at all.

4.4 General risks

(a) **General economic climate**

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

(b) **Securities investments**

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

(c) **Government and legal risk**

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

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

(d) **Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

(e) **Force majeure**

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

(f) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation point of view and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Securities under this Prospectus.

(g) **Unforeseen risk**

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

4.5 Speculative investment

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

Therefore, the Securities to be issued under the Offers carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

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

5. Additional information

5.1 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) General meeting and notices

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

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

(b) Ranking of Shares

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

(c) Voting rights

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

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

(d) Dividend rights

Subject to the rights of the holders of any shares with special rights to dividends, the Directors may determine or declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable in respect of such Shares.

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

The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend. The Directors may capitalise any profits of the

Company and distribute that capital to the Shareholders, in the same proportions as the Shareholders are entitled to a distribution by dividend.

(e) **Variation of rights**

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

(f) **Transfer of Shares**

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

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

(g) **Future increase in capital**

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

(h) **Rights on winding up**

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

(i) **Alteration of constitution**

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

5.2 **Terms and conditions of Quoted Options**

The terms and conditions of the Quoted Options (including the Joint Underwriter Options) (referred to in this Section 5.2 as “**Options**”) are as follows:

- (a) **(Entitlement)**: Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

- (b) **(Exercise Price):** The Options have an exercise price of \$0.04 per Option (**Exercise Price**).
- (c) **(Expiry Date):** The Options expire at 5.00pm (AWST) on the date 2 years after the date of issue. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **(Exercise Period):** The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
- (e) **(Quotation of the Options):** It is the Company's current intention to seek quotation of the Options. There is no certainty that quotation of the Options will be granted. The quotation of the Options will be subject to the Company offering the Options under a prospectus prepared in accordance with Chapter 6D of the Corporations Act and lodged with ASIC and satisfying the quotation conditions set out in the Listing Rules.
- (f) **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

The Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 100,000 must be exercised on each occasion.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

- (g) **(Timing of issue of Shares on exercise):** Within 5 Business Days after the Exercise Date the Company will:
 - (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5) of the Corporations Act; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (h) **(Transferability):** The Options are freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws and paragraph (i) below.
- (i) **(Restrictions on transfer of Shares):** If the Company is required but unable to give ASX a notice under paragraph (g)(ii), or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

- (j) **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
- (k) **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
- (l) **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (m) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (n) **(Change in exercise price):** There will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).
- (o) **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.
- (p) **(Takeovers prohibition):**
 - (i) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (ii) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.
- (q) **(No other rights):** An Option does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

5.3 Joint Lead Manager Mandate

The Company engaged Baker Young and BW Equities (**Joint Underwriters**) as joint lead managers to the Entitlement Offer and Placement pursuant to a lead manager mandate dated 22 February 2024, as amended (**Joint Lead Manager Mandate**). On completion of the Entitlement Offer and Placement Option Offer, the Joint Underwriters (or their respective nominees) are entitled to receive on a 50/50 basis (in each case, excluding GST):

- (a) a capital raising fee comprising:
 - (i) 6% of the total gross proceeds of the Entitlement Offer and Placement;
 - (ii) 4% of gross proceeds raised by the Directors of the Company; and
- (b) the issue of:
 - (i) 5,000,000 Quoted Options if a minimum of \$1,250,000 is raised under the Entitlement Offer and Placement then pro rata to the amount set out in Section 5.3(b)(ii) below; or
 - (ii) 10,000,000 Quoted Options if a minimum of \$2,050,000 is raised under the Entitlement Offer and Placement,

with an exercise price of \$0.04 and expiring 2 years from the date of issue (the **Joint Underwriter Options**).

The Joint Underwriter Options will be issued, subject to shareholder approval, using the Company's available placement capacity under Listing Rule 7.1.

Each of the Quoted Options to be issued to the Joint Underwriters pursuant to the Joint Lead Manager Mandate will be issued on the same terms and conditions of the Quoted Options being offered under the Entitlement Offer.

The Company has also agreed to pay or reimburse the Joint Underwriters for their reasonable out-of-pocket expenses incurred in connection with this Prospectus and the Offers.

The Joint Lead Manager Mandate contains various representations, warranties, indemnities and undertakings in favour of the Joint Underwriters that are usual for an arrangement of this sort. In particular, the Joint Lead Manager Mandate contains various representations and warranties by the Company relating to the Company and its disclosure of information to the Joint Underwriter's and compliance with procedures and regulations.

5.4 Joint Underwriting Agreement

(a) Joint Underwriting

By an agreement between the Joint Underwriters and the Company (**Joint Underwriting Agreement**), the Joint Underwriters have agreed to fully underwrite the Offer.

The Joint Underwriters may, at their own cost (in consultation with the Company), at any time appoint sub-underwriters to sub-underwrite the Entitlement Offer.

Further details in respect of the Joint Underwriting Agreement are set out in Sections 5.4(b) to 5.4(d) (inclusive).

(b) Fees

The Company has agreed to pay the Joint Underwriters (or their respective nominees) on completion of the Entitlement Offer and Placement and on a 50/50 basis:

- (i) a management fee of 4% of the gross proceeds received from the Entitlement Offer;

- (ii) an underwriting fee of 2% of the gross proceeds received from the Entitlement Offer,

(collectively, the **Joint Underwriter Fee**).

The Fees payable under 5.4(b) shall be limited to a management fee of 4% (and no underwriting fee) in respect of proceeds received under the Entitlement Offer from subscriptions (including through sub-underwriting arrangements) for Entitlement Offer Securities subscribed by persons who settle directly with the Company.

(c) **Expenses and indemnity**

In addition to the fees, the Company will pay and will indemnify and keep indemnified the Joint Underwriters against and in relation to, all reasonable costs and expenses of and incidental to the Entitlement Offer and Placement, including but not limited to:

- (i) the disbursements of Joint Underwriters including:
 - (A) accommodation and travelling expenses of the Joint Underwriters relating to the Entitlement Offer and Placement;
 - (B) all marketing and promotional expenditure related to the Entitlement Offer and Placement,

provided that the consent of the Company will be obtained prior to incurring any individual costs in excess of \$2,000.

- (ii) any stamp duty, transfer taxes, withholding taxes or similar taxes (but excluding any income tax of the Joint Underwriters) payable in respect of the Entitlement Offer and Placement;
- (iii) all costs of the Joint Underwriters in respect of any inquiry or review by ASX, ASIC or any Government Agency in relation to the Entitlement Offer and Placement;

The Joint Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Joint Underwriters that are considered standard for an agreement of this type.

(d) **Termination events**

The Joint Underwriters may terminate their obligations under the Joint Underwriting Agreement if:

- (i) **(section 730 notice)** a person gives a notice to the Company under section 730 of the Corporations Act in relation to the Prospectus (other than the Joint Underwriters);
- (ii) **(withdrawal of consent)**: any person (other than the Joint Underwriters) whose consent to the issue of this Prospectus or any supplementary Prospectus is required and who has previously consented to the issue of this Prospectus or any supplementary Prospectus withdraws such consent;
- (iii) **(Supplementary Prospectus)** the Company lodges a supplementary Prospectus without the consent of the Joint Underwriters or fails to lodge a

supplementary Prospectus in a form acceptable to the Joint Underwriters (acting reasonably);

- (iv) **(material adverse change)** any material adverse change occurs in the assets, liabilities, the equity of any Company shareholders, financial position or performance, profits, losses or prospects of the Company or any Group member (in so far as the position in relation to the Group member affects the overall position of the Company), from the position disclosed in the Prospectus on the Lodgement Date or as most recently disclosed to ASX by the Company before the date of the Joint Underwriting Agreement;
- (v) **(market fall)** the ASX/S&P 300 Index is, for three or more consecutive Business Days, or on the Business Day immediately before the Entitlement Offer Settlement Date, more than 20% below its level as at 5.00pm on the Business Day immediately preceding the date of the Joint Underwriting Agreement;
- (vi) **(Listing)**
 - (A) the Company ceases to be admitted to the official list of ASX or the Shares cease trading or are suspended from quotation on ASX other than in connection with the Entitlement Offer and Placement;
 - (B) ASX makes any official statement to any person, or indicates to the Company or the Underwriters that official quotation on ASX of the Entitlement Offer Shares will not be granted; or
 - (C) approval is refused or approval is not granted which is unconditional (or conditional only on customary listing conditions which would not, in the opinion of the Underwriters, have a material adverse effect on the success of the Entitlement Offer and Placement), to the official quotation of the Entitlement Offer Shares on ASX on or before the dates referred to in the Timetable, or if granted, the approval is subsequently withdrawn, qualified or withheld;
- (vii) **(notifications)** any of the following notifications are made in relation to the Entitlement Offer or an Offer Document:
 - (A) ASIC applies for an order under sections 1324B or 1325 of the Corporations Act in relation to an Offer Document or prosecutes or commences proceedings against or gives notice of an intention to prosecute or commence proceedings against the Company; or
 - (B) an application is made by ASIC for an order under Part 9.5 in relation to the Entitlement Offer or an Offer Document or ASIC commences, or gives notice of an intention to hold, any investigation or hearing under Part 3 of the ASIC Act or other applicable laws;
- (viii) **(Timetable)** an event specified in the Timetable is delayed by more than nine Business Day without the prior written consent of the Underwriters, other than events within the control of the Underwriters;
- (ix) **(withdrawal)** the Company withdraws an Offer Document or the Entitlement Offer or indicates that it does not intend to proceed with the Entitlement Offer or Placement;
- (x) **(unable to issue)** the Company is prevented from granting the Entitlements or issuing Entitlement Offer Securities within the time required by the Timetable or by or in accordance with ASX Listing Rules applicable laws, a government agency or an order of a court of competent jurisdiction;

- (xi) **(ASIC Modifications)** ASIC withdraws, revokes or amends any ASIC Modification;
- (xii) **(ASX Waiver)** ASX withdraws, revokes or amends any ASX Waiver;
- (xiii) **(prosecution)** any of the following occur:
 - (A) a director of the Company is charged with an indictable offence;
 - (B) any government agency commences any public proceedings against the Company or any of the Directors in their capacity as a director of the Company, or announces that it intends to take such action; or
 - (C) any director of the Company is disqualified from managing a corporation under Part 2D.6 of the Corporations Act;
- (xiv) **(fraud)** a director or officer of the Company or the Company is charged in relation to fraudulent conduct, whether or not in connection with the Entitlement Offer or Placement;
- (xv) **(Insolvency)** the Company or a Group Member is or becomes insolvent or there is an act or omission which is likely to result in the Company or a Group Member becoming insolvent;
- (xvi) **(charge)** a person charges or encumbers or agrees to charge or encumber, the whole, or a substantial part of the business or property of the Company or the Group;
- (xvii) **(force majeure)** there is an event or occurrence, including an official directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any government agency which makes it illegal for the Joint Underwriters to satisfy any obligation under this agreement, or to market, promote or settle the Entitlement Offer or Placement;
- (xviii) **(debt facilities)** a Group Member breaches, or defaults under (including potential event of default or review event which gives a lender or financier the right to accelerate or require repayment of the debt or financing), any provision, undertaking covenant or ratio of a material debt or financing arrangement or any related documentation to which that entity is a party which has or is likely to have a material adverse effect on the Group;
- (xix) **(Certificate)** a certificate is not given by the Company in accordance with this agreement or a statement in a certificate is untrue or incorrect, or misleading or deceptive or contains omissions of any required information;
- (xx) **(application)** there is an application to a government agency (including, without limitation, the Takeovers Panel) for an order, declaration (including, in relation to the Takeovers Panel, of unacceptable circumstances) or other remedy in connection with the Entitlement Offer or Placement (or any part of it) or any agreement entered into in respect of the Entitlement Offer or Placement (or any part of it) except where such application does not become public and is withdrawn or dismissed within 2 Business Days after it is commenced or where it is commenced less than 2 Business Days before the Entitlement Offer Issue Date or completion of the Entitlement Offer it has not been withdrawn or dismissed by the Entitlement Offer Issue Date or completion of the Entitlement Offer (as the case may be).

Part B - Events subject to 'materiality'

- (i) **(Prospectus)**: the Joint Underwriters form the view (acting reasonably) that a statement contained in the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive (including by omission), or a matter required by the Corporations Act is omitted from the Prospectus or the issue of the Offer Documents becomes misleading or deceptive or likely to mislead or deceive;
- (ii) **(Public Information)** a statement in any of the public information is or becomes misleading or deceptive or likely to mislead or deceive;
- (iii) **(change in directors)** a change in the board of directors of the Company occurs (other than the Chairman);
- (iv) **(future matters)** any expression of belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data) in an Offer Document or public information is or becomes incapable of being met or, in the opinion of the Joint Underwriters, unlikely to be met in the projected timeframe;
- (v) **(changes to the Company)** the Company or a Group Member:
 - (vi) varies any term of the Constitution;
 - (vii) alters the issued capital or capital structure of the Company other than in connection with the Entitlement Offer or Placement, or as contemplated by the Offer Documents, or as permitted by the Joint Underwriting Agreement; or
 - (viii) disposes, attempts or agrees to dispose of a substantial part of the business or property of the Company (including any material Subsidiary),

without the prior written consent of the Joint Underwriters;
- (ix) **(Offer to comply)** the Company or an entity in the Group, any Offer Document or any aspect of the Offer, does not or fails to comply with the Constitution, the Corporations Act, the ASX Listing Rules, any ASX Waivers, any ASIC Modifications or any other applicable law or regulation;
- (x) **(default)** a default by the Company in the performance of any of its obligations under this agreement occurs;
- (xi) **(representations and warranties)** a representation and warranty contained in this agreement on the part of the Company was or is not true or correct or becomes untrue or incorrect;
- (xii) **(information)** the Due Diligence Committee Sign-Off, Management Sign-Offs or the information provided by or on behalf of the Company to the Joint Underwriters in relation to the due diligence investigations, the Offer Documents or the Entitlement Offer or Placement, is false, misleading or deceptive or likely to mislead or deceive (including by omission);
- (xiii) **(disruption in financial markets)** either:
 - (A) a general moratorium on commercial banking activities in Australia, the United States of America, Canada, the United Kingdom, Hong Kong, Singapore or the People's Republic of China is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or

- (B) trading in all securities quoted or listed on ASX is suspended or limited for more than 1 trading day;
- (xiv) **(change in laws)** any of the following occurs which does or is likely to prohibit, materially restrict or regulate the Entitlement Offer or materially reduce the likely level of valid applications or materially affects the financial position of the Company or has a material adverse effect on the success of the Entitlement Offer:
 - (A) the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia; or
 - (B) the public announcement of prospective legislation or policy by the Federal Government or the Government of any State or Territory or the Reserve Bank of Australia; or
 - (C) the adoption by ASX or their respective delegates of any regulations or policy;
- (xv) **(hostilities)** in respect of or involving any one or more of Australia, Canada, New Zealand, the United States of America, Hong Kong, Singapore or the United Kingdom:
 - (A) hostilities not presently existing commence;
 - (B) a major escalation in existing hostilities occurs;
 - (C) a declaration is made of a national emergency or war; or
 - (D) a major terrorist act is perpetrated on any of those countries or any diplomatic, military or political establishment of any of those countries elsewhere in the world;
- (xvi) **(political or economic conditions)** the occurrence of any major adverse change or disruption to financial, political or economic conditions, or controls or financial markets in Australia, New Zealand, Hong Kong, Singapore, the United States of America or the United Kingdom or elsewhere or any change or development involving a prospective adverse change in any of those conditions or markets.

5.5 Sub-underwriting agreements

The Joint Underwriters have entered into sub-underwriting agreements with a number of unrelated parties (including a priority sub-underwriting agreement with Lion Selection Group Limited (**LSG**)), and an entity associated with Director Anthony McIntosh (together, the **Sub-Underwriters**) on the basis described below to the extent the Entitlement Offer is not fully subscribed for. The details of the priority and related party sub-underwriting agreements are set out below:

Priority Sub-Underwriting and Related Entities	Extent of Underwriting		
	Commitment	New Shares	Quoted Options (Sub Underwriting Options)

Interdale Pty Ltd as trustee for the Maple Super Fund ⁽¹⁾	\$75,000	5,357,143	2,678,571
Lion Selection Group Limited	\$250,000	17,857,143	8,928,572

Notes:

1. Interdale Pty Ltd as trustee for the Maple Super Fund is an entity associated with Director Anthony McIntosh who is a director of this entity.
2. Figures are subject to rounding up to the nearest whole fraction.

The Joint Underwriters have engaged LSG to sub-underwrite in priority of any separate underwriting or sub-underwriting arrangements, up to \$250,000 of the remaining shortfall following the Entitlement Offer in accordance with the terms of a sub-underwriting agreement (**LSG Sub-Underwriting Agreement**).

Pursuant to the terms of the LSG Sub-Underwriting Agreement, LSG is entitled to the following:

- (a) a 2% cash fee payable in respect of the relevant sub-underwritten amount; and
- (b) 1 Quoted Option for every 2 New Shares sub-underwritten.

In the event that the shortfall of the Entitlement Offer is less than \$250,000, the Company intends to undertake a follow-on placement of new Shares to LSG on the same terms as the Placement, for any difference to their sub-underwriting commitment up to \$250,000 (**Follow-on Placement**). Accordingly, up to 17,857,142 Shares and 8,928,571 Quoted Options will be issued to LSG (or its nominees) subject to Shareholder approval at the General Meeting.

The Joint Underwriters have engaged Interdale Pty Ltd as trustee for the Maple Super Fund, to sub-underwrite up to \$75,000 of the remaining shortfall following the Entitlement Offer in accordance with the terms of a sub-underwriting agreement.

Interdale Pty Ltd will not receive any fees, commissions or other consideration in respect of its sub-underwriting agreement, but will receive free attaching Quoted Options on the same terms as other applicants under the Entitlement Offer. Interdale Pty Ltd is a related party of the Company, as it is associated with Mr Anthony McIntosh by virtue of Mr McIntosh being a director of Interdale Pty Ltd.

The issue of up to 2,678,571 Quoted Options to be issued to Interdale Pty Ltd as trustee for the Maple Super Fund (or its nominees) in connection with New Shares subscribed for under the sub-underwriting commitment is subject to, and conditional on the receipt of Shareholder approval in accordance with Listing Rule 10.11 at the General Meeting.

If for any reason the Joint Underwriters terminate their obligations under the Joint Underwriting Agreement, the Sub-Underwriters' obligations will terminate immediately. The obligation of each of the Sub-Underwriters to sub-underwrite the Entitlement Offer on the basis described above is not subject to any other events of termination. The sub-underwriting agreements are otherwise on terms and conditions considered standard for agreements of this nature.

5.6 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Securities.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.8 below). Copies of all documents announced to the ASX can be found on the Company's website.

5.7 Dividend policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

5.8 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offers a copy of:

- (a) the half year report of the Company for the half year ended 31 December 2023 lodged with ASX on 6 March 2024;
- (b) the annual report of the Company for the financial year ended 30 June 2023, being the last annual report of the Company lodged with ASIC before the issue of this Prospectus; and
- (c) the following notice was given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the financial statements referred to in paragraph (a) above until the date of this Prospectus:

Date	Subject
13 March 2024	Cleansing Notice
11 March 2024	Proposed issue of securities - KNB
8 March 2024	Cleansing Notice
8 March 2024	Application for quotation of securities - KNB
8 March 2024	Revised Timetable for Placement and Rights Issue
7 March 2024	Cancel – Proposed issue of securities KNB
6 March 2024	Half Yearly Report and Accounts
4 March 2024	Proposed issue of Securities - KNB
4 March 2024	Placement and Rights Issue to raise \$2.35 million
29 February 2024	Trading Halt

Date	Subject
5 February 2024	Bellagio drilling defines widespread gold mineralisation
31 January 2024	Quarterly Activities/ Appendix 5B Cash Flow Report
16 January 2024	Approval to commence maiden drilling program at Atlantis
12 December 2023	Drilling intersects Visible Gold and Widespread Alteration
21 November 2023	Results of Meeting
21 November 2023	Chairman's AGM Address and Managing Director's Presentation
20 November 2023	High impact follow up drilling to commence at Bellagio
2 November 2023	Investor Presentation
30 October 2023	Widespread gold mineralisation from first drilling Bellagio
25 October 2023	Quarterly Activities/Appendix 5B Cash Flow Report
19 October 2023	Letter to Shareholders – Annual General Meeting
19 October 2023	Notice of Annual General Meeting/Proxy Form
6 October 2023	Change of Director's Interest Notice - McIntosh
6 October 2023	Notification of cessation of securities - KNB
3 October 2023	Bellagio Gold Prospect Encouraging Initial Drilling Results
29 September 2023	Application for quotation of securities - KNB
29 September 2023	Appendix 4G and Corporate Governance Statement
29 September 2023	Annual Report to shareholders

The following documents are available for inspection throughout the period of the Offers during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.14 and the consents provided by the Directors to the issue of this Prospectus.

5.9 Information excluded from continuous disclosure notices

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

5.10 Determination by ASIC

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

5.11 Interests of Directors

(a) Information disclosed in this Prospectus

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

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

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

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

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

(b) Security holdings

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

Director	Shares	Performance Rights
Paul Harris ⁽¹⁾	Nil	3,000,000
Dan Power ⁽²⁾⁽³⁾	Nil	600,000
Anthony McIntosh ⁽⁴⁾	3,442,000	1,200,000
George Rogers ⁽⁵⁾	8,483,000	Nil

Notes:

4. Mr Harris' 3,000,000 Performance Rights, convertible to Shares on a 1-for-1 basis subject to various milestones and expiring on 8 December 2027, held indirectly by Hollach Capital Pty Ltd <Hollach Family A/C> of which Mr Harris is a director of the trustee and a beneficiary.
5. Mr Power holds 600,000 Tranche 1 Performance Rights, which are vested and convertible to Shares on a 1-for-1 basis and expire on 6 April 2027.
6. Subject to Shareholder approval at the General Meeting, the Company is proposing to issue Mr Power up to 4,545,454 Performance Rights with various milestones and an expiry date 36 months from the date of issue.
7. Mr McIntosh's Securities are held indirectly as follows:
 - a. 1,592,000 Shares held via Interdale Pty Ltd an entity associated with Mr McIntosh by virtue of Mr McIntosh being a director of this entity;

- b. 1,850,000 fully paid ordinary Shares held via A&N McIntosh Holdings Pty Ltd <Tiger Investment A/C> of which Mr McIntosh is a trustee and beneficiary;
 - c. 600,000 Tranche 2 Performance Rights, convertible to Shares on a 1-for-1 basis subject to various milestones and expiring on 21 September 2024, held via A&N McIntosh Holdings Pty Ltd <Tiger Investment A/C> of which Mr McIntosh is a trustee and beneficiary; and
 - d. 600,000 Tranche 3 Performance Rights, convertible to Shares on a 1-for-1 basis, subject to various milestones and expiring on 21 September 2025, held via A&N McIntosh Holdings Pty Ltd <Tiger Investment A/C> of which Mr McIntosh is a trustee and beneficiary.
8. Mr Rogers Shares are held as follows:
- a. 6,845,000 Shares held indirectly by Padlooka Investments Pty Ltd <G&K Rogers Family A/C> of which Mr Rogers is a director and beneficiary. These shares are subject to a voluntary escrow arrangement with the Company until 20 September 2025;
 - b. 888,000 Shares held indirectly by George Rogers and Kathryn Bartlett <G&K Rogers Superfund A/C> of which Mr Rogers is a trustee and beneficiary; and
 - c. 750,000 Shares held indirectly by SRG Partners Pty Ltd of which Mr Rogers is a director.

Mr Anthony McIntosh intends to take up all of his respective Entitlements pursuant to the Entitlement Offer. The remaining Directors reserve their right to take up their respective Entitlements in whole or in part under the Entitlement Offer, but as at the date of the Prospectus, no other Director has indicated their intention to do so.

The Joint Underwriters have entered into a sub-underwriting agreement with an entity associated with Mr McIntosh. Refer to Section 5.5 for details.

Further, a number of the Directors have committed to participate in the Tranche 2 Placement, and accordingly intend to participate in the Placement Option Offer, subject to shareholder approval at the General Meeting as follows:

- (a) Paul Harris has subscribed for 1,071,428 Placement Shares and 535,714 free attaching Quoted Options;
- (b) Daniel Power has subscribed for 1,071,428 Placement Shares and 535,714 free attaching Quoted Options; and
- (c) Entities associated with Anthony McIntosh have subscribed for a total of 5,357,142 Placement Shares and 2,678,571 free attaching Quoted Options as follows:-
 - a. Interdale Pty Ltd as trustee for the Maple Super Fund has subscribed for 1,785,714 Placement Shares and 892,857 free attaching Quoted Options; and
 - b. A&N McIntosh Holdings Pty Ltd as trustee for the Tiger Investment Trust has subscribed for 3,571,428 Placement Shares and 1,785,714 free attaching Quoted Options.

Upon completion of the Offers, assuming each Director applies for their full Entitlement, the sub-underwriting commitments are satisfied and the issue of the Tranche 2 Placement securities to Directors as outlined above, the relevant interest of each of the Directors could be as follows:-

- (a) 0.37% for Paul Harris;

- (b) 0.37% for Daniel Power;
- (c) 5.9% for Anthony McIntosh;
- (d) 5.5% for George Rogers.

(c) **Remuneration**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The aggregate amount fixed is \$400,000. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The Company currently has one Executive Director, being the Company's Managing Director, Dan Power.

Mr Power is engaged on the following terms:

- (i) Term: No fixed term. Commenced on 1 April 2022.
- (ii) Remuneration: Base salary of \$300,000 per year (excluding superannuation), with no agreed discretionary incentives.
- (iii) Termination:
 - (A) Either Mr Power or the Company may terminate the employment upon the provision of at least three months' written notice to the other party.
 - (B) The Company has standard summary termination rights upon the provision of written notice to Mr Power.

A Director may also be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

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

Director	FY ended 30 June 2023	FY ended 30 June 2022
Paul Harris	\$94,670	-
Dan Power ⁽¹⁾	\$402,389	\$101,513
Anthony McIntosh	\$163,813	\$181,811
George Rogers	\$66,656	\$38,325

Note: The Company granted 600,000 performance rights to Mr Power on signing with the Company. The rights are now vested (effective from 5 April 2023). The Company is proposing to issue Mr Power up to 4,545,454 Performance Rights with various milestones and an expiry date 36 months from the date of issue, subject to Shareholder approval at the General Meeting.

5.12 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Securities offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Securities offered under this Prospectus.

5.13 Expenses of the Offers

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

Estimated expense	\$
ASIC fees	\$3,206
ASX quotation fees	\$22,000
Joint Underwriter fees	\$100,000
Legal and preparation expenses	\$30,000
Printing, mailing and other expenses	\$17,000
Total	\$172,206

5.14 Consents

- (a) Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Securities under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.
- (b) Each of the parties referred to in this Section:
 - (i) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
 - (ii) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.
- (c) Baker Young and BW Equities have given their written consent to being named as the Joint Underwriters to the Entitlement Offer in this Prospectus. Baker Young and BW Equities have not withdrawn their consent prior to the lodgement of this Prospectus with ASIC.

- (d) Hamilton Locke has given its written consent to being named as the Australian corporate solicitors to the Company in this Prospectus. Hamilton Locke has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.
- (e) Automic has given its written consent to being named as the share registry to the Company in this Prospectus. Automic has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

6. Directors' authorisation

The issue of this Prospectus has been authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:

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

Paul Harris
Non-Executive Chairman

Dated: 18 March 2024

7. Glossary

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

\$ means Australian dollars.

Applicant means a person who submits an Application Form.

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

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

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited.

AWST means Australian Western Standard Time.

Automic means Automic Pty Ltd (ACN 152 260 814).

Balance Date has the meaning given in Section 3.2.

Board means the Directors meeting as a board.

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

CHESS means ASX Clearing House Electronic Subregistry System.

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

Company means Koonenberry Gold Limited (ACN 619 137 576).

Confirmation Letter means the confirmation letter, substantially in the form approved by the Underwriters, sent by the Underwriters to Institutional Shareholders and Institutional Investors who subscribe for Securities under the Offers or Placement.

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

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

Directors mean the directors of the Company.

Eligible Shareholder means a person registered as the holder of Shares on the Record Date whose registered address is in Australia or, subject to Section 1.20, New Zealand.

Entitlement means the number of new Securities for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 6 New Shares for every existing 7 Shares held on the Record Date and 1 free Quoted Option for every 2 New Shares issued.

Entitlement Offer means the offer under this Prospectus of New Shares to Eligible Shareholders in the proportion of 6 New Shares for every existing 7 Shares held on the Record Date and 1 free Quoted Option for every 2 New Shares issued.

Follow-on Placement has the meaning given in Section 5.5.

FY means financial year.

General Meeting means the General Meeting of the Company anticipated to be held in April 2024.

Group means the Company and each of its Subsidiaries or entities deemed to be controlled by the Company (and **Group Member** means any one or more of them).

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

Issuer Sponsored means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

Joint Lead Manager Mandate means the joint lead manager mandate between the Company and the Joint Underwriters (refer to Section 5.3 for further details).

Joint Underwriters means Baker Young Limited (ACN 006 690 320) and BW Equities Pty Ltd (ACN 146 642 462).

Joint Underwriter Offer has the meaning given in Section 1.6.

Joint Underwriter Options has the meaning given in Section 5.3.

Joint Underwriting Agreement means the joint underwriting agreement between the Company and the Joint Underwriters (refer to Section 5.4 for further details).

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

Listing Rules means the listing rules of ASX.

LSG means Lion Selection Group Limited (ACN 077 729 572).

LSG Sub-Underwriting Agreement has the meaning given in Section 5.5.

New Shares means the Shares offered pursuant to this Prospectus.

Offers means the offers under this Prospectus to subscribe for Securities, namely, the Entitlement Offer, Top-Up Offer, Placement Option Offer and Joint Underwriter Offer, and **Offer** means any one of those Offers, as applicable.

Offer Documents means the documents issued or published by or on behalf of the Company in respect of or relating to the Offer including:

- (a) the Prospectus, the market announcement in connection with the Offers, and duly completed Appendix 3B in relation to the Entitlement Offer and Placement released to ASX; and
- (b) any other marketing documentation approved by the Company to conduct the marketing of the Entitlement Offer and Placement;
- (c) all correspondence delivered to Shareholders and/or excluded Shareholders and other potential investors in respect of the Entitlement Offer and Placement, including the Confirmation Letter,

including any Supplementary Prospectus or other amendments, supplements, replacements or updates to any of the above.

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

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

Placement has the meaning given in Section 1.1.

Placement Options has the meaning given in Section 1.5.

Placement Options Offer has the meaning given in Section 1.5.

Placement Shares has the meaning given in Section 1.1.

Prospectus means this prospectus dated 18 March 2024.

Quoted Options means the Options offered under this Prospectus.

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

Secondary Offers means the Top-Up Offer, Placement Option Offer and Joint Underwriter Offer and **Secondary Offer** means any one of those Secondary Offers, as applicable.

Section means a section of this Prospectus.

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

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

Shareholder means a holder of Shares.

Sub-Underwriters has the meaning given in Section 5.5.

Supplementary Prospectus means any supplementary or replacement prospectus lodged with ASIC in connection with the Offers.

Timetable means the proposed timetable on page 4.

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

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

Top-Up Shares means the New Shares offered under the Top-Up Offer.

Tranche 2 Placement means the proposed placement of the Tranche 2 Placement Shares and the respective proportion of attaching Placement Options.

Tranche 2 Placement Shares means the 32,037,638 Shares to be issued to subscribers under the tranche 2 placement announced by the Company on 4 March 2024.