

Yugo Metals Limited
(ACN 650 011 644)

Options Prospectus

For an offer of two (2) New Options for every one (1) listed LYKOA Option owned on the record date at an issue price of \$0.001 per New Option to raise up to \$100,000 before costs (**Offer**).

The Offer closes at 5.00pm (WST) on 1 August 2025.

Important Notice

This is an important document and should be read in its entirety.

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. If you have any queries about any part of the Prospectus, please contact your professional adviser without delay. The New Options offered by this Prospectus should be considered speculative.

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Corporate Directory

Directors

Petar Tomašević
Executive Director & Interim CEO

David Wheeler
Non-Executive Chair

Mihajlo Matkovic
Non-Executive Director

Company Secretary

Craig McNab

Registered Office and Principal Place of Business

Level 8, London House
216 St Georges Terrace
Perth WA 6000

Telephone: 08 9481 0389

Email: hello@yugometals.com

Website: www.yugometals.com

ASX Code

YUG

Share Registry*

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

Solicitors

Nova Legal Pty Ltd
Level 2, 50 Kings Park Road
West Perth, WA 6005

Auditor*

Hall Chadwick Audit (WA) Pty Ltd
283 Rokeby Road
Subiaco WA 6008

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

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IMPORTANT INFORMATION

GENERAL

This Prospectus is dated 18 July 2025 and was lodged with ASIC on that date. Neither ASIC nor ASX, nor any of their officers, take any responsibility for the contents of this Prospectus.

This Prospectus expires 13 months from the date it was lodged with ASIC. No New Options will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. An application will be made to ASX for the quotation of the New Options the subject of this Prospectus in accordance with the timetable set out at the commencement of this 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. This Prospectus is issued pursuant to section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities or options to acquire continuously quoted securities. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all information that would be included in a prospectus for an initial public offering.

This document is important and it should be read in its entirety. The New Options to be issued pursuant to this Prospectus should be viewed as a speculative investment and Eligible Participants should refer to the Section 2 for details of certain risk factors which are considered to be relevant for the purposes of the Offer. Eligible Participants should consult their stockbroker, solicitor, accountant or other professional adviser if necessary.

No person is authorised to give any information or to make any representation in relation to the Offer which is not contained in this Prospectus and any such information may not be relied upon as having been authorised by the Directors.

A copy of this Prospectus can be downloaded from the Company's website at www.yugometals.com. The offer constituted by an electronic version of this Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. Any Shareholder may obtain a hard copy of this Prospectus by contacting the Company.

A number of terms and abbreviations used in this Prospectus have defined meanings set out in Section 7.

OVERSEAS APPLICANTS

New Options will not be issued pursuant to this Prospectus in jurisdictions outside Australian and New Zealand. The distribution of this Prospectus in jurisdictions outside of Australia and New Zealand may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the applicable securities law.

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

This Prospectus does not, and is not intended to, constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer or issue. This Prospectus has not been, nor will it be lodged, filed or registered with any regulatory authority under the securities laws of any other country.

RISK FACTORS

Refer to Section 2 for details of the risks associated with an investment in the Company. As with any securities investment, there are risks associated with investing in the Company. Investors should be aware that an investment in the Company involves risks that may be greater than risks associated with an investment in some other companies. The principal risks that could affect the financial and market performance of the Company are detailed in Section 2 of this Prospectus. The New Options on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can be effectively managed is limited.

Risks of investing in the Company's existing assets and general risks are set out in Section 2 of this Prospectus.

Careful consideration should be given to all matters raised in this Prospectus and the relative risk factors prior to applying for New Options offered for subscription under this Prospectus. Investors should consider the risk factors described in Section 2, together with the information contained elsewhere in this Prospectus, before deciding whether to apply for New Options.

TARGET MARKET DETERMINATION

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the various target markets for the offer of New Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website at www.yugometals.com. By making an application for New Options 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.

TIMETABLE AND IMPORTANT DATES

EVENT	DATE
Record Date for Offer (5:00pm WST)	11 June 2025
Lodgement of Appendix 3B for the New Options with ASX	18 July 2025
Lodgement of Prospectus with ASIC and ASX	18 July 2025
Opening Date of Offer	18 July 2025
Closing Date of Offer (5:00pm WST)	1 August 2025
Issue Date** New Options entered into security holdings Lodgement of Appendix 2A for New Options with ASX	6 August 2025
Quotation of New Options issued under Offer	11 August 2025

* The Directors reserve the right to bring forward to extend the Closing Date at any time without notice. As such the date the New Options are expected to commence trading on ASX may vary.

**Quotation of the New Options is subject to the Company satisfying the quotation requirements set out in Chapter 2 of the ASX Listing Rules.

1. DETAILS OF THE OFFER

1.1 Offer

As announced on 9 May 2025, 50,000,000 options exercisable at \$0.30 on or before 11 June 2025 expired unexercised on 11 June 2025 (**LYKOA Options**).

The Company obtained Shareholder approval at the General Meeting held on 27 June 2025 to issue up to 100,000,000 Options exercisable at \$0.02 each and expiring three (3) years from the date of issue (**New Options**).

The Offer is an offer of up to 100,000,000 New Options at an issue price of \$0.001 per New Option to Eligible Participants on the basis of two (2) New Options for every one (1) listed LYKOA Option held as at the Record Date.

Assuming the Offer is fully subscribed, the Offer will raise approximately \$100,000 (before costs).

The purpose of the Offer and the intended use of funds raised are set out in Section 3.1 of this Prospectus.

The New Options offered under the Offer will be issued on the terms set out in Section 4.2 of this Prospectus. In the event that the Company can satisfy the ASX requirements for quotation of a new class of securities, the Company will seek quotation of the New Options. The Company makes no guarantee that any such application for quotation will be successful.

All of the Shares issued upon the exercise of New Options will rank equally with the Shares on issue as at the date of this Prospectus. Refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares underlying the New Options.

The number of New Options to which you are entitled as an Eligible Participant is shown on the accompanying personalised Application Form. Please refer to Section 1.4 for details on how to apply for New Options under the Offer.

1.2 Minimum Subscription

There is no minimum subscription under the Offer.

1.3 Opening and Closing Dates

The Offer will open for receipt of acceptances on **18 July 2025**.

The Offer will close at **5:00pm (WST) on 1 August 2025**, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine and provided that the Company gives ASX notice of the change at least 3 Business Days prior to the Closing Date.

1.4 How to Accept the Offer

The Application Form sets out the number of New Options you are entitled to subscribe for. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

What Eligible Participants may do

You may participate in the Offer as follows:

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- (a) if you wish to accept your **full** Entitlement, pay the application monies for the amount indicated on your Application Form (in full) by BPAY, so that it is received by no later than 5.00pm WST on the Closing Date; or
 - (b) if you only wish to accept **part** of your Entitlement, pay the application monies for the amount you wish to accept by BPAY, so that it is received by no later than 5.00pm WST on the Closing Date; or
 - (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Payment

Please follow the instructions on the Application Form to make payment by BPAY®. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that by paying by BPAY®:

- (i) you do not need to submit the Application Form but are taken to have made the declarations on that Application Form; and
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Options which is covered in full by your application monies.

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

It is your responsibility to ensure that your payment of application monies is received by the share registry by no later than 5:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of New Options will be refunded, only where the amount is \$1.00 or greater. No interest will be paid on any application monies received or refunded.

1.5 Underwriting

The Offer is not underwritten.

1.6 Shortfall Offer

Any New Options not applied for by persons to whom offers are made pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date for the Offer although it is intended that the Shortfall Offer will close promptly following the Closing Date of the Offer.

The issue price for each New Option to be issued under the Shortfall Offer shall be the same as under the Offer and the New Options will be issued on the same terms and ratio as New Option offered under the Offer.

Shortfall will be placed at the discretion of the Board. Applications for the Shortfall are to be made by completing the Shortfall Offer Application Form and providing the Company with payment for those Shortfall Options in accordance with the instructions on the Shortfall Offer Application Form.

All decisions regarding the allocation of Shortfall Options will be made by the Board. Do not complete a Shortfall Offer Application Form unless directed to do so by or the Company.

1.7 ASX Listing

Application for Official Quotation of the New Options offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the New Options offered pursuant to this Prospectus, or if the Company does not meet the minimum requirements to be granted Official Quotation of the New Options, then those New Options will still be issued, however will not be quoted on ASX.

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

1.8 Issue of New Options

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

Where the number of New Options issued is less than the number applied for, or where no allotment is made surplus application monies will be refunded (only where the amount is \$1.00 or greater) without interest to the Applicant as soon as practicable.

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

Holding statements for New Options issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

1.9 CHES and Issuer Sponsorship

The Company will not be issuing option certificates. The Company is a participant in Clearing House Electronic Sub-Register System (**CHES**), for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

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

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

1.10 Risks

As with any securities investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 2 of this Prospectus. The New Options on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

1.11 Overseas Applicants

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

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

In relation to the Shortfall Offer, the distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are residents in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. No action has been taken to register or qualify the Shortfall Offer or the New Options under the Shortfall Offer, or to otherwise permit a public offering of the New Options under the Shortfall Offer in any jurisdiction outside Australia.

New Zealand

The Offer is not being made to the public in New Zealand other than to existing Optionholders with registered addresses in New Zealand to whom the Offer is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

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

Nominees and custodians

Optionholders resident in Australia or New Zealand holding LYKOA Options on behalf of persons who are resident in other jurisdictions are responsible for ensuring that applying for New Options under the Offer does not breach regulations in the relevant overseas jurisdiction. Submission of an application payment will be taken by the Company to constitute a representation that there has been no breach of those regulations.

1.12 Representations

The return of the Application Form or otherwise applying for New Options under the Offer will be taken by the Company to constitute a representation by the Applicant that it:

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- (a) has received a printed or electronic copy of this Prospectus accompanying the form and has read it in full;
 - (b) agrees to be bound by the terms of this Prospectus and the Constitution;
 - (c) has obtained all necessary approvals and complied with all relevant laws and regulations for the purposes of Section 1.11 (to the extent that they are applicable) and confirms its eligibility in respect of an offer of securities under the Offer;
 - (d) declares that all details and statements in the Application Form are complete and accurate;
 - (e) declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under the Application Form;
 - (f) acknowledges that once the Application Form is returned or payment is made its acceptance may not be varied or withdrawn;
 - (g) agrees to being issued the number of new securities that it applies for (or such other number issued in accordance with this Prospectus);
 - (h) authorises the Company to register it as the holder of the New Options issued to it under the Offer;
 - (i) acknowledges that the information contained in this Prospectus is not investment advice or a recommendation that the New Options are suitable for it, given its investment objectives, financial situation or particular needs; and
 - (j) authorises the Company and its officers or agents to do anything on its behalf necessary for the new securities to be issued to it, including correcting any errors in its Application Form or other form provided by it and acting on instructions received by the share registry using the contact details in the Application Form.

1.13 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the securities of the Company.

1.14 Privacy Disclosure

If you complete an application for New Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

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

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

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

1.15 Enquiries

This document is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

If you have any questions regarding your Entitlement or the Offer, please contact the Company Secretary on 08 9481 0389, from 8.30am (WST) to 5.00pm (WST), Monday to Friday.

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2. RISK FACTORS

2.1 Introduction

The New Options offered under this Prospectus should be considered speculative because of the nature of the Company's business.

Whilst the Directors recommend that Optionholders take up their entitlement to New Options, there are however numerous risk factors involved. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which the New Options will trade (subject to satisfying ASX of the quotation requirements) or the underlying Shares.

The following is a summary of the more material matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports. However, the summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisors before deciding whether to apply for the New Options.

2.2 Company specific

(a) Additional requirements for capital

The Company's capital requirements depend on numerous factors. While the Directors are confident they will have sufficient funds to meet its planned exploration expenditure and short-term working capital requirements, the Company will (depending on its ability to generate income from its operations) likely require further financing in future to continue as a going concern.

Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is 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.

In the event the Company is not able to complete a capital raising which is required in the future, a material uncertainty would exist as to whether the Company would be able to continue as a going concern.

(b) Bosnian Operations

The Company's projects are located in the Republic of Srpska, one of the two entities which make up Bosnia and Herzegovina. Bosnia and Herzegovina is not a country with a recent rich mining history and projects in nearby Eastern European countries have encountered substantial resistance from local communities at the time of development. The occurrence of this risk could have a material and adverse effect on the viability of the Company's affected operations, which could have a material adverse effect on the Company's business, results of operations, financial condition and prospects. There is also no assurance that future political and economic conditions in those locations will not result in those Governments adopting different policies regarding foreign development and ownership of mineral resources which could adversely affect the Company's operations. Please refer to the Company's announcements of 14 June 2022, 14 June 2023, 3 August 2023, 7 November 2023

and 29 January 2025 in respect of issues relating to the Company's Sockovac Project area.

The Company's ability to carry on its business in Bosnia and Herzegovina may be adversely affected by political, sovereign and economic considerations such as civil unrest, war (including in neighbouring states), terrorist actions, hostage taking, military repression, labour disputes, fraud, theft, corruption, sovereign risk, political instability, the failure of foreign parties or governments to honour contractual relations, consents, rejections or waivers granted, changing (or arbitrary) government regulations with respect to mineral processing including environmental requirements, taxation, land tenure, foreign investments, income repatriation and capital recovery, fluctuations in currency exchange and inflation rates, import and export restrictions, price controls, restrictions of production, challenges to the Company's title to properties, problems renewing licences and permits, illegal mining, opposition to mineral extraction and processing from environmental or other non-governmental organisations, regulations which favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction, increased financing costs, instability due to economic underdevelopment, inadequate infrastructure and the expropriation and nationalisation of property interests. In addition, the Government of the Republic of Srpska and the wider Government of Bosnia and Herzegovina, or their respective court systems, may not recognise, protect or enforce the Company's legal rights. The Governments may take action which is arbitrary or illegal under Bosnian or International Law. Any of these events could result in conditions that delay or prevent the Company from exploring, developing, or ultimately operating its projects. Failure by the Company to comply strictly with all relevant laws, regulations and local practices relating to its projects, could result in loss to the Company. There is a further risk that outcomes in courts in the Republic of Srpska and Bosnia and Herzegovina generally would be less predictable than in Australia, which could adversely affect the enforceability of contracts entered into by the Company. Any adverse changes in the political and legal environments in Bosnia and Herzegovina or of government policies and legislation which affect mining exploration activities, could adversely affect the viability and profitability of the Company.

(c) **Tenure and access**

Mining and exploration projects in Bosnia and Herzegovina are subject to periodic renewal. The renewal of the term of granted licences and concessions is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the licences or concessions. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. The consequence of forfeiture, involuntary surrender, revocation or suspension of a granted licence or concession for reasons beyond the control of the Company could be materially adverse to the Company. Please refer to the Company's announcements of 14 June 2022, 14 June 2023, 3 August 2023, 7 November 2023 and 29 January 2025 in respect of issues relating to the Company's Sockovac Project area.

(d) **Exploration and operating**

The mineral exploration licences comprising the Company's projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these mineral exploration licences, or any mining concessions that may be acquired in the future, will result in the discovery of an

economic resource. Even if an apparently viable resource is identified, there is no guarantee that the required permits, consents and access agreements will be granted or that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the projects and obtaining all required mining concessions and other approvals for their contemplated activities at the projects. In the event that exploration programmes prove to be unsuccessful, this could lead to a diminution in the value of the projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the projects.

(e) **Bosnian Mining Exploration Licences and Concessions**

The Company's projects comprise of exploration licences in the Republic of Srpska that allow, among other activities, the Company to conduct geological exploration and testing on the exploration licence area to obtain a better knowledge of the composition, development and structure of the ground and to find and determine the quantity and quality of mineral raw materials. The commercial exploitation of mineral raw materials from an exploration licence area, however, can be performed exclusively through a concession which is granted by means of a concession agreement with the Ministry of Energy and Mining of the Republic of Srpska. Concessions are only granted upon the application of an exploration license holder after completion of exploration work. Although a holder of an exploration license generally has priority over other parties in being granted a concession, there is no guarantee that the Company or its subsidiaries will be granted such a concession in respect of the projects. Any failure to comply with an exploration license or complete exploration on the licence area or failure to be granted a concession by the Company or any of its subsidiaries would have a material adverse effect on the Company. Further, in the event the Company is granted a concession in respect of its projects, it will need to obtain the consent of landowners before commencing mining operations. There is no guarantee that the Company will be able to obtain such consents. There is also no guarantee that the Company will be able to comply with all conditions of a concession which may lead to such concession being terminated which would have a material adverse effect on the Company. In the event the Company commences mining operations, it will also be required to pay fees under any concession agreement.

(f) **Overseas assets**

All of the Company's projects are located outside of Australia in the Republic of Srpska in Bosnia and Herzegovina. As a result, it may be difficult to enforce judgments obtained in Australian courts against the projects. In addition, there is uncertainty as to whether the courts of Bosnia and Herzegovina or any other jurisdiction in which the Company may operate in the future would recognise or enforce judgments of Australian courts based on provisions of the laws of Australia. Furthermore, because all of the Company's assets will be located outside Australia, it may be difficult to access those assets to satisfy an award entered for the Company in Australia. Consequently, Shareholders may have more difficulty in protecting their interests as

a result of actions taken by management, the Board or controlling Shareholders than they would as shareholders of a company with assets in Australia.

(g) **Climate Risks**

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

2.3 Industry Specific Risks

(a) **Exploration costs**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.

(b) **Resource and reserves and exploration targets**

The Company has identified a number of exploration targets on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data however, exists to provide certainty over the extent of the mineralisation. No assurances can be given that additional exploration work undertaken by the Company will result in the determination of a resource on any of the exploration targets identified. Even if a resource is identified no assurance can be provided that this can be economically extracted. Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

(c) **Grant of future authorisations to explore and mine**

If the Company discovers an economically viable mineral deposit that is then intends to develop, it will, among other things, require various approvals, licence and permits before it will be able to mine the deposit. There is no guarantee that the Company will

be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.

(d) **Mine development**

Possible future development of mining operations at the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services. If the Company commences production on one of the projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the projects. The risks associated with the development of a mine will be considered in full should the projects reach that stage and will be managed with ongoing consideration of stakeholder interests.

(e) **Environmental**

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(f) **Regulatory Compliance**

The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities. While the Company believes that it is in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms

of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects obtaining necessary permits can be a time consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the projects.

2.4 General Risks

(a) Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that the Company's projects may have to be surrendered or not renewed. General economic conditions may also affect the value of the Company and its valuation regardless of its actual performance. Specifically, it should be noted that the current evolving conflict between Ukraine and Russia is impacting global macroeconomics and markets generally. The nature and extent of the effect of this conflict on the performance of the Company and the value of its Securities remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflict between Ukraine and Russia and overall impacts on global macroeconomics. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.

(b) Litigation

The Company is exposed to potential legal and other claims or disputes in the course of its business, including contractual disputes, indemnity claims, occupational and personal claims, intellectual property infringement disputes and employee disputes. Any costs involved in defending or settling legal and other claims or disputes that may arise could be costly and may impact adversely on the Company's operations and financial position or cause damage to its reputation.

(c) Competition risk

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

(d) Reliance on key personnel

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to

replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(e) **Taxation**

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

2.5 Speculative Investment

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

The New Options offered under this Prospectus carry no guarantee in respect of value, profitability, dividends, return of capital or the price at which the New Options (subject to satisfying ASX of the quotation requirements set out in Chapter 2 of the ASX Listing Rules) may trade on the ASX or the underlying Shares.

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 Options pursuant to this Prospectus.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offer

The Offer will raise up to approximately \$100,000 before costs.

The purpose of the Offer is to provide an opportunity for holders of LYKOA Options who wish to continue to hold an investment in Company options to make a new investment in a new class of options.

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

Item	Amount (\$)	Proportion (%)
Expenses of the Offers ¹	\$32,373	32%
Working Capital ²	\$67,627	68%
Total	\$100,000	100%

Notes:

1. Refer to Section 5.8 of this Prospectus for details regarding the estimated expenses of the Offers.
2. Funds allocated to working capital will be used for future administration expenses of the Company including administration fees, Directors' remuneration and other administration and corporate overheads.

The above table is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events (such as project and general market risk factors affecting the Company) and new circumstances have the potential to affect the ultimate way funds will be applied. The Directors reserve the right to alter the way funds are applied on this basis.

On completion of the Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives.

The Offer is not underwritten.

In the event that the amount raised under the Offer is less than the maximum subscription, funds allocated to working capital will be scaled back. In the event that the total amount raised is less than the costs of the Offers, the shortfall will be met from existing cash reserves.

3.2 Effect of the Offer

The principal effect of the Offer (assuming all New Options offered under this Prospectus are issued) will be to:

- (a) increase the cash reserves by \$67,627 (after deducting the estimated cash costs of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Options on issue from 44,686,740 as at the date of this Prospectus to 144,686,740 Options (subject to rounding of fractional Entitlements).

3.3 Pro-forma statement of financial position

Set out in Annexure A is an unaudited pro-forma statement of financial position of the Company prepared using the reviewed statement of financial position of the Company as at

31 December 2024 and on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma statement of financial position has been prepared assuming all New Options are issued and no Options or convertible securities are exercised prior to the Record Date and include the expenses of the Offer.

The unaudited pro-forma statement of financial position has been prepared for illustrative purposes only and gives effect to the transactions described in the notes to the pro-forma statement of financial position and the assumptions described therein as if they had occurred as of 31 December 2024. The historical and pro-forma financial information is presented in abbreviated form, insofar as it does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

3.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all New Options offered under the Prospectus are issued (ignoring the effects of rounding of fractional Entitlements, and assuming no further Shares are issued prior to the Record Date), is set out below.

Security	Number
Shares¹	
Shares on issue as at the date of this Prospectus	235,444,447
Shares to be issued pursuant to the Offer	–
Total Shares on issue on completion of the Offer	235,444,447
Options	
Options on issue as at the date of this Prospectus ²	44,686,740
New Options to be issued pursuant to the Offer ³	100,000,000
Total Options on issue on completion of the Offer	144,686,740
Performance Rights	
Performance Rights on issue as at the date of this Prospectus ⁴	34,835,000
Performance Rights to be issued pursuant to the Offer	–
Total Performance Rights on issue on completion of the Offer	34,835,000

Notes:

- 1 The rights and liabilities attaching to the Shares are summarised in Section 4.1.
- 2 Comprising:
 - (a) 750,000 unquoted Options exercisable at \$0.30 each on or before 1 April 2026;
 - (b) 1,725,000 unquoted Options exercisable at \$0.20 each on or before 15 October 2025; and

- (c) 44,211,740 unquoted Options exercisable at \$0.02 each on or before 2 July 2028.
- 3 Exercisable at \$0.02 and expiring on the date that is three (3) years from the date of issue. Application for Official Quotation of the New Options offered pursuant to the Offer will be made in accordance with the timetable set out at the commencement of this Prospectus. The full terms and conditions of the New Options are set out in Section 4.2.
- 4 18,835,00 Performance Rights issued pursuant to the Company's employee securities incentive plan and expiring on 28 March 2028. 16,000,000 Performance Rights issued to Directors and related parties of the Company (as approved by shareholders at the Company's general meeting held on 27 June 2025) and expiring on 11 July 2028. Upon achievement of any of the milestones set out below, a quarter (25%) of the Performance Rights vest and will become eligible to be converted into Shares prior to their expiry date. Accordingly, if any four (4) milestones are satisfied, 100% of the Performance Rights will be deemed vested and eligible to be converted into Shares prior to their expiry date.
- (a) (Milestone 1): The Government of Bosnia and Herzegovina issuing the Sockovac Project licence.
 - (b) (Milestone 2): The Government of Bosnia and Herzegovina granting an extension to the Sockovac Project of an additional area of at least 10km².
 - (c) (Milestone 3): The Company completing drilling of at least 1000m at the Sockovac Project.
 - (d) (Milestone 4): The Company receiving a mining permit for the Sockovac Project.
 - (e) (Milestone 5): The Company completing drilling of at least 1000m in aggregate at the Sinjakovo Project and the Cajnice Project.
 - (f) (Milestone 6): The Company's share price achieving a VWAP of \$0.04 per share (or more) for no less than 10 consecutive ASX trading days (where trading in the Company's shares actually occurs).
 - (g) (Milestone 7): The Company's share price achieving a VWAP of \$0.08 per share (or more) for no less than 10 consecutive ASX trading days (where trading in the Company's shares actually occurs).
 - (h) (Milestone 8): The Company announcing to ASX a maiden JORC-compliant resource at either the Sockovac Project, Sinjakovo Project or Cajnice Project in the inferred category (or greater) of 10kt Ni metal.
 - (i) (Milestone 9): The Company reporting a drilling intercept of >20% meters (i.e. 10m@ 2% Ni, 4m @ 5% Ni) at either the Sockovac Project, Sinjakovo Project or Cajnice Project in accordance with the JORC Code.

As at the date of this Prospectus, none of the milestones set out above attaching to the Performance Rights have been met.

3.5 Effect on control of the Company

The Company is of the view that the Offer will not affect the control (as defined by section 50AA of the Corporations Act) of the Company as only Options are being issued. No investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offer.

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

3.6 Potential dilution

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However, Shareholders should note that if they are also Eligible Participants and do not participate in the Offer, their holdings are likely to be diluted if New Options are issued and subsequently exercised (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution from the Offer may impact Shareholders is set out in the table below:

Holder	Holding as at Record date	% at Record Date	% if no Entitlement taken up
Shareholder 1	15,000,000	6.37%	4.47%
Shareholder 2	10,000,000	4.25%	2.98%
Shareholder 3	5,000,000	2.12%	1.49%
Shareholder 4	1,000,000	0.42%	0.30%
Shareholder 5	500,000	0.21%	0.15%

Notes:

- 1 The table assumes that all New Options are issued and exercised and that no other Shares are issued, including on exercise of existing unquoted Options or Performance Rights vesting.
- 2 The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are subsequently placed or underwritten. In the event that the Entitlements not accepted are not subsequently placed or underwritten, the dilution effect for each Shareholder (who is an Eligible Participant that has elected not to accept their Entitlement, or a Shareholder who is not an Eligible Participant) would be a lesser percentage.

3.7 Details of substantial holders

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

Shareholder	Shares	%
Milos Bosnjakovic ¹	53,965,334	22.92%
Jason Petarson ²	27,053,512	11.49%
Stephen Charles Allen ³	13,075,002	5.55%

Notes:

- 1 53,965,334 shares held directly.
- 2 Shares held indirectly through various associated entities. Refer to the Company's ASX announcement dated 7 July 2025.
- 3 5,575,000 Shares held directly, and 7,500,002 Shares held indirectly through Quadratura Investments Pty Ltd.

The Offer will have no effect on the quantity of Shares held by these substantial holders.

4. RIGHTS ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

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

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

(a) General meetings

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

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

(b) Voting rights

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

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative or if a determination has been made, by direct vote;
- (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 (even though he or she may represent more than one member); and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall (or where a Direct Vote has been lodged), 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, shall have such number of votes being equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable in respect of those Shares (excluding amounts credited).

(c) Dividend rights

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares. The Directors may rescind a decision to pay a dividend if they decide, before the payment date, that the Company's financial position no longer justifies the payment.

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

The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied. Pending any application of the reserves, the Directors may invest or use the reserves in the business of the Company or in other investments as they think fit. Any amount set aside as a reserve is not required to be held separately from the Company's other assets and may be used by the Company or invested as the Directors think fit.

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

(d) **Restricted Securities**

The Company shall comply in all respects with the requirements of the Listing Rules with respect to Restricted Securities.

Without limiting the generality of the above:

- (i) a holder of Restricted Securities must not Dispose of, or agree or offer to Dispose of, the Securities during the escrow period applicable to those Securities except as permitted by the Listing Rules or the ASX;
- (ii) if the Restricted Securities are in the same class as quoted Securities, the holder will be taken to have agreed in writing that the Restricted Securities are to be kept on the Company's issuer sponsored subregister and are to have a Holding Lock applied for the duration of the escrow period applicable to those Securities;
- (iii) the Company will refuse to acknowledge any Disposal (including, without limitation, to register any transfer) of Restricted Securities during the escrow period applicable to those Securities except as permitted by the Listing Rules or the ASX;
- (iv) a holder of Restricted Securities will not be entitled to participate in any return of capital on those Securities during the escrow period applicable to those Securities except as permitted by the Listing Rules or the ASX; and
- (v) if a holder of Restricted Securities breaches a Restriction Deed or a provision of this Constitution restricting a Disposal of those Securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those Securities for so long as the breach continues.

(e) **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. No member is obliged to accept any Shares, securities or other assets in respect of which there is any liability.

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

(f) **Shareholder liability**

As the Shares under the 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.

(g) **Transfer of Shares**

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 ASX Listing Rules, the Shares are freely transferable.

(h) **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.

(i) **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.

4.2 Terms and conditions of New Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option is \$0.02 (**Exercise Price**).

(c) **Expiry Date**

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

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

Following the Exercise Date and within the time period specified by the ASX Listing Rules, the Company will:

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

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Transferability**

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

For personal use only

5. ADDITIONAL INFORMATION

5.1 Continuous Reporting and Disclosure Obligations

As the Company is admitted to the official list of ASX, the Company is a “disclosing entity” for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Investors are encouraged to check and monitor any further announcements made by the Company to ASX prior to securities being issued under the Offer. To do so, please refer to the Company’s ASX announcements platform via www.asx.com.au.

By virtue of section 713 of the Corporations Act, the Company is entitled to issue a “transaction-specific” prospectus in respect of the Offer.

In general terms, a “transaction-specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, profits and losses or prospects of the issuing company.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report of the Company for the financial year ended 30 June 2024;
 - (ii) any half-year financial report of the Company lodged with ASIC after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC; and
 - (iii) all continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC (see below).

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules that investors or their professional advisers:

- (a) 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 the securities the subject of this Prospectus; and

(b) would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Offer. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

The following announcements have been lodged with ASX in respect of the Company since the Company lodged its annual financial report for the financial year ended 30 June 2024 on 30 September 2024.

Date	Title
15/07/2025	Change of Director's Interest Notice x 3
11/07/2025	Notification regarding unquoted securities - YUG
7/07/2025	Change in substantial holding
7/07/2025	Change of Company Name and ASX Code
2/07/2025	Notification regarding unquoted securities – LYK
27/06/2025	Results of General Meeting
29/05/2025	Letter to Shareholders – Notice of General Meeting
29/05/2025	Notice of General Meeting/Proxy Form
23/05/2025	Final Director's Interest Notice
23/05/2025	Board Changes
09/05/2025	Notification of Expiry of Quoted Options
24/04/2025	Quarterly Activities/Appendix 5B Cash Flow Report
07/04/2025	Change in substantial holding
04/04/2025	Notice Under Section 708A
04/04/2025	Application for quotation of securities - LYK
28/03/2025	Notification regarding unquoted securities - LYK
27/03/2025	Proposed issue of securities - LYK
27/03/2025	Lykos Metals confirms Placement
25/03/2025	Trading Halt
14/03/2025	Half Year Accounts
07/03/2025	Final Director's Interest Notice x 2

Date	Title
03/03/2025	Resignation of Non-Executive Directors
31/01/2025	Quarterly Activities/Appendix 5B Cash Flow Report
29/01/2025	Operational update
06/12/2024	Board changes
29/11/2024	Amended Constitution
29/11/2024	Results of Annual General Meeting
29/11/2024	Initial Director's Interest Notice x 2
27/11/2024	New Board Appointments & Corporate Cost Restructuring
30/10/2024	Quarterly Activities/Appendix 5B Cash Flow Report
30/10/2024	Letter to Shareholders - Notice of AGM
30/10/2024	Notice of Annual General Meeting/Proxy Form
16/10/2024	Amended Announcement - 9th October 2024
10/10/2024	Date of AGM & Closing Date for Director Nominations
09/10/2024	High-grade Sb & Cu rock-chip samples from Sinjakovo Project
30/09/2024	Appendix 4G and Corporate Governance Statement
30/09/2024	Annual Report to shareholders

5.2 Market Price of Shares

The highest and lowest closing prices of Shares on the ASX during the 3 months preceding the date of this Prospectus, and the closing price on the trading day before the date of this Prospectus, are set out below.

	Price	Date
Highest	\$0.035	3 July 2025, 4 July 2025
Lowest	\$0.014	24 April 2025, 28 April 2025, 5 May 2025 – 19 May 2025
Last	\$0.031	15 July 2025

Whilst it is intended that the New Options will be quoted there is no current market or trading history for the New Options. It is not possible to predict what the value of New Options or Shares will be following the Offer and the Directors do not make any representations as to such matters.

The last trading price of Shares on ASX prior to the Prospectus being lodged is not a reliable indicator as to the potential trading price of the New Options or Shares after implementation of the Offer.

5.3 Litigation

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

5.4 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director has, or had within two years before lodgement of this Prospectus with ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid (in cash or securities or otherwise) and no benefits have been given or agreed to be given to any Director:

- (a) to induce him to become, or to qualify him as, a Director; or
- (b) for services rendered by him in connection with the formation or promotion of the Company or the Offer.

Remuneration

The remuneration (including superannuation unless stated otherwise) paid or due to be paid to the Directors for the two financial years prior to the date of this Prospectus, and proposed to be paid to the Directors for the current financial year (on an annualised basis), is set out below.

Director	FY 2024	FY 2025	FY 2026 (proposed)
Petar Tomasevic ¹	\$59,598	\$132,047	\$224,000
Mihajlo Matkovic ²	–	\$17,889	\$35,000
David Wheeler ³	–	\$29,000	\$60,000

Notes:

- 1 Mr Petar Tomasevic transitioned to Executive Director on 2 April 2024 and was appointed as Interim Chief Executive Officer on 23 May 2025 and is entitled to receive \$200,000 per annum (plus the minimum statutory superannuation).
- 2 Mr Mihajlo Matkovic was appointed as Non-Executive Director on 27 November 2024 and is entitled to receive \$35,000 per annum (including the minimum statutory superannuation).
- 3 Mr David Wheeler was appointed as Non-Executive Director on 27 November 2024 and was appointed Non-Executive Chair on 23 May 2025 and is entitled to receive \$60,000 per annum (including the minimum statutory superannuation).

Further information relating to the remuneration of Directors can be found in the Company's annual financial report for the financial year ended 30 June 2024, which was announced to ASX on 30 September 2024.

Securities

The securities in which the Directors and their associates have or are proposed to have relevant interests in at the date of this Prospectus are set out below.

Director	Shares	Options	Performance Rights¹	Entitlement to New Options
Petar Tomasevic	–	–	10,000,000	–
Mihajlo Matkovic	–	–	2,000,000	–
David Wheeler	–	–	2,000,000	–
TOTAL	–	–	14,000,000	–

Notes:

1 Performance Rights were issued on 11 July 2025 (as approved by shareholders on 27 June 2025) and expire on 11 July 2028. These Performance Rights convert into Shares subject to the achievement of certain milestones relating to the performance of the Company and its projects. Refer to Section 3.4 for further details regarding the terms of these Performance Rights.

5.5 Related party transactions

There are no related party transactions entered into that have not otherwise been disclosed in this Prospectus.

5.6 Interests of experts and advisers

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

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

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

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

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

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Nova Legal has acted as solicitors to the Company in relation to the Offer. The Company estimates it will pay Nova Legal \$8,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Nova Legal has been paid fees totalling \$23,353.88 (excluding GST and disbursements) for legal services provided to the Company.

Computershare Investor Services Pty Limited has been appointed to conduct the Company's share registry functions and to provide administrative services in respect of the procession of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

5.7 Consents

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

Each of the parties referred to in this Section:

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

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

Computershare Investor Services Pty Limited has given its written consent to being named as the share registry to the Company in this Prospectus.

5.8 Estimated expenses of the Offer

The estimated cash costs of the Offer (exclusive of GST) are set out below:

Item	Amount (\$)
ASIC lodgement fee	\$3,206
ASX quotation fee	\$10,167

Legal fees	\$8,000
Printing, registry and other expenses	\$11,000
Total	\$32,373

5.9 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on the number set out in the Corporate Directory to this Prospectus and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website as set out in the Corporate Directory to this Prospectus.

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.

6. DIRECTORS' AUTHORISATION

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

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



Petar Tomašević
Executive Director & Interim CEO

For and on behalf of Yugo Metals Limited

For personal use only

7. DEFINITIONS

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

Applicant means an Eligible Participant who applies for New Options pursuant to the Offer.

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

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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

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

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

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Yugo Metals Limited (ACN 650 011 644).

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

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

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

Eligible Participant means a holder of LYKOA Options whose Options expired unexercised and whose details appear on the Company's register of security holders as at the Record Date and have a registered address in Australia or New Zealand.

Entitlement means the entitlement of an Eligible Participant who is eligible to participate in the Offer.

LYKOA Options means Options exercisable at \$0.30 each on or before 11 June 2025.

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

Offer means the offer of New Options, the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Section means a section of this Prospectus.

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

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

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

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

Shortfall Offer means the offer of Shortfall on the terms and conditions set out in Section 1.6.

Shortfall Options means those New Options issued pursuant to the Shortfall.

Shareholder means a holder of a Share.

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

Annexure A – Pro Forma Statement of Financial Position

Historical and Pro Forma Statements of Financial Position	31-Dec-24	Pro forma adjustments	Pro forma
	\$	\$	\$
Current assets			
Cash and cash equivalents	1,171,936	68,111	1,240,047
Other receivables	7,878		7,878
Other assets	163,457		163,457
Total current assets	1,343,271	68,111	1,411,382
Non-current assets			
Plant and equipment	247,075		247,075
Right-of-use assets	82,703		82,703
Total non-current assets	329,778	-	329,778
Total assets	1,673,049	68,111	1,741,160
Current liabilities			
Trade and other payables	166,005		166,005
Lease liabilities	35,525		35,525
Employee benefits provision	6,433		6,433
Total current liabilities	207,963	-	207,963
Non-current liabilities			
Lease liabilities	55,485		55,485
Total non-current liabilities	55,485	-	55,485
Total liabilities	263,448	-	263,448
Net assets	1,409,601	68,111	1,477,712
Equity			
Issued capital	14,945,437		14,945,437
Foreign currency translation reserve	285,282		285,282
Options reserve	490,046	68,111	558,157
Accumulated losses	(14,311,164)		(14,311,164)
Total equity	1,409,601	68,111	1,477,712