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ADAVALE RESOURCES LIMITED
ACN 008 719 015

PROSPECTUS

For the offers of:

- (a) 73,541,668 Options exercisable at \$0.035 each on or before 30 June 2028 (**New Option**) to Placement Participants on the basis of one (1) New Option for every two (2) Shares subscribed for and issued under the Placement (**Placement Offer**);
- (b) 3,619,047 New Options to the Participating Directors (or their respective nominees) on the basis of one (1) New Option for every two (2) Shares subscribed for and issued under the Placement (**Director Offer**); and
- (c) 5,000,000 New Options to GBA Capital Pty Ltd (or its nominee(s)) (**Broker Offer**),
(together, the **Offers**).

No funds will be raised under the Offers.

IMPORTANT NOTICE

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

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

IMPORTANT NOTICE

This Prospectus is dated 10 September 2025 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

Applications for New Options offered pursuant to this Prospectus can only be made by an Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for New Options under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

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

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

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

Company, the Directors and the Company's management.

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas Shareholders

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

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

For further information on overseas Shareholders please refer to Section 2.12.

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 New Options.

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

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

Please refer to Section 6.2 for further details.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of 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 (www.adavaleresources.com).

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.adavaleresources.com. 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 by phone on +61 2 8003 6733 during office hours or by emailing the Company at investor@adavaleresources.com.

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

Company Website

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

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

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

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

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

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

Photographs and Diagrams

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

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

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

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

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

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

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

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 2 8003 6733.

CORPORATE DIRECTORY

Directors

Allan Ritchie
Executive Chair & CEO

Maurice Matich
Non-Executive Director

David Ward
Non-Executive Director

CFO & Company Secretary

Mr Leonard Math

ASX Code

ADD, ADDO, ADDOA

Registered Office

Level 2, 49 Oxford Close
WEST LEEDERVILLE WA 6007

Telephone: + 61 2 8003 6733

Facsimile: +61 2 8003 6733

Email: investor@adavaleresources.com

Website: www.adavaleresources.com

Auditor*

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

Share Registry*

Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street
SYDNEY NSW 2000

Telephone: +61 08 9415 4000 (outside Australia)

Telephone: 1300 850 505 (within Australia)

Website: www.computershare.com/au

Solicitors

Steinepreis Paganin
Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

Lead Manager to the Placement*

GBA Capital Pty Limited
Level 2, 68 Pitt Street
SYDNEY NSW 2000

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

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1. INDICATIVE TIMETABLE

ACTION	DATE
General Meeting	5 September 2025
Lodgement of Prospectus with the ASIC and ASX	10 September 2025
Opening Date of the Offers	10 September 2025
Closing Date of the Offers (5:00pm AWST)*	26 September 2025
Lodgement of Appendix 2A and issue date of the New Options under the Offers	26 September 2025
Expected date of Official Quotation of New Options	3 October 2025

** The above dates are indicative only and may change without notice. The Directors reserve the right to bring forward or extend the Closing Date of the Offers at any time after the Opening Date of the Offers without notice. Accordingly, the date the New Options are expected to commence trading on ASX may vary. The Company also reserves the right not to proceed with the Offers at any time before the issue of New Options to applicants.*

2. DETAILS OF THE OFFERS

2.1 Background

2.1.1 Placement

On 4 July 2025, the Company announced that it had received firm commitments from key new and existing sophisticated investors (including a cornerstone investor) (**Placement Participants**) to raise up to approximately \$2.5 million (before costs) (**Initial Placement**) through the issue of 119,047,619 Shares at an issue price of \$0.021 per Share, together with one (1) New Option for every two (2) Shares subscribed for and issued under the Initial Placement.

On 14 July 2025, the Company issued 68,417,769 Shares to the Placement Participants pursuant to Shareholder approval obtained at a meeting of its Shareholders held on 27 June 2025 (**Previous General Meeting**) for the issue of the Shares under the Initial Placement. The balance of the Shares under the Initial Placement (50,629,850 Shares) will be issued by the Company no later than three months from the date of the Previous General Meeting.

The Company also obtained Shareholder approval to complete a 20 to 1 consolidation of the Company's Securities (**Consolidation**).

On 25 July 2025, the Company announced that it had received further firm commitments from new and existing Placement Participants to raise up to approximately \$0.588 million (before costs) (**Further Placement**) through the issue of approximately 28,035,713 Shares on the same terms as the Initial Placement, together with one (1) New Option for every two (2) Shares subscribed for and issued under the Further Placement.

On 9 September 2025, the Company issued 22,428,570 Shares under the Further Placement and the Company expects to issue the balance of the Shares under the Further Placement (5,607,143 Shares) within one (1) month from the date of this Prospectus.

The Initial Placement and the Further Placement are together referred to as the **Placement**.

The Company obtained Shareholder approval for the issue of 73,541,668 New Options to the Placement Participants under the Placement at a meeting of its Shareholders held on 5 September 2025 (**General Meeting**).

The New Options issued to the Placement Participants under the Placement are the subject of the Placement Offer being made under this Prospectus.

2.1.2 Director Participation

The current Directors of the Company, Messrs Allan Ritchie, Maurice Matich and David Ward (**Participating Directors**) have agreed to participate in the Placement up to approximately \$152,000, through the issue of an aggregate of 7,238,094 Shares and 3,619,047 New Options, on the same terms and conditions as the Placement Participants (**Director Participation**).

The Company obtained Shareholder approval at the General Meeting for the Director Participation, which comprised the issue of:

- (a) 4,285,714 Shares and 2,142,857 New Options to Mr Allan Ritchie, Executive Chairman and Chief Executive Officer of the Company;
- (b) 952,380 Shares and 476,190 New Options to Mr Maurice Matich, Non-executive Director of the Company; and
- (c) 2,000,000 Shares and 1,000,000 New Options to Mr David Ward, Non-executive Director of the Company.

The New Options issued to the Participating Directors to enable the Director Participation are the subject of the Director Offer being made under this Prospectus.

2.1.3 Lead Manager

The Company engaged GBA Capital Pty Ltd (**GBA Capital** or the **Lead Manager**) to act as lead manager to the Placement pursuant to a lead manager mandate dated 1 July 2025 (**Lead Manager Mandate**).

In consideration for providing its services, the Company agreed to:

- (a) pay GBA Capital a management fee equal to 2% of the gross proceeds raised from the Chairman's list under the Placement;
- (b) pay GBA Capital a capital raising fee equal to 4% of the gross proceeds raised under the Placement; and
- (c) issue GBA Capital (or its nominee(s)) 5,000,000 New Options.

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature.

The Company obtained Shareholder approval at the General Meeting for the issue of 5,000,000 New Options to the Lead Manager (or its nominee(s)) pursuant to the Lead Manager Mandate.

2.2 Placement Offer

By this Prospectus, the Company makes the Placement Offer, which invites Placement Participants to apply for one (1) New Option for every two (2) Shares subscribed for and issued under the Placement.

The maximum number of New Options to be issued under the Placement Offer is 73,541,668.

Shareholder approval for the issue of the New Options under the Director Offer was obtained at the General Meeting.

The Placement Offer is extended to the Placement Participants only. Accordingly, Application Forms will only be provided by the Company to these persons. No funds will be raised from the Placement Offer as the New Options are being issued for nil consideration.

All New Options offered under this Prospectus will be issued on the terms and conditions set out in Section 4.1 of this Prospectus. All Shares issued upon the future exercise of the New Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

The Company will apply for Official Quotation of the New Options offered pursuant to the Placement Offer.

2.3 Director Offer

This Prospectus also includes an offer of an aggregate of 3,619,047 New Options to three Directors who participated in the Placement, namely Messrs Allan Ritchie (2,142,857 New Options), Maurice Matich (476,190 New Options) and David Ward (1,000,000 New Options) (or their nominees that are eligible Shareholders).

Shareholder approval for the issue of the New Options under the Director Offer was obtained at the General Meeting.

Only the Participating Directors (or their nominees that are eligible Shareholders) may accept the Director Offer, by using the relevant Application Form in relation to the Director Offer. No funds will be raised from the Director Offer as the New Options are being issued for nil consideration.

The New Options offered under the Director Offer will be issued on the terms and conditions set out in Section 4.1. All of the Shares issued upon the future exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

The Company will apply for Official Quotation of the New Options offered pursuant to the Placement Offer.

2.4 Broker Offer

This Prospectus also includes an offer of up to 5,000,000 New Options to the Lead Manager (or its nominee(s)).

Shareholder approval for the issue of the New Options under the Broker Offer was obtained at the General Meeting.

Only the Lead Manager (or its nominee(s)) may accept the Broker Offer, by using the relevant Application Form in relation to the Broker Offer. No funds will be raised from the Broker Offer as the New Options are being issued in part consideration for services provided by the Lead Manager under the Lead Manager Mandate.

All New Options offered under the Broker Offer will be issued on the terms set out in Section 4.1. All Shares issued on exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

The Company will apply for Official Quotation of the New Options offered pursuant to the Broker Offer.

2.5 Minimum subscription

There is no minimum subscription.

2.6 Applications

Applications for New Options can only be made by the Placement Participants, the Directors, and the Lead Manager (or their nominee(s)) at the direction of the Company and must be made using the appropriate Application Form accompanying this Prospectus. Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than the Closing Date. The New Options are being issued for nil cash consideration and therefore the Applicants are not required to pay any funds with their Application.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than the Closing Date.

The Company reserves the right to close the Offers early.

2.7 Implications of Completing an Application Form

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

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by no later than 5:00pm (AWST) on the Closing Date, which is currently scheduled to occur on 26 September 2025.

If you require assistance in completing an Application Form, please contact the Share Registry on 1300 850 505 or the Company Secretary on +61 2 8003 6733.

2.8 Not underwritten

The Offers are not underwritten.

2.9 ASX listing

Application for Official Quotation of the New Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If the New Options are not admitted to Official Quotation by ASX before the expiration of three months after the date of this Prospectus, or such period as varied by ASIC, the Company will not issue any New Options under the Offers and will refund all application monies received under the Offers.

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.

2.10 Issue of New Options

The New Options issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out in Section 1.

Holding statements for the New Options issued under the Offers will be mailed as soon as practicable after the issue of the New Options.

2.11 Defects in Applications

If an Application Form is not completed correctly, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

2.12 Overseas Shareholders

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

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

2.13 Enquiries

Any questions concerning the Offers should be directed to the Company Secretary, on +61 2 8003 6733.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers

The purpose of the Placement Offer is to offer investors who participated in the Placement one (1) New Option for every two (2) Shares subscribed for under the Placement.

The purpose of the Director Offer is to offer Participating Directors who participated in the Placement one (1) New Option for everyone two (2) Shares subscribed for and issued under the Placement.

The purpose of the Broker Offer is to satisfy the Company's obligation to issue 5,000,000 New Options to the Lead Manager (or its nominee(s)) as part consideration for lead manager services provided to the Company pursuant to the Lead Manager Mandate.

In addition to the above, the Offers are being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the New Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the New Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

Subject to the New Options being granted to Official Quotation on the ASX, holders of the New Options will be able to trade the New Options on the ASX and will be able to exercise the New Options into Shares and trade those Shares without the need for additional disclosure and without any trading restrictions.

If all New Options issued under this Prospectus are exercised into Shares, the Company will receive a further \$2,875,625.03.

3.2 Effect of the Offers

The principal effect of the Offers, assuming all New Options offered under the Prospectus are subscribed for and issued, will be to:

- (a) increase the total number of Options on issue from 102,769,947 as at the date of this Prospectus to 184,930,662 Options; and
- (b) remove any trading restrictions attaching to the New Options and to enable the on-sale of any Shares issued on exercise of the New Options issued under this Prospectus.

3.3 Effect of the Offers on capital structure

The effect of the Offers on the capital structure of the Company, assuming all New Options and no other Securities are issued is set out below.

SHARES ¹	NUMBER
Shares currently on issue ¹	205,209,868
Shares offered pursuant to the Offers ^{1,2}	Nil
Total Shares on issue after completion of the Offers^{1,2}	205,209,868

Notes:

1. Refer to Section 4.2 for the terms of the Shares.
2. Excluding the balance of 56,236,993 Shares to be issued under the Placement. Refer to Section 2.1.1 for further details.

OPTIONS ¹	NUMBER
Options currently on issue ²	102,769,947
New Options offered pursuant to the Placement Offer ^{1,3}	73,541,668
New Options offered pursuant to the Director Offer ^{1,4}	3,619,047
New Options offered pursuant to the Broker Offer ^{1,5}	5,000,000
Total Options on issue after completion of the Offers²	184,930,662

Notes:

1. Refer to Section 4.1 for the terms of the New Options.
2. Comprising:
 - (a) 45,634,017 listed Options exercisable at \$0.005 each on or before 31 December 2027;
 - (b) 27,135,930 listed Options exercisable at \$0.03 each on or before 31 December 2025;
 - (c) 15,000,000 unlisted Options exercisable at \$0.12 each on or before 15 October 2029; and
 - (d) 15,000,000 unlisted Options exercisable at \$0.24 each on or before 15 October 2029.
3. Refer to Section 2.2 for terms of the Placement Offer.
4. Refer to Section 2.3 for terms of the Director Offer.
5. Refer to Section 2.4 for terms of the Broker Offer.

PERFORMANCE RIGHTS	NUMBER
Performance Rights currently on issue	10,387,500
Performance Rights offered pursuant to the Offers	Nil
Total Performance Rights on issue after completion of the Offers	10,387,500

The capital structure of the Company on a fully diluted basis as at the date of this Prospectus would be 318,367,315 Shares and on completion of the Offers (assuming all New Options offered under this Prospectus are issued and exercised into Shares and excluding the balance of 56,236,993 Shares to be issued under the Placement) would be 400,528,030 Shares.

3.4 Details of substantial holders

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

SHAREHOLDER	SHARES	%
Agricultural Equity Investments Pty Ltd	19,166,666	9.34%

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

4. RIGHTS AND LIABILITIES ATTACHING TO NEW OPTIONS

4.1 Terms and conditions of New Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.035.

(c) **Expiry Date**

Each New Option will expire at 5:00 pm (AWST) on or before 30 June 2028 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

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

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

If a notice delivered under Section 4.1(g)(iii) 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) **Quotation of Shares issued on exercise**
- Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the New Options.
- (j) **Reconstruction of capital**
- If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) **Participation in new issues**
- There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.
- (l) **Change in exercise price**
- A New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.
- (m) **Transferability**
- The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

4.2 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to Shares. 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. The Company's constitution permits the use of technology at general meetings of Shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.
- Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.
- (b) **Voting rights**
- Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of Shareholders:
- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
 - (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
 - (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy,

attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

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

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment whereby Shareholders may elect to reinvest cash dividends paid by the Company subscribing for Shares.

(d) **Winding-up**

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

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

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

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

(g) **Future increase in capital**

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

(h) **Variation of rights**

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

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

(i) **Alteration of Constitution**

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

5. RISK FACTORS

5.1 Introduction

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

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

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

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the New Options. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

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

5.2 Company specific

RISK CATEGORY	RISK
Going Concern	<p>The Company's Financial Report for the Half-Year Ended 31 December 2024 (Financial Report) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>The Financial Report was prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Company incurred a net loss from continuing operations of \$1,274,841 for the period ended 31 December 2024.</p> <p>The Company's ability to finance planned exploration and ongoing capital projects is reliant on third party funding sources. The uncertainty of obtaining said financing indicates the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and realise its assets and discharge its liabilities in the normal course of business.</p> <p>While no assurances can be given about the future ability to source finance for the Group's activities, the Directors believe, given the quality of the Company's assets, that the Company can, if required, fund future activities through a combination of existing cash and future capital raises to meet its obligations as and when they fall due, and has therefore prepared the Financial Report on a going concern basis. The Directors believe there are sufficient funds to meet the entity's working capital requirements as at the date of the Financial Report.</p>

RISK CATEGORY	RISK
<p>Political Risks (Tanzania)</p>	<p>The Company's operations at Kabanga Jirani Nickel Project and Luhuma Nickel Project are both located in Tanzania and will be subject to the various political, economic and other risks and uncertainties associated with operating in that country. These risks and uncertainties include, but are not limited to, economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity.</p> <p>Any future material adverse changes in government policies or legislation in Tanzania that affect foreign ownership, mineral exploration, development or mining activities, may affect the viability and profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on exploration, development, mining production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, local economic empowerment or similar policies, employment, contractor selection and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors adds uncertainties that cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.</p> <p>The legal systems in Tanzania may be less developed than in more established countries, which may result in risks such as political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute; a higher degree of discretion on the part of governmental agencies; the lack of political or administrative guidance on implementing applicable rules and regulations including, in particular, as regards to local taxation and property rights; inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions, or relative inexperience of the judiciary and courts in such matters.</p> <p>The commitment by local business people, governmental officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for the Company. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of the government authorities or others and the effectiveness and enforcement of such arrangements cannot be assured.</p> <p>There can be no guarantee that the Company will be able to generate a positive return for its Shareholders if an event occurs in Tanzania which materially adversely affects the value of the Company, its assets and/or its business.</p>

RISK CATEGORY	RISK
<p>Environmental Health and Safety matters</p>	<p>The Company's mining operations will be subject to extensive Australian health and safety and environmental laws and regulations which could impose significant costs and burdens on the Company (the extent of which cannot be predicted). These laws and regulations provide for penalties and other liabilities for violation of such standards and if established, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety and environmental laws and regulations and even permanently in the case of extreme breaches.</p> <p>Environmental laws in Tanzania are strict. Every activity from exploration through to mining requires compliance with the regulations for environmental protections in section 81 of the <i>Environmental Management Act 2004</i> (Tanzania). Under section 81, an Environmental Impact Assessment Report is a mandatory requirement and the outcome of the assessment may be negative. It is expected that the Company's activities will have an impact on the environment, particularly at the time of advanced exploration and any mine development.</p> <p>It is in the interest of the Company to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws, in order to minimise damage to the environment and risk of liability. It is to be expected that there are certain risks inherent to the Company's activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to environmental liability.</p> <p>Tanzanian environmental laws are dynamic and can change over time. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future. Additional laws or regulations may materially increase the Company's cost of doing business or affect its operations. The cost and complexity of complying with any additional environmental laws and regulations may prevent the Company from being able to develop potentially viable mineral deposits.</p>
<p>Additional requirements for capital</p>	<p>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 in addition to amounts raised under the Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If 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. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
<p>Exploration Costs</p>	<p>The exploration costs of the Company are based on certain assumptions with respect to method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, as a result, the actual costs may materially differ from these estimates and underlying assumptions will be realised in practice which may materially and adversely affect the Company's viability.</p>
<p>Exploration success</p>	<p>The Company's tenements in New South Wales, South Australia and in Tanzania 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 exploration of the Company's tenements, or any other licences that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is</p>

RISK CATEGORY	RISK
	<p>identified, there is no guarantee that it can be economically exploited.</p>
<p>Operational Uncertainties</p>	<p>As with mining and processing operations they are subject to uncertainty with respect to (among other things) ore tonnes, mine grade, ground conditions, recovery and unanticipated metallurgical issues, mining performance, milling performance, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment, storms, floods, bushfires or other natural disasters. The occurrence of any of these circumstances could result in adverse production or financial performance.</p>
<p>Tenement applications and licence renewal</p>	<p>The Company cannot guarantee additional applications for tenements made by the Company will ultimately be granted, in whole or in part. Further the Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all.</p> <p>As at the date of this Prospectus, all tenements and licences held in Tanzania, South Australia and New South Wales are currently in good standing.</p>
<p>“Luhuma” Farm-in licences - Tanzania</p>	<p>The Company entered into a Farm-in Agreement to earn up to 100% of the Luhuma Nickel Project in Tanzania. The Company currently has the exclusive right to explore and evaluate the licenses for a period of 12 months. The licenses are subject to various milestone payments, and ongoing expenditure requirements.</p> <p>As at the date of this Prospectus, the Company has earned 65% interest in the project. The licences are at an early stage of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. The required ongoing expenditures may not result in exploration success from the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>The Company is not the registered owner of the licenses and therefore the Company's ability to achieve its objectives in respect of the licenses is dependent upon it and the registered holder of the licenses complying with their obligations under the relevant earn-in agreements giving rise to the Company's interest, and on the registered holder complying with the terms and conditions of the licenses and any other applicable legislation.</p> <p>Any failure to comply with these obligations may result in the Company losing its interest in those licenses, which may have a material adverse effect on the Company's operations and the performance and value of the Shares.</p> <p>The Company has no current reason to believe that the registered owners of the tenements will not meet and satisfy their respective obligations under the relevant agreements, the tenement conditions and other applicable legislation.</p> <p>There is also a risk of financial failure or default under the joint venture arrangements by a participant in any joint venture to which the Company is, or may become, a party. Any withdrawal by a joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have a material adverse impact on the financial position of the Company. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in the Company's proposed development activities or financial loss.</p>

5.3 Industry specific

RISK CATEGORY	RISK
Environmental	<p>The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.</p> <p>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p> <p>Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.</p>
Climate Risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <ul style="list-style-type: none"> (a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and (b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.
Mine development	<p>Possible future development of a mining operation at any of 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</p>

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RISK CATEGORY	RISK
	<p>production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its project.</p> <p>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.</p>
<p>Occupational health and safety</p>	<p>The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Mining activities have inherent risks and hazards. The Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems.</p>
<p>Operational</p>	<p>The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, insufficient or unreliable infrastructure such as power, water and transport, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.</p> <p>In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected.</p> <p>No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p>
<p>Safety</p>	<p>Safety is a fundamental risk for any exploration and production company in relation to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage or destruction of property, regulatory investigation, and penalties or suspension of operations.</p> <p>Damage occurring to third parties as a result of such risks may give rise to claims against the Company.</p>
<p>Commodity price volatility and exchange rate</p>	<p>If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p>

RISK CATEGORY	RISK
Access	The Company's access to the tenements may be affected by landholder and pastoralist approvals, native title rights and/or the terms of native title agreements. While the Company intends to do those things necessary to minimise these risks, it cannot guarantee that the access it has to the tenements in which it has an interest will remain unfettered in the future.

5.4 General risks

RISK CATEGORY	RISK
Economic conditions and other global or national issues	<p>General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development, and production activities, as well as on its ability to fund those activities.</p> <p>Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics may have an impact on the Company's exploration, development and production activities, as well as on its ability to fund those activities. The Company's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of the Company or its Directors.</p>
US Tariffs	The US Government has recently imposed and may continue to impose tariffs or other trade restrictions on imports from certain countries. A significant risk to the Company's economic outlook is the threat of the imposition of US tariffs, which could disrupt global trade, business and investment. While the scope and duration of potential trade conflicts remain highly uncertain, any broad-based tariff measures could lead to weaker GDP growth and higher inflation across the global economy. The implications and consequences of the US tariffs are uncertain and are beyond the control of the Company.
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook in both Australia and Internationally; (b) introduction of tax reform or other new legislation, regulation or policy; (c) changes in exchange rates, interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) the global security situation and the possibility of terrorist disturbances or other hostilities. <p>Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Litigation risks	The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future

RISK CATEGORY	RISK
	<p>which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.</p> <p>The Company is not currently engaged in any litigation.</p>
Dividends	<p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.</p>
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>
Reliance on key personnel	<p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p>
Force Majeure	<p>The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.</p>

5.5 Speculative investment

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

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

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

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

6. ADDITIONAL INFORMATION

6.1 Litigation

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

6.2 Continuous disclosure obligations

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

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

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

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

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

DATE	DESCRIPTION OF ANNOUNCEMENT
9 September 2025	Cleansing Notice
9 September 2025	Application for quotation of securities – ADD
8 September 2025	Shallow High-Grade Gold Intercepts Confirm Growth Upside
5 September 2025	Results of Meeting
26 August 2025	Drill Target Definition Advancing at Ashes Prospect
8 August 2025	Change in substantial holding
8 August 2025	Becoming a substantial holder
4 August 2025	Notice of General Meeting/Proxy Form
4 August 2025	Notification of cessation of securities - ADD
4 August 2025	London Victoria Maiden Drilling Campaign Completed
31 July 2025	Quarterly Activities and Cashflow Report
25 July 2025	Proposed issue of securities - ADD

DATE	DESCRIPTION OF ANNOUNCEMENT
25 July 2025	Adavale Secures New Strategic Investor Group
16 July 2025	London Victoria Mine Drilling Update
15 July 2025	Cleansing Notice
15 July 2025	Application for quotation of securities - ADD
15 July 2025	Change of Director's Interest Notice x 2
14 July 2025	Notification regarding unquoted securities - ADD
9 July 2025	Change of Director's Interest Notice
7 July 2025	Change of Director's Interest Notice x 2
4 July 2025	Further prospect assessment at Parkes Project
4 July 2025	Proposed issue of securities - ADD
4 July 2025	Proposed issue of securities - ADD
4 July 2025	Successful \$2.65M Placement to Accelerate Parkes Drilling
2 July 2025	Trading Halt
2 July 2025	Pause in Trading
1 July 2025	Drilling Commences at London Victoria Mine
30 June 2025	Share Consolidation and ASX Code
30 June 2025	High Priority Drill Targets Pegged at London Victoria Mine
27 June 2025	General Meeting Results
19 June 2025	Soil Assay Results show Porphyry Cu-Au Fertility at Ashes
16 June 2025	Strategic grant EL9785 contains historic High-Grade Mine
26 May 2025	Notice of General Meeting/Proxy Form
26 May 2025	Consolidation/Split - ADD
26 May 2025	Proposed Share Consolidation
21 May 2025	Parkvale South Prospect Returns 22.2g/t Au Rock Chip
7 May 2025	IP Study Generates High Conviction Target at Ashes
7 May 2025	RIU Sydney Investor Presentation
5 May 2025	Maiden JORC Resource at London-Victoria Project
30 April 2025	Quarterly Activities and Cashflow Report
22 April 2025	Additional Targets Defined at Parkes Project
10 April 2025	Final Director's Interest Notice
10 April 2025	Initial Director's Interest Notice
10 April 2025	Adavale Appoints Geologist and Mining Executive as NED
9 April 2025	Parkes Project Advances in Central NSW Lachlan Fold Belt
24 March 2025	Completion of Geochemical Survey at Ashes & Myalls
19 March 2025	Cleansing Notice
19 March 2025	ADDAAH Top 20 and Distribution Schedule
19 March 2025	Application for quotation of securities - ADD
17 March 2025	Notification regarding unquoted securities - ADD

DATE	DESCRIPTION OF ANNOUNCEMENT
17 March 2025	Application for quotation of securities - ADD
14 March 2025	Half Year Accounts
3 March 2025	Geochemical Survey Commences at Ashes & Myalls Prospects
26 February 2025	High-Grade Gold, Copper and Silver Rock Chips at Ashes
18 February 2025	Geochemical Program Proposed at Ashes and Myalls Prospects
31 January 2025	Quarterly Activities and Cashflow Report
30 January 2025	Change of Director's Interest Notice x 3
29 January 2025	Cleansing Notice
29 January 2025	Notification regarding unquoted securities - ADD
29 January 2025	Notification regarding unquoted securities - ADD
29 January 2025	Notification regarding unquoted securities - ADD
29 January 2025	Notification regarding unquoted securities - ADD
29 January 2025	Application for quotation of securities - ADD
29 January 2025	Application for quotation of securities - ADD
29 January 2025	Application for quotation of securities - ADD
29 January 2025	Application for quotation of securities - ADD
28 January 2025	Completion of Placement, Parkes Acquisition and Site Visit
16 January 2025	Results of Meeting
15 January 2025	Change of Director's Interest Notice x 2
15 January 2025	Notification of cessation of securities - ADD
3 January 2025	Change of Director's Interest Notice x 2
3 January 2025	Notification of cessation of securities - ADD
19 December 2024	Notice of General Meeting/Proxy Form
11 December 2024	Cleansing Notice
11 December 2024	Application for quotation of securities - ADD
5 December 2024	Change of Director's Interest Notice
3 December 2024	Investor Webinar
2 December 2024	Change of Director's Interest Notice x 2
2 December 2024	Cleansing Notice
2 December 2024	Notification regarding unquoted securities - ADD
2 December 2024	Application for quotation of securities - ADD
29 November 2024	Annual General Meeting Results
29 November 2024	Reinstatement To Quotation
29 November 2024	Proposed issue of securities - ADD
29 November 2024	Proposed issue of securities - ADD
29 November 2024	Proposed issue of securities - ADD
29 November 2024	Presentation - Transformational Project Acquisition
29 November 2024	Transformational Gold and Copper Project Acquisition

DATE	DESCRIPTION OF ANNOUNCEMENT
29 November 2024	Suspension From Quotation
27 November 2024	Trading Halt
1 November 2024	Final Director's Interest Notice
30 October 2024	Notice of Annual General Meeting/Proxy Form
29 October 2024	Results of Meeting
28 October 2024	Quarterly Activities and Cashflow Report
24 October 2024	Executive Changes
1 October 2024	Initial Director's Interest Notice
1 October 2024	Final Director's Interest Notice
1 October 2024	Heritage Survey completed for Uranium Drilling in SA
27 September 2024	Date of AGM and Closing Date for Director Nominations
27 September 2024	Notice of General Meeting/Proxy Form
26 September 2024	Management Changes
23 September 2024	Corporate Governance Statement and Appendix 4G

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

The announcements are also available through the Company's website www.adavaleresources.com/investor-centre/asx-announcements/.

6.3 Market price of Shares and Quoted Options

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

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

	(\$)	DATE
Highest	\$0.040	Various dates between 12 June 2025 and 30 June 2025
Lowest	\$0.019	11 July 2025 and 15 July 2025
Last	\$0.026	9 September 2025

The highest, lowest and last market closing prices of the Options (ASX:ADDO and ASX:ADDOA) (on a post-Consolidation basis) on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	QUOTED OPTION	(\$)	DATE
Highest	Option (ASX:ADDO)	\$0.020	10 June 2025 – 30 June 2025
	Option (ASX:ADDOA)	\$0.020	10 June 2025 – 30 June 2025
Lowest	Option (ASX:ADDO)	\$0.000	10 July 2025 – 21 July 2025
	Option (ASX:ADDOA)	\$0.000	10 July 2025 – 8 September 2025
Last	Option (ASX:ADDO)	\$0.007	9 September 2025
	Option (ASX:ADDOA)	\$0.000	9 September 2025

6.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two 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 Offers.
- (c) the Offers,

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

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

Security holdings

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus and following completion of the Offers (assuming all New Options are issued under the Offers) is set out in the table below.

DIRECTORS	SHARES ¹	OPTIONS	PERFORMANCE RIGHTS
Allan Ritchie ¹	6,945,297	3,555,081 ²	3,390,000 ³
Maurice Matich ⁴	2,009,046	1,192,856 ⁵	1,500,000 ⁶
David Ward ⁷	2,430,000	1,000,000 ⁸	1,500,000 ⁹

Notes:

1. Appointed as a Director on 30 September 2024.
2. Comprising:
 - (a) 37,225 Options exercisable at \$0.60 each on or before 31 December 2025;
 - (b) 1,374,999 Options exercisable at \$0.10 each on or before 31 December 2027; and
 - (c) 2,142,857 New Options to be issued to Mr Allan Ritchie (or his nominee(s)) under the Director Offer.
3. Comprising:
 - (a) 165,000 Class B Performance Rights exercisable on or before 31 December 2025;
 - (b) 150,000 Class C Performance Rights exercisable on or before 31 December 2026;
 - (c) 75,000 Class D Performance Rights exercisable on or before 31 December 2026; and
 - (d) 3,000,000 Performance Rights exercisable on or before 23 January 2028.
4. Appointed as a Director on 31 July 2024.
5. 716,666 Options exercisable at \$0.10 each on or before 31 December 2027.
6. Comprising:
 - (a) 1,500,000 Performance Rights exercisable on or before 23 January 2028; and
 - (b) 476,190 New Options to be issued to Mr Maurice Matich (or his nominee(s)) under the Director Offer.
7. Appointed as a Director on 10 April 2025.
8. 1,000,000 New Options to be issued to Mr David Ward (or his nominee(s)) under the Director Offer.
9. 1,500,000 Performance Rights exercisable on or before 23 January 2028.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's Annual Report for the financial year ended 30 June 2025.

DIRECTORS	CURRENT FINANCIAL YEAR ENDING 30 JUNE 2026 (PROPOSED)	PREVIOUS FINANCIAL YEAR ENDED 30 JUNE 2025 (ACTUAL)
Allan Ritchie ¹	\$70,000	\$92,500
Maurice Matich ²	\$42,000	\$44,700
David Ward ³	\$42,000	\$9,370
John Hicks ⁴	Nil	\$26,000
David Rieke ⁵	Nil	\$96,250
Grant Pierce ⁶	Nil	\$22,601

Notes:

1. Appointed as a Director on 30 September 2024.
2. Appointed as a Director on 31 July 2024.
3. Appointed as a Director on 10 April 2025.
4. Resigned as a Director of the Company on 10 April 2025.
5. Resigned as a Director of the Company on 31 October 2024.
6. Resigned as a Director of the Company on 30 September 2024.

6.5

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 two years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or

- (ii) the Placement Offers.
- (f) the Placement Offers,

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

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

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$117,718.10 (excluding GST and disbursements) for legal services provided to the Company.

6.6 Consents

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

Each of the parties referred to in this Section:

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

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

6.7 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$35,069 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	12,863
Legal fees	10,000
Share registry fees	7,000
Printing and distribution	2,000
Total	35,069

7. DIRECTORS' AUTHORISATION

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

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

For personal use only

8. GLOSSARY

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

Applicant means an investor who applies for New Options pursuant to the Placement Offer, Director Offer or Broker Offer (as the case may be).

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

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

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

Broker Offer has the meaning given to it on the front page of this Prospectus.

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 by the Directors.

Company means Adavale Resources Limited (ACN 008 719 015).

Consolidation has the meaning given in Section 2.1.1.

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

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

Director Offer has the meaning given to it on the front page of this Prospectus.

Director Participation has the meaning given to it in Section 2.1.2.

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

Further Placement has the meaning given to it in Section 2.1.1.

GBA Capital or the **Lead Manager** means GBA Capital Pty Ltd (ABN 51 643 039 123) (AFSL 237 549).

General Meeting means the general meeting of the Company to be held on 5 September 2025.

Initial Placement has the meaning given to it in Section 2.1.1.

Lead Manager Mandate has the meaning given to it in Section 2.1.3.

New Option means an Option issued on the terms and conditions set out in Section 4.1.

Offers means the Placement Offer, the Director Offer and/or the Broker Offer (as applicable).

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share, including the New Options (as applicable).

Optionholder means a holder of an Option.

Participating Directors has the meaning given to it in Section 2.1.2.

Placement has the meaning given to it in Section 2.1.1.

Placement Offer has the meaning given to it on the front page of this Prospectus.

Placement Participants has the meaning given to it in Section 2.1.1.

Previous General Meeting has the meaning given to it in Section 2.1.1.

Prospectus means this prospectus.

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

Director Offer has the meaning set out on the cover page of this Prospectus.

Securities means a Share, Option or Performance Right, as the context requires.

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

Shareholder means a holder of a Share.