



PROSPECTUS

PolarX Limited **ACN 161 615 783**

A non-renounceable pro rata Offer to Eligible Shareholders of approximately 104,353,720 Entitlement Shares at an issue price of \$0.021 per Entitlement Share on the basis of 1 Entitlement Share for every 8 Existing Shares held, together with 1 attaching Entitlement Option for every 2 Entitlement Shares subscribed for, to raise up to approximately \$2.19 million before issue costs (**Entitlement Offer**).

The Entitlement Offer is not underwritten.

This Prospectus also contains separate offers of securities that relate to the issue of the Placement Options and the Lead Manager Options. Please refer to Sections 8.5 and 8.6 for further details.

Only Shareholders registered as at the Record Date may participate in the Entitlement Offer. Only persons invited by the Company may participate in the offer of Placement Options and Lead Manager Options.

Lead Manager
Peak Asset Management

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth). If you are an Eligible Shareholder or a person invited by the Company to participate in the offer of Placement Options or the Lead Manager Options, this is an important document that requires your immediate attention. It should be read in its entirety with the relevant Application Form. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. An investment in the New Securities offered under this Prospectus is highly speculative.

This Prospectus is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This Prospectus is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the *US Securities Act of 1933*, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Important Notices

This Prospectus is dated 6 April 2022 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction specific prospectus for an offer of 'continuously quoted securities' (as defined in the Corporations Act) and options to acquire continuously quoted securities. It 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 or 'full form' prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a 'disclosing entity' for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers.

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Website – Electronic Prospectus

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

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

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

Other than as otherwise stated in this Prospectus, no document or information included on our website is incorporated by reference into this Prospectus.

Foreign jurisdictions

This Prospectus is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue.

By applying for New Securities, including by submitting an Entitlement and Acceptance Form or making a payment using BPAY® or electronic funds transfer (EFT) an Applicant represents and warrants that there has been no breach of such laws.

The distribution of this Prospectus and accompanying Entitlement and Acceptance Forms (including electronic copies) outside Australia, New Zealand, the United Kingdom, Singapore and Hong Kong may be restricted by law and persons who come into possession of these documents should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liability to such persons. Please refer to Section 8.7 for further information.

Risk factors

Potential investors should be aware that subscribing for securities in the Company involves a number of risks. The key risk factors are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in quoted securities not specifically referred to, may affect the value of the Company's securities in the future. An investment in the Company should be considered speculative. Investors should consider these risk factors in light of personal circumstances and should consider consulting their professional advisers before deciding whether to apply for New Securities pursuant to this Prospectus.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including the ASX website at www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company or subscribe for New Securities.

The Company has not authorised any person to give any information or make any representation in connection with an Offer which is not contained in this Prospectus. Any such extraneous information or representation may not be relied upon as having been authorised by the Company in connection with this Prospectus.

Statements of past performance

Past performance and pro-forma financial information included in this Prospectus is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's

views on its future financial performance or condition. Investors should note that past performance, including past Share price performance, of the Company cannot be relied upon as an indicator of (and provides no guidance as to) the Company's future performance including future Share price performance. The historical information included in this Prospectus is, or is based on, information that has previously been released to the market.

Investors should also be aware that certain financial data included in this Prospectus may be 'non-IFRS financial information' under Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC. The Company believes this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of the Company. The non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information and ratios (if any) included in this Prospectus.

Target Market Determination

In accordance with the delegation and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of the Entitlement Options, Lead Manager Options and Placement Options under this Prospectus. The Company and the Lead Manager will only distribute the Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (www.polarx.com.au).

By making an Application under this Prospectus, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Forward-looking statements

This Prospectus may contain forward-looking statements been based on current expectations about future acts, events and circumstances, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These forward-looking statements are subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-

looking statements contained in this Prospectus will actually occur. Further, except during an offer period and otherwise as required by law, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

Applications

The Entitlement and Acceptance Form accompanying this Prospectus is important.

Acceptance of Entitlement Shares under the Entitlement Offer can only be submitted on an Entitlement and Acceptance Form sent with a copy of this Prospectus. If acceptance is by BPAY® there is no need to return an Entitlement and Acceptance Form. Refer to the instructions in Section 7.5 regarding completion of the Application Forms.

By returning an Application Form, lodging an Application Form with a stockbroker or otherwise arranging for payment of New Securities in accordance with the instructions on the Application Form, an Applicant acknowledges that they have received and read this Prospectus, acted in accordance with the terms of the Offer to which the Application Form relates and agree to all of the terms and conditions as detailed in this Prospectus.

Applications for the Shortfall Offer by persons other than Eligible Shareholders can only be submitted by invitation from the Company.

Only Shareholders registered as at the Record Date may participate in the Entitlement Offer. Only persons invited by the Company may participate in the offer of Placement Options and Lead Manager Options.

No cooling-off period

No cooling off rights apply to Applications submitted under the Offers.

Disclaimer of representations

No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus.

Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Privacy

Please read the privacy information located in Section 8.15 of this Prospectus. By submitting an Entitlement and Acceptance Form, you consent to the matters outlined in that section.

Definitions

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary.

Photographs and Diagrams

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

Enquiries

Before making a decision about investing in the Offers, you should seek advice from your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser to determine whether it meets your objectives, financial situation and needs.

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

If you have misplaced your Entitlement and Acceptance Form and would like a replacement form, please call the applicable number below.

Persons invited to participate in the offer of Placement Options and Lead Manager Options will have Application Forms provided to them. Alternatively, if you have the Securityholder Reference Number or Holder Identification Number for your holding(s), you can download a replacement form from the Share Registry's secure website [here](#).

If you have any questions, please call the Company Secretary on + 61 8 9226 1356 at any time between 8.00am and 5.00pm (Perth time) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.

Website

To view annual reports, shareholder and other information about the Company, announcements, background information on the Company's operations and historical information, visit the Company's website at www.polarx.com.au.

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1. TIMETABLE TO THE OFFER

Event	Target Date
Announcement of the Offers	31 March 2022
Lodgement of this Prospectus	6 April 2022
Ex-date (Shares trade ex-entitlement)	8 April 2022
Record date to determine Entitlement (Record Date)	11 April 2022
Offers open for receipt of Applications	13 April 2022
Closing date for acceptances under the Offers	27 April 2022
Issue of New Securities under the Entitlement Offer Dispatch of holding statements	4 May 2022
Normal trading of Entitlement Shares and trading of Entitlement Options expected to commence	5 May 2022
General Meeting of Shareholders	5 May 2022
Issue of Placement Options and Lead Manager Options	6 May 2022
Last date to issue Shortfall Securities if any (see Section 8.4)	27 July 2022

Note: Dates and times in this Prospectus are indicative only and subject to change. All times and dates refer to WST time. The Company reserves the right, subject to the Corporations Act, Listing Rules and other applicable laws, to vary the dates of the Offers without prior notice, including extending the Offers or accepting late applications, either generally or in particular cases, or to withdraw the Offers without prior notice. The commencement of quotation of the Entitlement Shares, Entitlement Options and Placement Options is subject to confirmation from ASX.

2. KEY OFFER TERMS

	Full Subscription
Shares on issue ¹	834,829,762
Total Options currently on issue ²	23,000,000
Entitlement Shares offered under this Prospectus, on a 1 for 8 basis	104,353,720
Entitlement Options offered under this Prospectus on a 1 for 2 Entitlement Share basis	52,176,860
Issue price per Entitlement Share	\$0.021
Placement Options offered under this Prospectus ³	59,799,892
Lead Manager Options offered under this Prospectus ³	30,000,000
Amount raised under this Prospectus (before costs)⁴	\$2,191,428

Note:

1. This figure includes the Shares issued under the Placement and assumes that no further Shares are issued prior to the Record Date.
2. The Company has on issue (i) 15 million unlisted options exercisable at \$0.058 expiring on 27 October 2025; (ii) 3 million unlisted options exercisable at \$0.05 expiring on 1 November 2023; and (iii) 5 million unlisted options exercisable at \$0.05 expiring on 26 July 2024. Please see Section 5.4 for further information.
3. This issue is subject to the Company receiving Shareholder approval of the Placement Options and the Lead Manager Options.
4. Funds will only be raised under this Prospectus under the Entitlement Offer.

3. CHAIRMANS LETTER

Dear Shareholder,

\$2.51M PLACEMENT COMPLETED

PolarX Limited (ASX: PXX) (the **Company**) is pleased to advise that it has completed a placement of 119,599,906 shares at an issue price of 2.1 cents per share to raise \$2.51 million before costs (**Placement**). Each Placement share will include a free attaching option on a 1:2 basis (**Placement Option**). The Placement Options will be exercisable at \$0.03 each and will expire on 6 November 2023. The issue of the Placement Options is subject to Shareholder approval.

Net proceeds of the Placement will primarily be used to fund the initial drilling program at the Humboldt Range Gold-Silver Project in Nevada, which commences next week and the 2022 drilling program at the high-grade Caribou Dome copper deposit in Alaska.

ENTITLEMENT OFFER

The Company is also offering Eligible Shareholders the right to subscribe for securities on the same terms as the Placement, by way of a non-renounceable rights issue.

Eligible Shareholders are entitled to subscribe for 1 Entitlement Share for every 8 Existing Shares held at 5.00pm (Perth time) on 11 April 2022, together with 1 attaching Entitlement Option for every 2 Entitlement Shares subscribed for.

Eligible Shareholders may also apply for Shortfall Securities at the Offer Price in excess of their Entitlement. Shortfall Securities will only be allocated to Eligible Shareholders if available and if and to the extent that the Company so determines, in its absolute discretion. The Company may elect to scale-back applications for Shortfall Securities in its absolute discretion.

Further information

Further information on the Offers are detailed in this Prospectus. You should read the entirety of this Prospectus carefully before deciding whether to participate in the Offers. There are risks in investing in the Company, including risks associated with markets generally, and ongoing requirements for additional funding. Please see Section 6 for details. If any of these risks or other material risks eventuate, it will likely have a material adverse impact on the Company's future financial performance and position.

Only Shareholders registered as at the Record Date may participate in the Entitlement Offer. Only persons invited by the Company may participate in the offer of Placement Options and Lead Manager Options.

We look forward to the ongoing support of all Shareholders as we continue on this exciting journey.

The Board recommends the Entitlement Offer to you and looks forward to your support.

Yours sincerely,

Mark Bojanjac

Executive Chairman
PolarX Limited

4. INVESTMENT OVERVIEW AND KEY RISKS

This information is a selective overview only. Prospective investors should read the Prospectus in full before deciding to invest in New Securities.

Question	Response	Where to find more information
What is the Entitlement Offer?	<p>A non-renounceable Entitlement Offer to subscribe for 1 Entitlement Share for every 8 Existing Shares held on the Record Date at an issue price of \$0.021, with 1 attaching Entitlement Option for every 2 Entitlement Shares subscribed for.</p> <p>The Entitlement Offer seeks to issue up to 104,353,720 Entitlement Shares and 52,176,860 Entitlement Options to raise up to approximately \$2.19 million (before costs) if fully subscribed.</p>	Section 8
Am I an Eligible Shareholder?	<p>The Entitlement Offer is made to Eligible Shareholders, being Shareholders who:</p> <p>(a) are the registered holder of Shares as at 5.00pm (Perth time) on the Record Date; and</p> <p>(b) have a registered address in Australia, New Zealand, the United Kingdom, Singapore or Hong Kong.</p> <p>If you are the holder of an Option in the Company you must have exercised your Option(s) sufficiently before this time to ensure that you are registered as a Shareholder as at the Record Date.</p>	Section 8.3
What is my Entitlement?	<p>Your Entitlement is the right granted to you under the Entitlement Offer to subscribe for 1 Entitlement Share at the Offer Price for every 8 Existing Shares you hold as at the Record Date with 1 attaching Entitlement Option for every 2 Entitlement Shares subscribed for.</p> <p>Your Entitlement will be noted on your personalised Entitlement and Acceptance Form.</p>	
What can I do with my Entitlement?	<p>As an Eligible Shareholder, you may do any one of the following:</p> <p>(a) take up all or part of your Entitlement;</p> <p>(b) take up all of your Entitlement and apply for Shortfall Securities; or</p> <p>(c) do nothing, in which case your Entitlement will lapse and your Entitlement will become Shortfall Securities. Your Shareholding will be diluted if Entitlement Shares are issued under the Entitlement Offer.</p>	Section 7
Will the Entitlement Shares and Entitlement Options be quoted?	<p>Yes. The Company will apply for Official Quotation of the Entitlement Shares and Entitlement Options.</p> <p>The quotation of the Entitlement Options is conditional on the Company satisfying ASX requirements for quotation of a new class of securities (which includes, among other things, there being a minimum of 100,000 Options on issue, with at least 50 holders holding a marketable parcel). The Company makes no guarantee that any such application for quotation will be successful.</p>	

Question	Response	Where to find more information															
What happens if I am an Ineligible Shareholder?	The Company will not be extending the Entitlement Offer to Ineligible Shareholders.																
What is the Placement Offer?	An offer of the Placement Options to investors who subscribed for shares under the Placement.	Section 8.5															
Will the Placement Options be quoted?	<p>Yes. The Company will apply for Official Quotation of the Placement Options.</p> <p>The quotation of the Placement Options is conditional on the Company satisfying ASX requirements for quotation of a new class of securities (which includes, among other things, there being a minimum of 100,000 Options on issue, with at least 50 holders holding a marketable parcel). The Company makes no guarantee that any such application for quotation will be successful.</p>																
Who may apply for the Lead Manager Options?	An offer of the Lead Manager Options to the Lead Manager as consideration for the services provided by the Lead Manager under the Entitlement Offer and the Placement.	Section 8.6															
Will the Lead Manager Options be quoted?	No. The Company will not apply for Official Quotation of the Lead Manager Options. Application for quotation will be made for any Shares issued on exercise of the Lead Manager Options.																
How will the proceeds of the Entitlement Offer be used?	<p>The Company will use funds raised under the Entitlement Offer (together with existing cash on hand):</p> <table border="1" data-bbox="528 1171 1166 1536"> <thead> <tr> <th data-bbox="528 1171 788 1283">Use of funds</th> <th data-bbox="788 1171 983 1283">Full Subscription (\$)</th> <th data-bbox="983 1171 1166 1283">% of funds raised</th> </tr> </thead> <tbody> <tr> <td data-bbox="528 1283 788 1361">Drilling – Caribou Dome</td> <td data-bbox="788 1283 983 1361">1,700,000</td> <td data-bbox="983 1283 1166 1361">77.6%</td> </tr> <tr> <td data-bbox="528 1361 788 1440">General working capital</td> <td data-bbox="788 1361 983 1440">417,335</td> <td data-bbox="983 1361 1166 1440">19.0%</td> </tr> <tr> <td data-bbox="528 1440 788 1485">Issue expenses</td> <td data-bbox="788 1440 983 1485">74,093</td> <td data-bbox="983 1440 1166 1485">3.4%</td> </tr> <tr> <td data-bbox="528 1485 788 1536">Total</td> <td data-bbox="788 1485 983 1536">2,191,428</td> <td data-bbox="983 1485 1166 1536">100.00%</td> </tr> </tbody> </table> <p>Note:</p> <ol style="list-style-type: none"> 1. Funds will only be raised under this Prospectus under the Entitlement Offer. No funds will be raised from the offer of the Placement Options and the Lead Manager Options. 2. Excludes existing cash reserves of the Company including funds raised under the Placement Offer. <p>A further breakdown of the use of funds is set out in Section 5.2.</p>	Use of funds	Full Subscription (\$)	% of funds raised	Drilling – Caribou Dome	1,700,000	77.6%	General working capital	417,335	19.0%	Issue expenses	74,093	3.4%	Total	2,191,428	100.00%	Section 5.2
Use of funds	Full Subscription (\$)	% of funds raised															
Drilling – Caribou Dome	1,700,000	77.6%															
General working capital	417,335	19.0%															
Issue expenses	74,093	3.4%															
Total	2,191,428	100.00%															
What are the key risks of a subscription under the Offers?	<p>An investment in the Company has risks that you should consider before making a decision to invest. Please carefully consider these risks and the information contained in other sections of this Prospectus before deciding whether or not to apply for New Securities.</p> <p>These risks include:</p>	Section 6															

Question	Response	Where to find more information
	<p>Market Conditions</p> <p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p> <p>There are a number of factors (both national and international) that may affect the market price of Securities and neither the Company nor its Directors have control of those factors. Both domestic and world economic conditions may affect the performance of the Company and factors such as the level of industrial production, inflation and interest rates impact all commodity prices. COVID-19 has increased global share market volatility and is likely to continue to negatively affect global share-markets for an undetermined period of time.</p> <p>General Economic Conditions</p> <p>General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's development and production activities, as well as on its ability to fund those activities.</p> <p>COVID-19 has negatively affected global economies and is likely to continue to negatively affect global economies for an undetermined period of time.</p> <p>For example, the Company's ability to undertake mining and exploration activities is dependent upon its ability to source and acquire appropriate mining equipment and personnel. Equipment and personnel are not always readily available and the market for mining equipment and personnel experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment and personnel economically or at all then this would have a material adverse effect on the Company's financial or trading position.</p> <p>Permits and licenses</p> <p>The activities of the Company will be subject to government approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters, including issues affecting local native populations. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Company. Further, the mining</p>	

Question	Response	Where to find more information
	<p>licenses and permits issued in respect of the Company's mineral properties may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Company's investments in its mineral properties may decline.</p> <p>Exploration and Development Risks</p> <p>Few mineral properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in the definition of a mineral resource.</p> <p>In addition, substantial expenditures are required to establish mineral reserves and mineral resources through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralised deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold and other mineral properties is affected by many factors, including the cost of operations, variations in the grade of minerals mined, fluctuations in metal markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The long-term success of the Company depends on its ability to explore, develop and commercially produce minerals from its mineral properties and to locate and acquire additional properties worthy of exploration and development for minerals.</p> <p>Operations are subject to all of the hazards and risks normally encountered in the exploration and development of minerals. Although precautions to minimise risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.</p> <p>Changes to legislation and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at any future producing properties or require abandonment or delays in the development of new mining properties.</p>	

Question	Response	Where to find more information
	<p>Contractual Risk</p> <p>Some of the Company's mineral properties are subject to option or lease agreements between the Company (or its respective subsidiaries), as the case may be, and the owners of such mineral properties or an interest in such mineral properties. The Company will be reliant on the owners of such mineral properties or interests therein complying with their contractual obligations under the option agreements to maintain the Company's interest in such mineral properties in full force and effect.</p> <p>Access to Financing</p> <p>The Company is at the exploration stage with no revenue being generated from the exploration activities on its respective mineral properties. The Company may therefore have to raise the capital necessary to undertake or complete future exploration work, including drilling programs. There can be no assurance that debt or equity financing will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly. An inability to access sufficient capital for operations could have a material adverse effect on the Company's financial condition, results of operations or prospects. In particular, failure to obtain such financing on a timely basis could cause the Company to forfeit its interest in its mineral properties, miss certain acquisition opportunities, or reduce or terminate its operations.</p> <p>Sovereign Risk (General)</p> <p>The Company's key operations are located in Alaska and Nevada, the United States of America (USA). Possible sovereign risks associated with operating in the USA include, without limitation, changes in the terms of legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its shares.</p> <p>Share market</p> <p>There are general risks associated with an investment and the share market. The price of the Company's securities on the ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance. These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation</p>	

Question	Response	Where to find more information
	<p>and royalties, war, global hostilities and acts of terrorism.</p> <p>Coronavirus (COVID-19) risk</p> <p>The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19.</p>	
Is the Entitlement Offer underwritten?	No.	
Who is the Lead Manager?	The Lead Manager for the Entitlement Offer is Peak Asset Management. Peak Asset Management was also the lead manager for the Placement. Refer to Section 10.5 for a summary of the terms of the Lead Manager Agreement.	Section 10.4 and 10.5
What will be the effect of the Offers on the control of the Company?	<p>The effect of the Offers on the control of the Company will vary with the level of Entitlements taken up by Eligible Shareholders under the Entitlement Offer and the number of Shortfall Securities placed in the Shortfall Offer.</p> <p>The Company will cap the extent to which a Shareholder may take up Shortfall Securities issued under the Shortfall Offer such that there will be no Shareholder whose interest would exceed 19.9% as a result of the Offer except to the extent permitted by law.</p>	Section 5.6
What is the effect of the Offers on the Company?	<p>The maximum number of Entitlement Shares and Entitlement Options that will be issued under the Entitlement Offer is 104,353,720 Entitlement Shares and 52,176,860 Entitlement Options, representing 16.66% of the issued share capital.</p> <p>In addition, to the Entitlement Options, the Company will also issue the Placement Offer (59,799,892 Options) and the Lead Manager Management Options (30,000,000 Options). These Options, in aggregate, represent 9.56% of the issued share capital (assuming full subscription under the Entitlement Offer).</p>	Section 5.4
Can I apply for Entitlement Shares and Entitlement Options in excess of my Entitlement?	Yes, you can apply for Entitlement Shares and Entitlement Options in excess of your Entitlement (Shortfall Securities).	Section 8.4
How do I apply for New Securities and Shortfall Securities under the Offer?	Applications for Entitlement Shares, Entitlement Options and Shortfall Securities can be made by Eligible Shareholders completing the relevant sections of the personalised Entitlement and Acceptance Form, which will be available here from the Opening Date, and lodging it with the Share Registry together with	Section 7.2

Question	Response	Where to find more information
	<p>payment by BPAY® or EFT in the amount of Entitlement and Shortfall Securities applied for.</p> <p>Applicants can obtain their BPAY® payment details here on or after the Opening Date. If you wish to pay by EFT please contact Ian Cunningham, Company Secretary (+61 8 9226 1356) and the relevant account details and reference numbers for an EFT payment will be e-mailed to you.</p> <p>Applications for the Placement Options and the Lead Manager Options will only be accepted on Application Forms provided to those persons invited to apply under those offers.</p>	
How will the Shortfall Securities be allocated?	<p>Eligible Shareholders can apply for Shortfall Securities.</p> <p>The Directors reserve the right to place any Shortfall Securities at their discretion within 3 months of the Closing Date.</p>	Section 8.4
How do I accept the Entitlement Offer?	<p>If you are within Australia, New Zealand, the United Kingdom, Singapore or Hong Kong and you have an account with an Australian financial institution that supports BPAY® payments, you may pay your Application Monies via BPAY®.</p> <p>Shareholders outside of Australia may pay via EFT.</p> <p>Applicants can obtain their BPAY® payment details here on or after the Opening Date. If you wish to pay by EFT please contact Ian Cunningham, Company Secretary (+61 8 9226 1356) and the relevant account details and reference numbers for an EFT payment will be e-mailed to you.</p> <p>If you are a Shareholder outside of Australia, and you are unable to pay by BPAY®, please contact Ian Cunningham, Company Secretary (+61 8 9226 1356) and the relevant account details and reference numbers for an EFT payment will be e-mailed to you.</p>	Section 7.5
How do I apply for Placement Options and Lead Manager Options?	<p>Only persons invited by the Company may apply for Placement Options or Lead Manager Options.</p> <p>Applications must be provided on the Application Form provided.</p>	
Are the Offers subject to Shareholder approval?	<p>Shareholder approval is not required for issues the subject of the Entitlement Offer.</p> <p>Shareholder approval is required for the issue of the Placement Options and the Lead Manager Options.</p>	
How can I obtain further advice?	<p>Contact the Company Secretary on +61 8 9226 1356 at any time between 8.00am and 5.00pm (Perth time) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.</p>	

5. PURPOSE AND EFFECT OF THE OFFERS

5.1 Introduction

The Company is seeking to raise up to approximately \$2.19 million (before issue costs) under the Entitlement Offer at a price of \$0.021 per Entitlement Share on the basis of 1 Entitlement Share for every 8 Existing Shares held as at the Record Date, with 1 attaching Entitlement Option for every 2 Entitlement Shares subscribed for.

Shareholders may, in addition to their Entitlement apply for Shortfall Securities at the Offer Price.

The Company will raise no funds from the issue of the Placement Options or the Lead Manager Options.

As announced to the ASX on 31 March 2022, the Company raised \$2.51 million (before costs) under the Placement. The Placement Options are free-attaching options to the Shares issued under the Placement. The Lead Manager Options are being issued as consideration for the services to be provided by the Lead Manager under the Entitlement Offer and the Placement.

5.2 Purpose of the Entitlement Offer

The Directors intend to apply the proceeds from the Entitlement Offer together with existing cash on hand as follows:

Use of funds	Full Subscription (\$)	% of funds raised
Drilling – Caribou Dome	1,700,000	77.6%
General working capital	417,335	19.0%
Issue costs	74,093	3.4%
Total	2,191,428	100.00%

Notes:

1. This table is a statement of the proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the Company's decisions. The Company reserves the right to vary the way funds are applied.
2. There is no minimum subscription condition for any Entitlement Offer to proceed. In the event the Company does not achieve Full Subscription then the Company plans to continue exploration activities with funds scaled back on projects, at the Directors' discretion.
3. General working capital is intended to accelerate and/or extend/continue the above initiatives as required, and other corporate administration and operating costs (including directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs).
4. Excludes existing cash reserves including funds raised under the Placement.
5. See Section 10.7 for further details relating to the estimated expenses of the Offers.

5.3 Statement of financial position

Set out in Section 13 is the pro-forma balance sheet that has been derived from the Company's reviewed consolidated statement of financial position as at 31 December 2021, and on the basis of the following assumptions:

- (a) Full Subscription under the Entitlement Offer, less costs of the Entitlement Offer; and
- (b) Receipt of all funds under the Placement, less costs of the Placement; and
- (c) no further Shares are issued other than all Entitlement Shares offered under this Prospectus (including that no Options on issue are exercised).

The pro-forma statement of financial position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company set out in Section 13. The pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual

financial statements. The pro-forma statement is indicative only and is not intended to be a statement of the Company's current or future financial position.

5.4 Effect of the Offer on the Company's securities

Assuming that no further Shares are issued prior to the Record Date, at the close of the Offers the capital structure of the Company will be:

Shares	Full Subscription	
	Number	%
Existing Shares	834,829,762	88.9%
Entitlement Shares offered under this Prospectus	104,353,720	11.1%
Total Shares	939,183,482	100%

Assuming that no further Options are issued prior to the Record Date, at the close of the Offers, the number of Options on issue will be:

	Full Subscription	
	Number	%
Listed Options		
Entitlement Options offered on a 1 for 2 Entitlement Share basis Options exercisable at \$0.03 each on or before 6 November 2023	52,176,860	46.6%
Placement Options to be issued under the Placement Offer ¹	59,799,892	53.4%
Total Listed Options	111,976,752	100%
Unlisted Options		
Options exercisable at \$0.05 each on or before 1 November 2023	3,000,000	5.7%
Options exercisable at \$0.05 on or before 26 July 2024	5,000,000	9.4%
Director Options	15,000,000	28.3%
Lead Manager Options ¹	30,000,000	56.6%
Total Unlisted Options	53,000,000	100%
Total Options	164,976,752	

Notes:

1. The issue of the Placement Options and the Lead Manager Options is subject to Shareholder approval.

5.5 Details of substantial holders

The Company is of the view, after taking into account publicly available information as at the date of this Prospectus, that the following persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Ruffer LLP	102,038,730	12.22%
Lundin Mining Corporation	53,442,000	6.4%

In the event all Entitlements are accepted in full there will be no change in the percentage holding of the substantial Shareholders. However, the holdings of the above substantial Shareholders and the holdings of other Shareholders may change as a result of participation in the Entitlement Offer.

5.6 Effect of the Entitlement Offer on the control of the Company

(a) General

The potential effect that the Entitlement Offer could have on the control of the Company, and the consequences of that effect, will depend upon a number of factors, including investor demand and existing shareholdings.

As at the date of this Prospectus, the Company has 834,829,762 Shares and 23,000,000 unlisted Options on issue. As noted above:

- (i) Ruffer LLP (together with its associates) has a relevant interest in 12.22% of the Company and, to the extent it participates in the Entitlement Offer, will not subscribe for New Securities that would result in it having an increased voting power except to the extent permitted by law.

The table below sets out the impact on Ruffer LLP (together with its associates) in the event that it fully participates in the Entitlement Offer and the level of other Shareholder participation is as set out.

Number of total Shares before the Entitlement Offer	% of total Shares after the Entitlement Offer			
	100% take up	75% take up	50% take up	No other take-up
102,038,730	12.22%	12.71%	13.04%	13.54%

Notes:

- This table assumes that other than under the Entitlement Offer, no further Shares are issued.
- The level of take up in this table assumes that all Eligible Shareholder accept their Entitlements at the different levels shown (e.g. a "50% take up" assumes all Eligible Shareholders accept 50% of their Entitlements).
- This table assumes that none of the Entitlement Options, Placement Options and Lead Manager Options are exercised prior to their expiry date. In the event that those Options are exercised the effect in the above table would change.

- (ii) Lundin Mining Corporation (together with its associates) has a relevant interest in 6.4% of the Company and, to the extent it participates in the Entitlement Offer, will not subscribe for New Securities that would result in it having an increased voting power except to the extent permitted by law.

The table below sets out the impact on Lundin Mining Corporation (together with its associates) in the event that it fully participates in the Entitlement Offer and the level of other Shareholder participation is as set out.

Number of total Shares before the Entitlement Offer	% of total Shares after the Entitlement Offer			
	100% take up	75% take up	50% take up	No other take-up
53,442,000	6.4%	6.62%	6.80%	7.14%

Notes:

1. This table assumes that other than under the Entitlement Offer, no further Shares are issued.
2. The level of take up in this table assumes that all Eligible Shareholder accept their Entitlements at the different levels shown (e.g. a “50% take up” assumes all Eligible Shareholders accept 50% of their Entitlements).
3. This table assumes that none of the Entitlement Options, Placement Options or Lead Manager Options are exercised prior to their expiry date. In the event that those Options are exercised the effect in the above table would change.

If all of the Eligible Shareholders under the Offer accept their Entitlements in full then the Entitlement Offer will not have any effect on the control of the Company. In this case, all Eligible Shareholders will maintain their percentage shareholding interest in the Company.

(b) **Mitigating control effects**

In order to mitigate the potential control effects of the Entitlement Offer, the Company has included a Shortfall Offer pursuant to Section 8.4 of this Prospectus and a shortfall allocation strategy.

If there is a shortfall, then Shortfall Securities may be allocated to any Eligible Shareholders, at the absolute discretion of the Directors.

Shortfall Securities will not be offered or issued to any Applicant if, in the view of the Directors, to do so would increase that Applicant's voting power in the Company above 19.9% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

The Company has not appointed a nominee in accordance with section 615 of the Corporations Act, as no person will acquire a relevant interest in 20% or more of the Company's Shares as a result of the Entitlement Offer. For further information please refer to Section 8.9.

5.7 Dilution

Shareholders who do not participate in the Entitlement Offer will have their holdings diluted. Following is a table which sets out the dilutionary effect, assuming the full amount is raised and no further Shares are issued or Options exercised:

Holder	Holding at Record Date		Entitlement	Holding following the Entitlement Offer if no Entitlement taken up	
	Number	%		Number	%
1	834,830	0.10	104,353	834,830	0.09
2	8,348,298	1.00	1,043,537	8,348,298	0.89
3	83,482,976	10.00	10,435,372	83,482,976	8.89
4	834,829,762	100.00	104,353,720	834,829,762	88.89%

Note:

1. This table assumes that none of the Entitlement Options, Placement Options or Lead Manager Options are exercised prior to their expiry date. In the event that those Options are exercised the effect in the above table would change.

6. RISK FACTORS

An investment in the Company is not risk free and investors should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for New Securities. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Securities.

The Company's principal activity is mineral exploration and development and companies in this industry are subject to many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical. Following are the risk factors which the Company believes are most important in the context of the Company's business.

The following list is not intended to be an exhaustive list of the risk factors relating to an investment in the Company and other risk factors may apply.

Before deciding to invest in the Company, potential investors should:

- (a) read the entire Prospectus;
- (b) consider the assumptions underlying any forward-looking statements;
- (c) review these factors in light of their personal circumstances; and
- (d) seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

6.1 General Risks

A summary of the major general risks are described below:

(a) **Uninsured risks**

The Company, as a participant in mining and exploration activities, may become subject to liability for hazards that cannot be insured against or against which it may elect not to be so insured because of high premium costs. Furthermore, the Company may incur a liability to third parties (in excess of any insurance coverage) arising from negative environmental impacts or any other damage or injury.

(b) **Unforeseen expenses**

The Company is not aware of any expenses that may need to be incurred that have not been taken into account. However, if such unforeseen expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

(c) **Contractual Risk**

Some of the Company's mineral properties are subject to option or lease agreements between the Company (or its respective subsidiaries), as the case may be, and the owners of such mineral properties or an interest in such mineral properties. The Company will be reliant on the owners of such mineral properties or interests therein complying with their contractual obligations under the option agreements to maintain the Company's interest in such mineral properties in full force and effect.

(d) **Access to Financing**

The Company is at the exploration stage with no revenue being generated from the exploration activities on its respective mineral properties. The Company may therefore have to raise the capital necessary to undertake or complete future exploration work, including drilling programs. There can be no assurance that debt or equity financing will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly. An inability to access sufficient capital for operations could have a material adverse effect on the Company's financial condition, results of operations or prospects. In particular, failure to obtain such financing on a timely basis could cause the Company to forfeit its interest in its mineral properties, miss certain acquisition opportunities, or reduce or terminate its operations.

6.2 Mining Industry risks

(a) Exploration and Development Risks

Few mineral properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in the definition of a mineral resource.

In addition, substantial expenditures are required to establish mineral reserves and mineral resources through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralised deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold and other mineral properties is affected by many factors, including the cost of operations, variations in the grade of minerals mined, fluctuations in metal markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The long-term success of the Company depends on its ability to explore, develop and commercially produce minerals from its mineral properties and to locate and acquire additional properties worthy of exploration and development for minerals.

Operations are subject to all of the hazards and risks normally encountered in the exploration and development of minerals. Although precautions to minimise risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

Changes to legislation and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at any future producing properties or require abandonment or delays in the development of new mining properties.

(b) Permits and licenses

The activities of the Company will be subject to government approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters, including issues affecting local native populations. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Company. Further, the mining licenses and permits issued in respect of the Company's mineral properties may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Company's investments in its mineral properties may decline.

(c) Title risks

The acquisition of title to resource properties or interests therein is a very detailed and time-consuming process. The Company's mineral properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

(d) Competition

The mining industry is highly competitive. The Company's competitors for the acquisition, exploration, production and development of mineral properties, and for capital to finance such activities, will include companies that have greater financial and personnel resources available to them.

(e) Volatility of metal prices

The market price of any precious or base metal is volatile and is affected by numerous factors that will be beyond the Company's control. These include international supply and demand, the level of consumer product demand, international economic trends, currency exchange rate

fluctuations, interest rates, the rate of inflation, global or regional political events and international events as well as a range of other market forces. Sustained downward movements in metal market prices could render less economic, or uneconomic, some or all of the precious or base metal extraction and/or exploration activities to be undertaken by the Company.

All phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with environmental legislation can require significant expenditures and a breach may result in the imposition of fines and penalties.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

(f) **Mineral Resource estimates**

Until a deposit is actually mined and processed, the quantity of mineral resources and grades must be considered as estimates only. In addition, the quantity of mineral resources may vary depending on, among other things, base metal prices. In addition, there can be no assurance that metal recoveries in small scale laboratory tests will be duplicated in a larger scale test under on-site conditions or during production.

Mineral resources that are not mineral reserves do not have demonstrated economic viability and there is no assurance that they will ever be mined or processed profitably. Due to the uncertainty which may attach to mineral resources, there is no assurance that inferred mineral resources will be upgraded to proven and probable mineral reserves as a result of continued exploration.

Fluctuations in copper or other base metal prices and precious metal prices, results of drilling, metallurgical testing and production and the evaluation of studies, reports and plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of mineral resources could have a material adverse effect on the Company's results of operations and financial condition.

6.3 General investment risks

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's development and production activities, as well as on its ability to fund those activities. COVID-19 has negatively affected global economies and is likely to continue to negatively affect global economies for an undetermined period of time.

For example, the Company's ability to undertake mining and exploration activities is dependent upon its ability to source and acquire appropriate mining equipment and personnel. Equipment and personnel are not always readily available and the market for mining equipment and personnel experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment and personnel economically or at all then this would have a material adverse effect on the Company's financial or trading position.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource stocks in

particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. COVID-19 has increased global share market volatility and is likely to continue to negatively affect global share-markets for an undetermined period of time.

(c) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing. Any additional equity financing may dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is, however, no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. The Company can give no assurance in relation to the payment of dividends or franking credits attaching to dividends.

(e) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(f) **Sovereign Risk (General)**

The Company's key operations are located in Alaska and Nevada, the United States of America (**USA**). Possible sovereign risks associated with operating in the USA include, without limitation, changes in the terms of legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its shares.

(g) **Insurance risks**

The Company maintains insurance for certain activities within ranges of coverage that it believes to be consistent with industry practice and having regard to the nature of activities being conducted. 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.

(h) **Market risk and interest rate volatility**

From time to time, the Company may borrow money and accordingly will be subject to interest rates which may be fixed or floating. A change in interest rates would be expected to result in a change in the interest rate to the Company and, hence, may affect its profit.

(i) **Share market**

There are general risks associated with an investment and the share market. The price of the Company's securities on the ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance. These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation and royalties, war, global hostilities and acts of terrorism.

(j) **Liquidity risk**

There is no guarantee that there will be an ongoing liquid market for the Company's securities. Accordingly, there is a risk that, should the market for the Company's securities become illiquid, Shareholders will be unable to realise their investment in the Company.

(k) **Investment speculative**

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 Company's securities.

(l) **COVID-19 risk**

In December 2019, a strain of coronavirus (**COVID-19**) was identified in Wuhan, China. On 11 March 2020, the World Health Organisation declared COVID-19 a pandemic. The outbreak of COVID-19 has resulted in the implementation of governmental measures, including closures, quarantines and travel bans, intended to control the spread of the virus.

The Directors are constantly monitoring the situation and, as at the date of this Prospectus, COVID-19 has not had, and is not expected to have, a material adverse effect on the Company's exploration activities and financial performance.

However, in the event that the US or Australian Governments implement any increase in containment measures in response to the ongoing pandemic, this may prevent the Company, and other business partners, from conducting business activities for periods of time and may impact on the Company's ability undertake exploration activities and could cause delays to future work program activities. Such measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

Further, the outbreak of COVID-19 is impacting global economic markets. The Company's share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19.

6.4 Other risks

Other risk factors include those normally found in conducting business, including litigation through breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel and other matters that may interfere with the Company's business or trade.

7. ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS UNDER THE ENTITLEMENT OFFER

7.1 What you may do

The number of Entitlement Shares to which you are entitled to subscribe for is shown on the accompanying Application Form.

As an Eligible Shareholder, you may:

- (a) subscribe for all or part of your Entitlement (see Section 7.2);
- (b) subscribe for all of your Entitlement and apply for Shortfall Securities (see Section 7.3); or
- (c) allow all or part of your Entitlement to lapse (see Section 7.4).

7.2 Subscribe for all or part of your Entitlement

Applicants should read this Prospectus in its entirety in order to make an informed decision on the prospects of the Company and the rights attaching to the Entitlement Shares and attaching Entitlement Options offered by this Prospectus before deciding to apply for Entitlement Shares and Entitlement Options. If you do not understand this Prospectus you should consult your stockbroker, accountant or other professional adviser in order to satisfy yourself as to the contents of this Prospectus.

If you wish to subscribe for all or part of your Entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. The Entitlement and Acceptance Form sets out the number of Entitlement Shares and attaching Entitlement Options you are entitled to subscribe for.

7.3 Subscribe for all of your Entitlement and apply for Shortfall Securities

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Securities regardless of the size of their present holding by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. See Section 8.4 for details of the manner in which Shortfall Securities will be allocated.

If you are paying by BPAY® or EFT, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY® or EFT must ensure that payment is received by no later than 5.00pm (Perth time) on 27 April 2022.

Any refund of application monies will be returned to Applicants as soon as practicable following the issue of all Shortfall Securities (except where the amount is less than AUD\$2.00, in which case the Company will retain it).

7.4 Allow all or part of your Entitlement to lapse

If you are an Eligible Shareholder and do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you take no action, your Entitlement will lapse. You will receive no benefit or New Securities and your Entitlement will become Shortfall Securities.

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement.

7.5 Payment methods

BPAY® and Electronic Funds Transfer

If you are within Australia, New Zealand, the United Kingdom, Singapore or Hong Kong and you have an account with an Australian financial institution that supports BPAY® payments, you may pay your Application Monies via BPAY®. If you wish to pay by EFT please contact Ian Cunningham, Company Secretary (+61 8 9226 1356) and the relevant account details and reference numbers for an EFT payment will be e-mailed to you. Shareholders outside of Australia may pay via EFT.

Applicants can obtain their BPAY® payment details [here](#) on or after the Opening Date and follow the instructions on the online Application Form (which, for the purposes of a BPAY® payment, includes the Biller Code and your unique Customer Reference Number (CRN)).

You should be aware that you will only be able to make a payment via BPAY® if you are the holder of an account with an Australian financial institution which supports BPAY® transactions. When completing

your BPAY® or EFT payment, please make sure you use the specific Biller Code and your unique CRN or unique payment reference provided on the online Application Form. If you do not use the correct CRN your Application will not be recognised as valid. It is your responsibility to ensure that payments are received by 5.00pm (WST) on the Closing Date. Your bank, credit union or building society may impose a limit on the amount which you can transact on BPAY® or through EFT, and policies with respect to processing BPAY® and EFT transactions may vary between banks, credit unions or building societies. The Company accepts no responsibility for any failure to receive application monies or payments by BPAY® or EFT before the Closing Date arising as a result of, among other things, processing of payments by financial institutions.

The Company reserves the right to close the Offer early.

7.6 Entitlement and Acceptance Form is binding

Receipt of a completed and lodged Entitlement and Acceptance Form together with an Application by BPAY® or EFT, constitutes a binding offer to acquire New Securities on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn. If the Application Form is not completed correctly, it may still be treated as a valid application for New Securities. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Application Form is final.

By completing and returning your Entitlement and Acceptance Form and making a payment in respect of an Application by BPAY® or EFT, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have 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 and that you:

- (a) acknowledge that you have fully read and understood both this Prospectus (particularly the risks set out in Section 6) and your Entitlement and Acceptance Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Prospectus and the Entitlement and Acceptance Form;
- (b) agree to be bound by the terms of the Entitlement Offer;
- (c) authorise the Company to register you as the holder(s) of New Securities issued to you;
- (d) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (e) declare that you were the registered holder(s) at the Record Date of the Shares indicated on the Entitlement and Acceptance Form as being held by you on the Record Date;
- (f) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (g) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the Entitlement Shares 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 Entitlement and Acceptance Form;
- (h) declare that you are the current registered holder of Shares and are an Australian, New Zealand, the United Kingdom, Singapore or Hong Kong resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- (i) agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Offer and of your holding of Shares on the Record Date;
- (j) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Securities are suitable for you given your investment objectives, financial situation or particular needs;
- (k) acknowledge that the New Securities have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia, New Zealand, the United Kingdom, Singapore or Hong Kong and accordingly, the New Securities may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not

subject to, the registration requirements of applicable securities laws in particular the US Securities Act;

- (l) acknowledge that the Entitlement and Acceptance Form does not need to be signed to be a valid application. An Application will be deemed to have been accepted by the Company upon the issue of the New Securities; and
- (m) understand that if the Entitlement and Acceptance Form is not completed correctly or if the accompanying payment of the application monies is for the wrong amount, it may still be treated as a valid application for New Securities. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final. However, an Applicant will not be treated as having applied for more New Securities than is indicated by the amount of the application monies received by the Company.

7.7 Applications for the Placement Options and the Lead Manager Options

Only those invited by the Company may apply for Placement Options and Lead Manager Options. Applicants for Placement Options and Lead Manager Options should follow the instructions on the Application Forms provided.

8. DETAILS OF THE OFFERS

8.1 Securities offered for subscription

The Company is undertaking a non-renounceable pro rata offer to Eligible Shareholders on the basis of 1 Entitlement Share for every 8 Existing Shares held as at the Record Date at a price of \$0.021 per Entitlement Share, with 1 Entitlement Option for every 2 Entitlement Shares subscribed for, to raise up to approximately \$2.19 million before issue costs. Fractional entitlements will be rounded down to the nearest whole number.

The Entitlement Offer is only open to Eligible Shareholders. The Company reserves the right to reject any application that it believes comes from a person who is not an Eligible Shareholder.

Details of how to apply for New Securities are set out at Section 7.

All Entitlement Shares offered under this Prospectus will rank equally with Existing Shares. The rights and liabilities of the Entitlement Shares offered under this Prospectus are summarised in Section 9.1. The rights and liabilities of the Entitlement Options and Placement Options offered under this Prospectus are summarised in Section 9.2.

8.2 Acceptances

The Entitlement Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer Period or close the Offer early.

Instructions for accepting your Entitlement are set out in Section 7 and on the Entitlement and Acceptance Form which accompanies this Prospectus.

8.3 Entitlement to Entitlement Offer

The Entitlement Offer is made to Eligible Shareholders, who are those Shareholders that:

- (a) are the registered holder of Shares as at 5.00pm (Perth time) on the Record Date; and
- (b) have a registered address in Australia, New Zealand, the United Kingdom, Singapore or Hong Kong.

8.4 Shortfall Offer

Any New Securities not applied for under the Entitlement Offer (including those of Ineligible Shareholders) will become Shortfall Securities. The Directors reserve the right to issue any Shortfall Securities at their discretion within 3 months after the Closing Date (**Shortfall Offer**).

The Shortfall Offer is, to the extent it is made in Australia, made under this Prospectus. To the extent the Shortfall Offer is made outside Australia, the Shortfall Offer is made without disclosure, a prospectus, lodgement, filing or registration, or other requirements of any applicable securities law, and only in circumstances where it is lawful to do so (such as to institutional or sophisticated investors).

Eligible Shareholders may apply for Shortfall Securities by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. Other investors who are not Eligible Shareholders may apply for Shortfall Securities using the Shortfall Application Form attached to this Prospectus. Persons outside Australia doing so represent to the Company that they can apply for Shortfall Securities in circumstances which do not require the offer for Shortfall Securities or this Prospectus to be registered.

It is possible that there may be no Shortfall Securities available for issue.

Subject to the above, the Directors reserve the right at their absolute discretion and subject to the Corporations Act and Listing Rules, to:

- (a) issue Shortfall Securities at their discretion by applying a policy of allocating Shortfall Securities in a manner that is in the Company's best interests; and
- (b) to reject any application for Shortfall Securities or to issue a lesser number of Shortfall Securities than that applied for.

No Shortfall Securities will be issued to an applicant under this Prospectus if the issue of Shortfall Securities would contravene the takeover prohibition in section 606 of the Corporations Act.

It is an express term of the Shortfall Offer that applicants for Shortfall Securities will be bound to accept a lesser number of Shortfall Securities allocated to them than applied for. If a lesser number is allocated, excess application money will be refunded without interest as soon as practicable after the closing date of the Shortfall Offer being 27 July 2022 (except where the amount is less than AUD\$2.00, in which case the Company will retain it).

8.5 Placement Options

On 6 April 2022, the Company announced the completion of a placement of 119,599,906 Shares at an issue price of \$0.021 per Share together with free attaching Options on a 1 for 2 basis (**Placement Options**) to raise \$2.51 million. Please refer to the ASX announcements dated 31 March 2022 and 6 April 2022 for further details.

Under this Prospectus, the Company will issue 59,799,892 Placement Options to investors on the same terms and conditions as the Options offered under the Entitlement Offer. See Section 9.2 below.

Only persons invited by the Company may participate in the offer of Placement Options.

The issue of the Placement Options is subject to the Company receiving Shareholder approval at a general meeting that is scheduled to be held on 5 May 2022.

8.6 Lead Manager Options

Under this Prospectus, the Company is also offering to the Lead Manager 30,000,000 Options as consideration for the services provided by the Lead Manager under the Entitlement Offer (**Lead Manager Options**). The terms of the Lead Manager Options are the same as the Options offered under the Entitlement Offer except that the expiry date of the Lead Manager Options is 1 April 2025 and they will not be transferable without the Company's permission. See Section 9.3 below.

Only persons invited by the Company may apply for Lead Manager Options.

The issue of the Lead Manager Options is subject to the Company receiving Shareholder approval at a general meeting that is scheduled to be held on 5 May 2022.

8.7 Applicants outside of Australia

(a) General

This Prospectus does not constitute an offer of New Securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer.

It is the responsibility of any Applicant who is resident outside Australia to ensure compliance with all laws of any country relevant to their Application, and any such Applicant should consult their professional adviser as to whether any government or other consents are required, or whether any formalities need to be observed to enable them to apply for and be issued New Securities. Return of a duly completed Entitlement and Acceptance Form will constitute a representation and warranty by an Applicant that there has not been any breach of such regulations.

The Company has not taken any action to register or qualify the New Securities or an Offer, or otherwise to permit a public offering of the New Securities, in any jurisdiction outside Australia.

(b) New Zealand resident Eligible Shareholders

The New Securities offered under the Offer pursuant to this Prospectus are not being offered or sold to the public within New Zealand other than to Eligible Shareholders with registered addresses in New Zealand and to whom the Offer is being made in reliance on the transitional provisions of the *Financial Markets Conduct Act 2013* (New Zealand) and the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority.

It is not a product disclosure statement, investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

(c) **Other overseas resident Shareholders**

Each Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. In particular, this document may not be distributed to any person, and the Securities may not be offer or sold, in any country outside Australia and New Zealand except to the extent permitted below.

United Kingdom

Neither this Prospectus nor any other document relating to the Offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the *Financial Services and Markets Act 2000*, as amended (**FSMA**)) has been published or is intended to be published in respect of the Entitlement Shares.

The Entitlement Shares and attaching Entitlement Options may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to “qualified investors” (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Entitlement Shares and attaching Entitlement Options has only been communicated and will only be communication or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the *Financial Services and Markets Act 2000* (Financial Promotions) Order 2005 (FPO), (ii) who fall within categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together “relevant persons”). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

Singapore

This Prospectus and any other materials relating to the Offer have not been, and will not be, lodged or registered in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the Offer, or invitation for subscription or purchase, of the Entitlement Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are (i) an existing holder of the Company’s shares, (ii) an “institutional investor” (as defined in the SFA) or (iii) an “accredited investor” (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

The Offer is not made with a view to the Entitlement Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Entitlement Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Hong Kong

This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the laws of Hong Kong), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (SFO). No action has been taken in Hong Kong to authorise or register this Prospectus or to permit the distribution of this Prospectus or any documents issued in connection with the Offer and the Shortfall Offer. Accordingly, no Entitlement Shares, Shortfall Shares, or attaching Entitlement Options, have been and will be offered or sold in Hong Kong other than to “professional investors” (as defined in the SFO).

No advertisement, invitation or document relating to the Entitlement Shares, Shortfall Shares, or attaching Entitlement Options, has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Entitlement Shares, Shortfall Shares, or attaching Entitlement Options, that are or are intended to be disposed of only to persons outside of Hong Kong or only to professional investors (as defined in the SFO and any rules made under the SFO). No person allotted Entitlement Shares or Shortfall Shares under the Offer, Shortfall Offer, or attaching Entitlement Options, may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six (6) months following the date of issue of such securities.

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

8.8 Treatment of Ineligible Shareholders and sale of Ineligible Shareholders' Entitlement

Given the small number of Ineligible Shareholders and the cost of complying with applicable regulations outside Australia, New Zealand, the United Kingdom, Singapore and Hong Kong, the Company has decided that it would be unreasonable to extend the Entitlement Offer to Ineligible Shareholders. The Prospectus will not be sent to those Shareholders.

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. No action has been taken to register or qualify the New Securities or the Offer or otherwise to permit an offering of the New Securities in any jurisdiction other than as set out in this section.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia, New Zealand, the United Kingdom, Singapore or Hong Kong (other than to Eligible Shareholders).

8.9 Beneficial holders, nominees, trustees and custodians

The foreign selling restrictions under the Entitlement Offer summarised in Section 8.7 of this Prospectus apply to the underlying beneficial holder. Nominees, trustees and custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder. Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how they should proceed. Shareholders who hold Shares on behalf of persons whose registered address is not in Australia, New Zealand, the United Kingdom, Singapore or Hong Kong are responsible for ensuring that applying for New Securities does not breach securities laws in the relevant overseas jurisdictions.

Nominees and custodians that hold Shares should note that the Entitlement 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 securities. 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 Offer is compatible with applicable foreign laws.

8.10 Allotment and application money

New Securities will be issued only after all application money has been received and ASX has granted permission for the Entitlement Shares to be quoted. It is expected that New Securities will be issued on 4 May 2022 and normal trading of the Entitlement Shares and Entitlement Options on ASX is expected to commence on 5 May 2022.

All application monies will be deposited into a separate bank account of the Company and held in trust for Applicants until the New Securities are issued or application monies returned. Any interest that accrues will be retained by the Company and will not be paid to Applicants.

8.11 Quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the New Securities and Placement Options offered by this Prospectus on ASX. The quotation of the Entitlement Options and Placement Options is conditional on the Company satisfying ASX requirements for quotation of a new class of securities (which includes, among other things, there being a minimum of 100,000 Options on issue, with at least 50 holders holding a marketable parcel). The Company makes no guarantee that any such application for quotation will be successful.

If ASX does not grant permission for the quotation of the New Securities and Placement Options offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as modified by ASIC, none of the New Securities or Placement Options offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all application monies without interest.

A decision by ASX to grant official quotation of the New Securities or Placement Options is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the New Securities.

Quotation, if granted, of the New Securities and Placement Options offered by this Prospectus will commence as soon as practicable after statements of holdings of the New Securities are dispatched and, in the case of the Placement Options only, after Shareholder approval for the issue of the Lead Manager Options has been received.

No application for quotation will be made for the Lead Manager Options will be made however the Company will apply for quotation of any Shares issued on the exercise of the Lead Manager Options.

8.12 Market prices of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the Entitlement Shares being offered under this Prospectus, during the 3 months immediately preceding the lodgement of this Prospectus with the ASIC, and the last market sale price on the date before the lodgement date of this Prospectus, are set out below. The Company currently does not have any listed Options on issue.

Existing Shares (ASX: PXX)	3 month high	3 month low	Last market sale price
Price (\$)	\$0.043	\$0.022	\$0.024
Date	23 February 2022	31 March and 1 April 2022	5 April 2022

8.13 CHES

The Company participates in the Clearing House Electronic Subregister System (**CHES**). CHES is operated by ASX Settlement Pty Ltd (ASPL), a wholly owned subsidiary of ASX.

Under CHES, the Company does not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company, including New Securities issued under this Prospectus. If an investor is broker sponsored, ASPL will send a CHES statement.

The CHES statement will set out the number of New Securities issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

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

A CHES 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.

8.14 Taxation and duty implications

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of the Company conducting the Offer or Shareholders applying for New Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders in the Offer. Shareholders should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Offer.

No brokerage or stamp duty is payable by Applicants in respect of Applications for New Securities under this Prospectus.

8.15 Privacy

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

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance 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 body corporates, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

The Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

8.16 Enquiries

Any queries regarding the Offer or Entitlement and Acceptance Form should be directed to the Company Secretary on +61 8 9226 1356.

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.

9. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

9.1 Rights and liability attaching to Entitlement Shares

A summary of the rights attaching to Shares in the Company is set out below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution will be provided by 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 specific circumstances, the Shareholder should seek legal advice.

(a) General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

(b) Voting Rights

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

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

(c) Dividend Rights

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

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend will carry interest as against the Company.

Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit, under which participants may elect in respect of all or part of their Shares to receive a dividend or to forego a dividend from the Company and receive some other form of distribution or entitlement (including securities) from the Company or another body corporate or a trust.

(d) Winding-up

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

(e) Shareholder Liability

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

(f) **Transfer of Shares**

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

(g) **Variation of Rights**

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

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

(h) **Alteration of Constitution**

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.

9.2 **Rights and liability attaching to Entitlement Options and the Placement Options**

The terms and conditions of the Entitlement Options are as follows:

(a) **Entitlement and Exercise Price**

Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) at an exercise price of \$0.03 (**Exercise Price**).

(b) **Expiry Date**

The Options are exercisable at any time on or before 5.00pm Western Standard Time on 6 November 2023 (**Expiry Date**). Any Options not exercised by the Expiry Date shall lapse.

(c) **Exercising Option**

Options may not be exercised if the effect of such exercise and subsequent allotment of the Shares would be to create a holding of less than a marketable parcel of Shares unless the allottee is already a shareholder of the Company at the time of exercise.

Exercise of the Option is effected by completing a notice of exercise of option and delivering it to the registered office of the Company together with payment of \$0.03 per Option exercised.

A notice of exercise is only effective when the Company has received the full amount of the Exercise Price in cash or cleared funds.

(d) **Quotation**

The Company will apply for Official Quotation by ASX of the Options.

(e) **Share rank equally**

All Shares issued upon exercise of the Options and payment of the Exercise Price will rank equally in all respects with the Company's then existing Shares. The Company will apply for Official Quotation by ASX of all Shares issued upon exercise of the Options within three days of the issue of the Shares.

(f) **Participation in new issues**

There are no participating rights or entitlements inherent in the Options and the holder will not be entitled to participate in new entitlement issues of capital offered to shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, Optionholders are given such period required by the Listing Rules of ASX to give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(g) **Bonus issues**

If from time to time before the expiry of the Options the Company makes an issue of shares to the holders of ordinary shares by way of capitalisation of profits or reserves (a "bonus issue") other than in lieu of a dividend payment, then upon exercise of an Option the Optionholder will be entitled to have issued to it (in addition to the shares which it is otherwise entitled to have issued to it upon such exercise) additional shares in the Company. The number of additional shares is the number of shares which would have been issued to it under that bonus issue (bonus shares) if on the date on which entitlements were calculated it had been registered as the holder of the number of shares which it would have been registered as holder if immediately before that date it had exercised its Options. The bonus shares will be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the bonus issue and upon issue will rank pari passu in all respects with the other shares allotted upon exercise of the Options.

(h) **No extension to exercise period**

The period during which the Options may be exercised cannot be extended.

(i) **Reconstruction of capital**

In the event of any reconstruction, including a consolidation, subdivision, reduction or return of the issued capital of the Company prior to the Expiry Date, the number of Options which each holder is entitled to or the Exercise Price of the Options or both will be reconstructed as appropriate in a manner which is in accordance with the Listing Rules and will not result in any benefits being conferred on Optionholders which are not conferred on shareholders, subject to such provision with respect to the rounding of entitlements as may be sanctioned by the meeting of shareholders approving the reconstruction of capital, but in all other respects the terms of exercise of the Options will remain unchanged. The rights of an Optionholder may be changed to comply with the Listing rules applying to a reorganisation of capital at the time of the reconstruction.

(j) **Allotment**

Shares allotted and issued pursuant to the exercise of an Option will be allotted and issued not more than 14 days after the receipt of a proper notice and payment of the exercise price in respect of the Options exercised.

(k) **No change in exercise price or number of securities**

Other than as referred to above, an Option does not confer the right to a change in Exercise Price, or a change to the number of underlying securities over which it can be exercised.

(l) **Transferability**

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

9.3 **Rights and liability attaching to Lead Manager Options**

The terms and conditions of the Lead Manager Options are the same as the Options described at Section 9.2 save that the Lead Manager Options will:

- (a) expire on 1 April 2025; and
- (b) they will not be transferable without the Company's authority, such authority not to be unreasonably withheld.

The Company will not apply to ASX for Official Quotation of the Lead Manager Options.

10. ADDITIONAL INFORMATION

10.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The Entitlement Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the Official List during the 12 months prior to the issue of this Prospectus. The Entitlement Options are options to subscribe for continuously quoted securities (i.e. Shares).

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus or an offer of options to acquire securities of that nature. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of Entitlement Shares on the Company and the rights attaching to the Entitlement Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the period from lodgement of the Company's annual financial statements of the Company for the financial year ended 30 June 2021 to the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

The Company confirms that, to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in this Prospectus, there is no information:

- (a) that has been excluded from a continuous disclosure notice in accordance with the Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to Entitlement Shares and Entitlement Options.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

- (c) it is subject to regular reporting and disclosure obligations;
- (d) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (e) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial statements of the Company for the financial year ended 30 June 2020 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;

- (ii) any half-year financial report lodged with ASIC by the Company after the lodgement of that annual report and before the lodgement of this Prospectus; and
- (iii) any continuous disclosure notices given by the Company after the lodgement of the financial statements referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be obtained free of charge from the Company's registered office during normal office hours or from www.asx.com.au.

The Company has lodged the following announcements with ASX since the lodgement of the Company's 2021 annual report to Shareholders on 29 September 2021:

Date	Description of ASX Announcement
29 September 2021	Appendix 4G and Corporate Governance Statement
5 October 2021	New copper discovery at Caribou Dome
7 October 2021	Proactive Investors Interview
13 October 2021	Nevada landholding extended and infill sampling to start
14 October 2021	Resources Rising Stars Presentation
15 October 2021	Notice of Amended AGM Date
28 October 2021	Proposed issue of securities - PXX
29 October 2021	Quarterly Activities/Appendix 5B Cash Flow Report
10 November 2021	Notice of Annual General Meeting/Proxy Form
30 November 2021	Four major exploration programs completed - assays pending
3 December 2021	Proactive Investors Interview
10 December 2021	Results of Meeting
13 December 2021	Pause in Trading
13 December 2021	Trading Halt
15 December 2021	Suspension from Official Quotation
16 December 2021	\$1.4 Million Placement to Fund Exploration and Development
16 December 2021	Proposed issue of securities - PXX
16 December 2021	Reinstatement to Official Quotation
21 December 2021	Lapse of Unlisted Options
21 December 2021	Notification of cessation of securities - PXX
21 December 2021	Notification regarding unquoted securities - PXX
21 December 2021	Change of Director's Interest Notices
22 December 2021	Completion of Placement and Cleansing Statement
22 December 2021	Application for quotation of securities - PXX
27 January 2022	Preparations underway for Humboldt Range drilling campaign
28 January 2022	Quarterly Activities/Appendix 5B Cash Flow Report
16 February 2022	Strong sampling results at Humboldt Range Project
18 February 2022	Proactive Investors Interview
23 February 2022	Assays up to 15% copper at Caribou Dome Project
14 March 2022	Half Yearly Report and Accounts
15 March 2022	PolarX plans to grow high-grade resource at Caribou Dome
29 March 2022	Trading Halt
31 March 2022	Funding Secured as Drilling Commences in Nevada

Date	Description of ASX Announcement
31 March 2022	Proposed Issue of Securities - PXX
1 April 2022	Change of Registered Office
5 April 2022	Proposed Issue of Securities - PXX
6 April 2022	Completion of Placement and Cleansing Statement
6 April 2022	Application for quotation of securities - PXX

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

10.2 Electronic Prospectus

Pursuant to Regulatory Guide 107, ASIC wishes to encourage the distribution of an electronic prospectus and electronic application form, subject to compliance with certain requirements.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at www.polarx.com.au.

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

10.3 Directors' interests

Other than as set out above or elsewhere in this Prospectus, no Director holds at the date of this Prospectus, or held at any time during the last 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:

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

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

- (d) to a Director or proposed Director or to any firm which any such Director is a partner, to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director or to any firm which any such Director is a partner, in connection with the formation or promotion of the Company or the Offer.

As at the date of this Prospectus the Directors have an interest in securities of the Company as set out below.

Director	Shares ¹	Listed Options ¹	Unlisted options
Mark Bojanjac	1,000,000 ²	N/A	5,000,000 ³
Frazer Tabcart	5,755,657 ⁴	N/A	5,000,000 ³
Jason Berton	14,664,938 ⁵	N/A	5,000,000 ³
Robert Boaz	N/A	N/A	N/A

Note:

1. Excludes any Entitlements under this Prospectus.
2. Shares held indirectly through Kallara Holdings Pty Ltd.

3. Director Options granted under the Company's Long Term Incentive Plan and in accordance with Shareholder approval on 10 December 2021 with an exercise price of \$0.058 and an expiry of 27 October 2025.
4. 3,700,395 Shares are held directly by Mr Tabcart. The remaining 2,055,262 Shares are held indirectly.
5. Shares held indirectly through Orogen Investments Pty Limited.

The Constitution provides that the Directors may be paid for their services as Directors. Non-executive directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the non-executive directors and in default of agreement then in equal shares.

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity as a Director of the Company.

The Directors' total remuneration for the 2020 and 2021 financial years, together with the anticipated remuneration of the Directors for the current financial year are set out in the table below:

Director	Remuneration for FY2020 ¹	Remuneration for FY2021 ¹	Current financial year
Mark Bojanjac	\$219,431	\$237,990	\$270,000
Frazer Tabcart	\$179,431	\$210,490	\$230,000
Jason Berton	\$196,181	\$190,490	\$210,000
Robert Boaz	\$22,500	\$22,500	\$22,500

Note:

1. Figures for FY2020 and FY2021 include share-based payments.

10.4 Interests of promoters and named persons

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

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

Peak Asset Management has acted as Lead Manager to the Offers. In respect of this work, the Company will, subject to Shareholder approval, issue the Lead Manager Options provided the aggregate amount raised under the Entitlement Offer and the Placement is at least \$4 million. The Company raised \$2,511,600 under the Placement as announced on 31 March 2022. If Shareholder approval is not obtained, an equivalent amount in cash for the Lead Manager Options is to be paid to the Lead Manager. Peak Asset Management will also receive a 4% capital raising fee under the Entitlement Offer for any shortfall placed by the Lead Manager. Peak Asset Management also received 6% on funds raised under the Placement, being \$150,696 (exclusive of GST). Please refer to Section 10.5 for a summary of the Lead Manager Agreement. Peak Asset Management has not been paid any other fees for the provision of professional services to the Company in the 2 years prior to the date of this Prospectus.

Allion Partners Pty Ltd has acted as solicitor to the Offers. In respect of this work, the Company will pay approximately \$10,000 exclusive of GST. Subsequently fees will be paid in accordance with normal hourly rates. Allion Partners has been paid \$14,286 (inclusive of GST) for the provision of professional services to the Company in the 2 years prior to the date of this Prospectus.

10.5 Lead Manager Agreement

On 29 March 2022, the Company entered into a broker agreement (**Lead Manager Agreement**) with Peak Asset Management who agreed to act as lead manager to the Placement and Entitlement Offer. The material terms of the Lead Manager Agreement are summarised below:

- (a) (**Term of Engagement**) The Lead Manager Agreement is effective from 25 March 2022 and will continue until 30 June 2022, unless extended.
- (b) (**Conditions**) The Lead Manager Agreement is subject to conditions including the following:
 - (i) the Company announcing a non-renounceable rights issue on the same terms and conditions as the Placement (**Entitlement Offer**);
 - (ii) settlement of the Placement occurring before the record date for the Entitlement Offer;
 - (iii) the Company seek quotation of the Placement Options on the ASX; and
 - (iv) the Company calling for a general meeting within 30 days of the completion of the Placement to seek Shareholder approval for the issue of the Options under the Placement, to replenish its placement capacity, and to seek approval of the Options issue to Peak Asset Management.
- (c) (**Remuneration**) The Company will pay Peak Asset Management fees, consisting of:
 - (i) 6% of the total amount on all funds raised under the Placement;
 - (ii) 4% capital raising fee for placing any shortfall; and
 - (iii) subject to a minimum of \$4 million being raised under the Placement and Entitlement Offer, and subject to Shareholder approval, issue Peak Asset Management 30,000,000 Lead Manager Options exercisable at \$0.03 and expiring on or before 1 April 2025 or an equivalent amount in cash if Shareholder approval is not obtained.
- (d) (**Other**) The Lead Manager Agreement contains other terms (including warranties) standard for agreements of this nature.

10.6 Consents

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgement of this Prospectus with ASIC withdrawn their written consent:
 - (i) to be named in the Prospectus in the form and context which it is named; and
 - (ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- (b) has not caused or authorised the issue of this Prospectus;
- (c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below;
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role
Peak Asset Management	Lead Manager
Allion Partners Pty Ltd	Solicitors to the Entitlement Offer

10.7 Expenses of the Offer

The total (cash) expenses of the Offer (assuming Full Subscription and no further Entitlement Shares are issued or Entitlement Options exercised) are estimated to be up to \$74,093, consisting of the following:

Costs	\$
Legal fees	10,000
Lead Manager fees ¹	21,914
ASX	8,973
ASIC lodgement fee	3,206
Share Registry	25,000
Printing, postage and other expenses	5,000
Total	74,093

Note:

1. Calculated on the basis that there is a 50% shortfall under the Entitlement Offer and the Lead Manager procures subscriptions for half of that amount (ie 25% of any shortfall). See Section 10.5 for further details.

10.8 Litigation

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

11. DIRECTORS' STATEMENT

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board by:

A handwritten signature in blue ink, appearing to read 'M. Bojanjac', is written over the text of the signature line.

Mark Bojanjac

**Executive Chairman
PolarX Limited**

12. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

\$, A\$ or Dollars means Australian dollars unless otherwise stated.

Applicant means a person who submits a valid Application Form pursuant to this Prospectus.

Application means a valid application made on an Application Form to subscribe for New Securities pursuant to this Prospectus.

Application Form means an Entitlement and Acceptance Form and Shortfall Application Form, or any one or more of those forms as the case may be, including a form provided to you by the Company allowing you to apply for Placement Options or Lead Manager Options.

ASIC means the Australian Securities & Investments Commission.

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

Board means the board of Directors.

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

Closing Date means the date set out in Section 1, being 27 April 2022.

Company means PolarX Limited (ACN 161 615 783).

Constitution means the constitution of the Company.

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

Director means a director of the Company.

Eligible Shareholders means a Shareholder as at the Record Date with a registered address in Australia, New Zealand, the United Kingdom, Singapore or Hong Kong.

Entitlement or Right means a Shareholder's entitlement to subscribe for New Securities offered under the Entitlement Offer.

Entitlement and Acceptance Form means the personalised entitlement and acceptance form attached to this Prospectus.

Entitlement Offer means the non-renounceable pro rata Offer to Eligible Shareholders of approximately 104,353,720 Entitlement Shares at an issue price of \$0.021 per Entitlement Share on the basis of 1 Entitlement Share for every 8 Existing Shares held, together with 1 attaching Entitlement Option for every 2 Entitlement Shares subscribed for, to raise up to approximately \$2.19 million before issue costs and includes the Shortfall Offer.

Entitlement Shares means Shares offered pursuant to this Prospectus under the Entitlement Offer.

Entitlement Option means Options offered pursuant to this Prospectus under the Entitlement Offer, on terms set out in Section 9.2 and offered under this Prospectus, being an Option with an exercise price of \$0.03, expiring on 6 November 2023.

Existing Share means a Share issued as at 5.00pm (Perth time) on the Record Date.

Full Subscription means approximately \$2.19 million before costs.

Ineligible Shareholder means a Shareholder at the Record Date who is not an Eligible Shareholder.

Lead Manager means Peak Asset Management.

Lead Manager Agreement means the agreement dated 29 March 2022, between the Company and Peak Asset Management for the provision of services under the Placement and Entitlement Offer.

Lead Manager Options means the 30,000,000 options to be issued to the Lead Manager.

Listing Rules means the listing rules of the ASX.

New Securities means the Securities offered under this Prospectus.

Offers means the Entitlement Offer, the offer of the Placement Options and Lead Manager Options.

Offer Price means the issue price per Entitlement Share being \$0.021.

Offer Period means the period that the Offer is open, being the period between the Opening Date and the Closing Date.

Official List means the official list of the ASX.

Official Quotation means quotation of securities on the Official List of the ASX.

Opening Date means the date set out in Section 1, being 13 April 2022.

Option means an option to subscribe for a Share on certain terms.

Peak Asset Management means CoPeak Corporate Pty Ltd ACN 632 277 144, trading as Peak Asset Management.

Placement means the Placement announced to the market on 31 March 2022.

Placement Options means the 59,799,892 options to be issued under the Placement.

Prospectus means this Prospectus and includes the electronic prospectus.

Record Date means the date set out in Section 1.

Section means a section of this Prospectus.

Securities has the meaning given to that term in section 761A of the Corporations Act and includes an Entitlement Share, an Entitlement Option, a Placement Option and a Lead Manager Option.

Share means a fully paid ordinary share in the Company.

Shareholder means the registered holder of Shares in the Company.

Share Registry means Computershare Limited as set out in the Corporate Directory.

Shortfall Application Form means the shortfall application form attached to this Prospectus.

Shortfall Offer has the meaning given in Section 8.4.

Shortfall Securities means New Securities offered under the Offer for which valid Applications have not been received and accepted by the Closing Date.

US Person has the meaning given to that term in Regulation S under the US Securities Act.

US Securities Act means the *United States Securities Act of 1933*, as amended.

13. PRO-FORMA STATEMENT OF FINANCIAL POSITION

A pro-forma balance sheet has been derived from the Company's reviewed consolidated statement of financial position as at 31 December 2021. It has been prepared on the basis of accounting policies normally adopted by the Company and reflects the changes the Offer has on its financial position. It sets out the financial position in the event of Full Subscription under the Offer and on the assumption that no Options are exercised prior to the Record Date.

Pro-Forma Balance Sheet as at 31 December 2021

	Reviewed 31 December 2021 \$	Placement	Rights Issue	Pro-Forma 31 December 2021 \$
Assets				
Current Assets				
Cash and cash equivalents	1,599,319	2,340,911	2,117,335	6,057,566
Other receivables and prepayments	393,585	-	-	393,585
Total Current Assets	1,992,904	2,340,911	2,117,335	6,451,151
Non-Current Assets				
Property, plant and equipment	100,760	-	-	100,760
Exploration and evaluation assets	31,151,054	-	-	31,151,054
Total Non-Current Assets	31,251,814	-	-	31,251,814
Total Assets	33,244,718	2,340,911	2,117,335	37,702,965
Liabilities				
Current Liabilities				
Trade and other payables	110,474	-	-	110,474
Total Current Liabilities	110,474	-	-	110,474
Total Liabilities	110,474	-	-	110,474
Net Assets	33,134,244	2,340,911	2,117,335	37,592,491
Equity				
Contributed equity	100,711,582	2,110,019	1,886,443	104,708,045
Reserves	6,927,551	230,892	230,892	7,389,335
Accumulated losses	(74,504,889)	-	-	(74,504,889)
Total Equity	33,134,244	2,340,911	2,117,335	37,592,491

The Pro-Forma Statement of Financial Position reflects the following pro forma adjustments:

1. Issue of 119,599,906 Shares and 59,799,892 Placement Options, pursuant to the Placement.
2. Issue of 104,353,720 Shares and 52,176,860 Entitlement Options, pursuant to the Entitlement Offer.
3. Issue of 30,000,000 Lead Manager Options, in relation to the Placement and Entitlement Offer.
4. Payment of issue expenses totalling \$170,667 in relation to the Placement and \$74,093 in relation to the Entitlement Offer (refer Section 10.7).

CORPORATE DIRECTORY

Directors

Mark Bojanjac, Executive Chairman
Frazer Tabear, Managing Director
Jason Berton, Executive Director
Robert Boaz, Non-executive Director

Chief Financial Officer and Company Secretary

Ian Cunningham

Solicitors to the Offer

Allion Partners Pty Ltd
200 St Georges Terrace
Perth WA 6000

Registered Office

Unit 24-26, Level 3
22 Railway Road
Subiaco WA 6008
Phone: 08 9226 1356
Email: ianc@polarx.com.au
Web: www.polarx.com.au

Share Registry*

Computershare Investor Services Pty
Limited
Telephone 1300 850 505 (within Australia)
or +61`3 9415 4000 (outside Australia)

Lead Manager

Peak Asset Management
39/55 Collins Street
Melbourne VIC 3000

Auditor*

Stantons International
Level 2, 40 Kings Park Road
West Perth WA 6005

*This party is named for informational purposes only and was not involved in the preparation of this Prospectus.