

**ALDERAN RESOURCES LIMITED**  
**ACN 165 079 201**

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**ENTITLEMENT ISSUE PROSPECTUS**

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For a pro-rata non-renounceable entitlement issue of one New Option for every two Shares held by those Shareholders registered at the Record Date at an issue price of \$0.001 per New Option to raise up to \$289,133 (based on the expected number of Shares to be on issue at the Record Date) (**Entitlement Offer**).

This Prospectus also contains an offer of up to 128,122,982 New Options at no cost to participants in the Placement and to the Lead Manager.

**IMPORTANT NOTICE**

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

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

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## IMPORTANT NOTICE

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This Prospectus is dated 6 September 2022 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

Applications for Securities offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

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

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

### No Investment Advice

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

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

### Forward-looking statements

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

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

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

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

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

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

### Overseas shareholders

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

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

For further information on overseas Shareholders please refer to Section 2.11.

### Continuous disclosure obligations

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

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

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

Please refer to Section 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 Options issued under this Prospectus. The Company and the Lead Manager will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (<https://alderanresources.com.au>). By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

## Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at <https://alderanresources.com.au>. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 (8)6143 6711 during office hours or by emailing the Company at [info@alderanresources.com.au](mailto:info@alderanresources.com.au).

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

## Company Website

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

## Financial forecasts

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

potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

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

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

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

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

## Photographs and Diagrams

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

## Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 0.

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

## Privacy statement

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

distribution payments and corporate communications to you as a Shareholder.

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

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

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

## Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers, please call the Company Secretary on +61 8 9388 8812.

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## CORPORATE DIRECTORY

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### Directors

Mr Ernest Thomas Eadie  
*Non-Executive Chairman*

Mr Scott Caithness  
*Managing Director*

Mr Frank 'Bruno' Hegner  
*Executive Director*

Mr Peter Williams  
*Non-Executive Director*

### Company Secretary

Mr Mathew O'Hara

### Registered Office

Suite 23  
513 Hay Street  
SUBIACO WA 6008

Telephone: +61 (8)6143 6711

Fax: 08 9388 8824

Email: [info@alderanresources.com.au](mailto:info@alderanresources.com.au)

Website: <https://alderanresources.com.au/>

### Auditor\*

RSM Australia Partners  
Level 32, Exchange Tower  
2 The Esplanade  
PERTH WA 6000

Telephone: 08 9261 9100

### Share Registry\*

Automic Registry Services  
Level 5  
191 St Georges Terrace  
PERTH WA 6000  
Telephone: 1300 288 664

### Lead Manager

DealAccess Pty Ltd  
Level 29  
360 Collins Street  
MELBOURNE VIC 3000

### Legal Advisers

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

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

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## 1. KEY OFFER INFORMATION

### 1.1 Timetable<sup>1</sup>

Announcement of the Entitlement Offer and Placement	20 July 2022
Lodgement of Appendix 3B with ASX	6 September 2022
Lodgement of Prospectus with the ASIC and ASX	6 September 2022
Ex date	9 September 2022
Record Date for determining Entitlements	12 September 2022
Entitlement Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	15 September 2022
Last day to extend the Closing Date	21 September 2022
Closing Date of Offers as at 5:00 pm <sup>2</sup>	26 September 2022
New Options quoted on a deferred settlement basis	27 September 2022
ASX notified of under subscriptions	29 September 2022
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the New Options	3 October 2022
Quotation of New Options issued under the Entitlement Offer <sup>2</sup>	4 October 2022

#### Notes:

1. The dates that are set out above that are subsequent to the date of this Prospectus are indicative only and are subject to change.
2. The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the New Options are expected to commence trading on ASX may vary.

### 1.2 Key statistics of the Offers

#### Shares<sup>1</sup>

Shares currently on issue	531,566,080
Shares to be issued under Tranche 2 of the Placement <sup>2</sup>	46,700,000
Shares offered pursuant to the Offers	Nil
<b>Shares on issue Post-Offers</b>	<b>578,266,080</b>

#### Notes:

1. Refer to Section 4.1 for the terms of the Shares.
2. It is intended that these Shares will be issued prior to the Record Date.

## Options

Entitlement Offer Price per New Option	\$0.001
Option Entitlement Ratio (based on Shares held at the Record Date)	1:2
Options currently on issue <sup>1</sup>	47,000,000
New Options offered pursuant to the Entitlement Offer <sup>2,3</sup>	289,133,040
New Options offered pursuant to the Secondary Offer <sup>3,4</sup>	128,122,982
Gross proceeds of the issue of New Options	\$289,133
<b>Options on issue Post-Offers</b>	<b>464,256,022</b>

### Notes:

1. Refer to Section 3.4 for the full terms of the existing Options.
2. This assumes that the Tranche 2 Placement Shares are issued prior to the Record date (refer to note 2 of the above Shares table).
3. Refer to Section 4.2 for the terms of the New Options.
4. This assumes that:
  - (a) 289,133,040 Options are issued under the Entitlement Offer (see note 2 above); and
  - (b) all of the Options under the Entitlement Offer are placed by DealAccess under the Shortfall Offer (which the Company considers to be highly unlikely). Refer to Section 2.8 for further information.

## 1.3 Key Risk Factors

Prospective investors should be aware that subscribing for Securities involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

The predominant risks relating to the Company and the Offers are summarised below:

Risk	Description
<b>Potential for dilution</b>	<p>Upon implementation of the Offers, assuming all Entitlements are accepted, the total number of Options on issue will increase from 47,000,000 to 464,256,022.</p> <p>Further if the New Options are subsequently exercised and Shares are issued on exercise of those New Options, each Share will represent a significantly lower proportion of the ownership of the Company.</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offers being implemented and the Directors do not make any representation as to such matters.</p>

Risk	Description
<b>Exploration success</b>	The Tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company.
<b>Unpatented Mining Claims</b>	<p>A portion of the Tenements are comprised of unpatented mining claims, which provide for access to and extraction of minerals owned by the USA without payment of royalties. Rights under unpatented mining claims are restricted to the extraction and development of a mineral deposit, and no land ownership is conveyed. The rights granted by such mining claims are deemed to be private property that can be sold or encumbered by the claim owner. These rights are valid against a challenge by the USA or another claimant only after the discovery of a valuable mineral deposit within the claim.</p> <p>While the Company will use its reasonable efforts to secure discoveries on each claim, there can be no guarantee that the Company will discover a valuable mineral deposit that can defeat a challenge to the unpatented mining claims by the USA or another claimant.</p>
<b>Overlapping Tenements or Joint Ownership</b>	<p>Some of the Company's Tenements are subject to overlapping interests held by third parties.</p> <p>Additionally, certain Tenements are owned in common with third parties. Accordingly, it may be necessary for the Company to negotiate suitable agreements covering overlapping interests or third party ownership. No guarantee can be given that such agreements can be reached on terms suitable to the Company.</p>
<b>Coronavirus (COVID-19)</b>	The outbreak of the coronavirus disease ( <b>COVID-19</b> ) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

#### 1.4 Directors' Interests in Securities

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

Director	Shares	Options	Performance Rights	New Option Entitlement	\$
Thomas Eadie	4,401,250 <sup>1,2</sup>	Nil <sup>2</sup>	Nil	2,200,625 <sup>2</sup>	\$2,200.63



Director	Shares	Options	Performance Rights	New Option Entitlement	\$
Scott Caithness	1,346,000 <sup>2,3</sup>	10,000,000 <sup>2,4</sup>	Nil	673,000 <sup>2</sup>	\$673.00
Bruno Hegner	1,012,800	Nil	Nil	506,400	\$506.40
Peter Williams	8,254,750 <sup>2</sup>	10,000,000 <sup>2,5</sup>	Nil	4,127,375 <sup>2</sup>	\$4,127.38

**Notes:**

1. Comprising 57,500 Shares held directly, 3,843,750 Shares held indirectly via Thea Management Pty Ltd <Thea Family A/C> and 500,000 Shares held indirectly through ACN 167 523 659 Pty Ltd <Thomas Eadie Super A/C>.
2. This Director has also applied for 5,000,000 Tranche 2 Placement Shares and 2,500,000 Tranche 2 Options. If the Tranche 2 Placement Shares are issued prior to the Record Date, this Director will be entitled to apply for an additional 2,500,000 New Options under the Entitlement Offer.
3. Shares are held indirectly via Caithness Resources Pty Ltd <Caithness Family Trust>.
4. Comprising 5,000,000 unquoted Options exercisable at \$0.11 each, on or before 27 May 2024, vesting after 12 months service and 5,000,000 unquoted Options exercisable at \$0.15 each, on or before 27 May 2024, vesting after 12 months service, all held directly.
5. 10,000,000 unquoted Options exercisable at \$0.08 each, on or before 30 June 2023, vesting on continuous service to 30 June 2021 all held indirectly via Torr Family Pty Ltd <Torr A/C>.

The Board recommends all Shareholders take up their Entitlements. The Board advises that, as he is not eligible to participate in the Entitlement Offer, Mr Hegner will not be able to take up his Entitlement. All other Directors intend to take up their full Entitlements.

## 1.5 Details of Substantial Holders

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

Shareholder	Shares	%
Tolga Kumova	68,283,766	12.85%

The issue of New Options pursuant to this Prospectus will not have any effect on the relevant interests of any persons unless those New Options are exercised.

## 1.6 Potential dilution on non-participating Shareholders

The issue of New Options under this Prospectus will not dilute the existing Shareholders' voting power in the Company. Dilution may only occur where the New Options are exercised and new Shares are issued on exercise of those New Options.

Given the Company intends to have the New Options quoted on the ASX, the holders of those New Options may elect to dispose of the New Options on ASX rather than exercising the New Options.

As at the date of the Prospectus, the Shares are trading at a price below the exercise price of the New Options, and therefore the immediate exercise of the New Options is not reasonably expected by the Company.

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## 2. DETAILS OF THE OFFER AND THE PLACEMENT

### 2.1 Placement

On 20 July 2022, the Company announced a capital raising comprising a two-tranche (each being a **Tranche**) placement of Securities to raise an aggregate of \$1,527,000 (**Placement**).

The Placement has been structured into two-tranches as follows:

- (a) **Tranche 1** - comprising of the following of Securities:
- (i) 106,000,000 Shares at an issue price of \$0.01 per Share to raise \$1,060,000 (before costs), which were issued on 27 July 2022; and
  - (ii) 53,000,000 Options, exercisable at \$0.016 per Option and expiring three years from the date of issue (**Tranche 1 Placement Options**); and
- (b) **Tranche 2** – comprising of the following Securities:
- (i) subject to Shareholder approval, 46,700,000 Shares at an issue price of \$0.01 per Share to raise \$467,000 (before costs) (**Tranche 2 Placement Shares**); and
  - (ii) subject to Shareholder approval, 23,350,000 Options exercisable at \$0.016 per Option and expiring three years from the date of issue (**Tranche 2 Placement Options**).

The Participating Directors have subscribed for the following Securities under Tranche 2 of the Placement (on the same terms as the other Placement participants):

Director	Subscription Amount	Tranche 2 Placement Shares	Tranche 2 Options
Scott Caithness	\$50,000	5,000,000	2,500,000
Tom Eadie	\$50,000	5,000,000	2,500,000
Peter Williams	\$50,000	5,000,000	2,500,000

Funds raised under the Placement are proposed to be used to accelerate exploration at its Detroit copper-gold project in Utah and working capital purposes.

The Company obtained Shareholder approval at the General Meeting held on 2 September 2022 to issue the:

- (a) Tranche 2 Placement Shares;
- (b) Tranche 1 Placement Options and Tranche 2 Placement Options (together, the **Placement Options**); and
- (c) Lead Manager Options (see Section 2.8).

It is anticipated that the Tranche 2 Placement Shares will be issued prior to the Record Date, and as such the Tranche 2 Placement participants will be eligible to apply under the Entitlement Offer.

Further details with respect to the Placement are set out in the ASX announcement released by the Company on 20 July 2022.

## 2.2 The Entitlement Offer

The Entitlement Offer is being made as a pro-rata non-renounceable entitlement issue of one New Option for every two Shares held by Shareholders registered at the Record Date at an issue price of \$0.001 per New Option. Fractional entitlements of 0.5 or more will be rounded up to the nearest whole number.

Based on the expected capital structure of the Company as at the Record Date (assuming that the Tranche 2 Placement Shares have been issued prior to the Record Date and no Shares are issued prior to the Record Date including on exercise or conversion of securities on issue) approximately 289,133,040 New Options may be issued under the Entitlement Offer to raise up to \$289,133.

As at the date of this Prospectus the Company has 47,000,000 existing Options on issue all of which may be exercised prior to the Record Date in order to participate in the Entitlement Offer. Please refer to Section 4.2 for information on the exercise price and expiry date of the Options on issue.

The New Options will be exercisable at \$0.016 on or before the date that is three years following the date of issue and otherwise on the terms set out in Section 4.2.

The purpose of the Entitlement Offer and the intended use of funds raised are set out in Section 3.

## 2.3 What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
<b>Take up all of your Entitlement</b>	<ul style="list-style-type: none"> <li>Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully.</li> <li>Payment can be made by the methods set out in Section 2.4. As set out in Section 2.4, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.</li> </ul>	Section 2.4 and Section 2.5.

Option	Key Considerations	For more information
<b>Take up all of your Entitlement and also apply for Shortfall Securities</b>	<ul style="list-style-type: none"> <li>Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully.</li> <li>Payment can be made by the methods set out in Section 2.4. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying.</li> <li>If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company's absolute discretion, as per the allocation policy set out in Section 2.7. Accordingly, your application for additional Shortfall Securities may be scaled-back and there is no guarantee that you will receive Options applied for under the Shortfall Offer.</li> <li>The Company's decision on the number of Shortfall Securities to be allocated to you will be final.</li> </ul>	Sections 2.4, 2.5 and 2.7.
<b>Take up a proportion of your Entitlement and allow the balance to lapse</b>	<ul style="list-style-type: none"> <li>If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus for the number of Securities you wish to take up and making payment using the methods set out in Section 2.4 below. As set out in Section 2.4, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.</li> </ul>	Section 2.4 and Section 2.5
<b>Allow all or part of your Entitlement to lapse</b>	<ul style="list-style-type: none"> <li>If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Entitlement Offer to you will lapse.</li> </ul>	N/A

The Entitlement Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

## 2.4 Payment options

### (a) By BPAY®

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

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

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

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

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

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

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

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

- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

## 2.5 Implications of an acceptance

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

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

## 2.6 Minimum subscription

There is no minimum subscription under the Offers.

## 2.7 Shortfall Offer

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each New Option to be issued under the Shortfall Offer shall be \$0.001, being the price at which New Option have been offered under the Entitlement Offer.

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

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Securities in accordance with Sections 2.4. There is no guarantee that Eligible Shareholders will receive Options applied for under the Shortfall Offer.

No New Option will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99% on exercise of their New Options.

All decisions regarding the allocation of Shortfall Securities will be made by the Directors in conjunction with the Lead Manager and will be final and binding on all applicants under the Shortfall Offer.

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

## 2.8 Lead Manager

The Company has engaged DealAccess Pty Ltd, a Corporate Authorised Representative of PAC Partners Pty Ltd (ABN 72 648 994 067) (AFSL 335 374) (**DealAccess**) as lead manager and bookrunner to the Placement and Entitlement Offer under a lead manager mandate (**Lead Manager Mandate**).

The Company has agreed to pay the following fees to DealAccess:

- (a) a management fee of 2.0% of gross proceeds raised under the Placement (plus GST); and
- (b) a placement fee of 4.0% of the capital introduced in the Placement by DealAccess (plus GST).

As at the date of this Prospectus, the Company has already paid DealAccess the management fee and placement fee for Tranche 1, which totalled \$63,600 (excluding) GST.

The Company has agreed to issue the following Options to DealAccess (or its nominee/s):

- (a) on successful completion of the Placement, a total of 34,425,000 Options comprising of one Option for every four Shares issued under the Placement (**Placement Fee Options**); and
- (b) a shortfall placement fee comprising the issue of the amount of Options equal to 6% of the gross proceeds raised under the Shortfall Offer (**Shortfall Fee Options**) at a deemed issue price of \$0.001 per Shortfall Fee Option,

(together, the **Lead Manager Options**).

The terms of the Lead Manager Options are being issued on the same terms as the New Options, refer to Section 4.2 for a summary of these terms.

A summary of the material terms of the Lead Manager Mandate is set out in Section 6.4.

## 2.9 ASX listing

Application for Official Quotation of the New Options offered pursuant to this Prospectus will also be made in accordance with the timetable set out at Section 1. 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 the 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.

## 2.10 Issue of Securities

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

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for, or where

no issue is made surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all Application monies will be held by 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 Offers will be mailed as soon as practicable after the issue of Securities and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

## **2.11 Overseas shareholders**

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

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

### ***New Zealand***

The New Options are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

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

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.



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### **3. PURPOSE AND EFFECT OF THE OFFERS**

#### **3.1 Purpose of the Entitlement Offer**

The purpose of the Entitlement Offer is to raise up to \$289,133 before costs. No funds will be raised from the Secondary Offer.

Funds raised under the Entitlement Offer will (after the deduction of expenses of the Offers) be combined with the funds raised under the Placement for:

- (a) exploration at its Detroit copper-gold project in Utah; and
- (b) the working capital of the Company.

Total funds from the Placement and the Entitlement Offer are expected to be approximately \$1,816,133.

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

As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

#### **3.2 Purpose of the Secondary Offer**

This Prospectus also includes an offer of up to 128,122,982 New Options under the Secondary Offer to:

- (a) the Placement participants, including Directors Scott Caithness, Tom Eadie and Peter Williams;
- (b) DealAccess in consideration for their role as Lead Manager of the Placement and the Entitlement Offer; and
- (c) parties nominated by DealAccess.

The Options offered will only be issued to the parties noted above (or their nominee(s)). Application Forms in respect of the Secondary Offer will only be provided by the Company to these parties.

The Options offered under the Secondary Offer will be issued on the same terms and conditions as the New Options under the Entitlement Offer, which are set out in Section 4.2 of this Prospectus.

#### **3.3 Effect of the Offers**

The principal effect of the Offers, assuming all Entitlements are accepted, 46,700,000 Tranche 2 Placement Shares are issued prior to the Record Date, and no Shares are issued (including on exercise of existing Options and Performance Rights) prior to the Record Date, will be to:

- (a) increase the cash reserves by \$289,133 (after deducting the estimated expenses of the Entitlement Offer) immediately after completion of the Offers; and
- (b) increase the number of Options on issue from 47,000,000 as at the date of this Prospectus to 464,256,022 Options.

### 3.4 Effect on capital structure

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

<b>Shares</b>	
Shares currently on issue <sup>1</sup>	531,566,080
Tranche 2 Placement Shares <sup>2</sup>	46,700,000
Shares offered pursuant to the Offers	Nil
<b>Total Shares on issue after completion of the Offers</b>	<b>578,266,080</b>

**Notes:**

1. Fully paid ordinary shares in the capital of the Company.
2. These Shares are expected to be issued prior to the Record Date.

<b>Options</b>	
Options currently on issue <sup>1</sup>	47,000,000
New Options offered pursuant to the Entitlement Offer <sup>2</sup>	289,133,040
New Options offered pursuant to the Secondary Offer <sup>3,4</sup>	128,122,982
<b>Total Options on issue after completion of the Offers</b>	<b>464,256,022</b>

**Notes:**

1. Comprising:
  - (a) 3,500,000 Options exercisable at \$0.195 each on or before 3 August 2023;
  - (b) 3,500,000 Options exercisable at \$0.225 each on or before 3 August 2023;
  - (c) 10,000,000 Options exercisable at \$0.08 each on or before 30 June 2023;
  - (d) 5,000,000 Options exercisable at \$0.11 each on or before 27 May 2024;
  - (e) 5,000,000 Options exercisable at \$0.15 each on or before 27 May 2024;
  - (f) 10,000,000 Options exercisable at \$0.11 each on or before 1 October 2024; and
  - (g) 10,000,000 Options exercisable at \$0.15 each on or before 1 October 2024.
2. Assuming that there are 578,266,080 Shares on issue at the Record Date.
3. This assumes that:
  - (a) 289,133,040 Options are issued under the Entitlement Offer (see note 2 above); and
  - (b) all of the Options under the Entitlement Offer are placed by DealAccess under the Shortfall Offer (which the Company considers to be highly unlikely). Refer to Section 2.8 for further details with respect to the Lead Manager Mandate.
4. Refer to Section 3.2 for further details with respect to the Secondary Offer.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 578,766,080 Shares and on completion of the Offers (assuming the Tranche 2 Placement Shares are issued prior to the Record Date, all Entitlements are accepted and no other Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 1,042,522,102 Shares.

No Securities on issue are subject to escrow restrictions, either voluntary or ASX imposed.

### 3.5 Pro-forma balance sheet

The unaudited balance sheet as at 30 June 2022 and the unaudited pro-forma balance sheet as at 30 June 2022 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

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

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

	UNAUDITED 30 June 2022	Adjustments	PROFORMA 30 June 2022
	\$	\$	\$
<b>CURRENT ASSETS</b>			
Cash	254,732	1,706,661	1,961,393
Trade and other receivable	155,820	-	155,820
<b>TOTAL CURRENT ASSETS</b>	<b>410,552</b>	<b>1,706,661</b>	<b>2,117,213</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	179,849	-	179,849
Exploration and evaluation assets	8,549,258	-	8,549,258
<b>TOTAL NON-CURRENT ASSETS</b>	<b>8,729,107</b>	<b>-</b>	<b>8,729,107</b>
<b>TOTAL ASSETS</b>	<b>9,139,659</b>	<b>-</b>	<b>10,846,320</b>
<b>CURRENT LIABILITIES</b>			
Trade and other receivable	376,312	-	376,312
Provisions	39,724	-	39,724
<b>TOTAL CURRENT LIABILITIES</b>	<b>416,036</b>	<b>-</b>	<b>416,036</b>
<b>TOTAL LIABILITIES</b>	<b>416,036</b>	<b>-</b>	<b>416,036</b>
<b>NET ASSETS (LIABILITIES)</b>	<b>8,723,623</b>	<b>1,706,661</b>	<b>10,430,284</b>

	UNAUDITED 30 June 2022	Adjustments	PROFORMA 30 June 2022
	\$	\$	\$
<b>EQUITY</b>			
Issued capital	26,651,452	1,417,528	28,068,980
Options reserve	7,457,025	289,133	7,746,158
Performance rights reserve	101,420	-	101,420
Foreign currency reserve	710,218	-	710,218
Retained loss	(26,196,492)	-	(26,196,492)
<b>TOTAL EQUITY</b>	<b>8,723,623</b>	<b>1,706,661</b>	<b>10,430,284</b>

**Notes:**

This pro-forma Statement of Financial Position has been prepared on the basis of the Company's unaudited Statement of Financial Position as at 30 June 2022 and on the basis the following transactions and adjustments having occurred on that date:

1. The issue of 152,700,000 Shares and 76,350,000 New Options (exercisable at \$0.016, three year term) pursuant to the two-tranche Placement (including Director participation), raising gross proceeds of \$1,527,000. Costs of the offer totalled \$63,600;
2. The issue of 289,133,040 New Options (exercisable at \$0.016, three year term) pursuant to the Entitlement Offer, raising gross proceeds of \$289,133;
3. The issue of 34,425,000 New Options and 17,347,982 New Options (exercisable at \$0.016, three year term) to the Lead Manager as Placement Fee Options and Shortfall Fee Options, respectively.
4. Deducting the estimated aggregate costs of the Entitlement Offer totalling \$45,872, excluding the non-cash costs of the New Options. Refer Section 6.8 for further details relating to the estimated expenses of the Entitlement Offer.

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## **4. RIGHTS AND LIABILITIES 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 offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

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

#### **(a) General meetings**

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

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

## 4.2 Terms of New Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one new 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 \$0.016 (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 9 September 2025 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment

of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

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

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

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

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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



(l) **Transferability**

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

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## 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 its Securities. 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
<b>Potential for dilution</b>	<p>Upon implementation of the Offers, assuming all Entitlements are accepted, the total number of Options on issue will increase from 47,000,000 to 464,256,022.</p> <p>Further if the New Options are subsequently exercised and Shares are issued on exercise of those New Options, each Share will represent a significantly lower proportion of the ownership of the Company.</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offers being implemented and the Directors do not make any representation as to such matters.</p>
<b>Exploration success</b>	<p>The Tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves, among other things:</p>

Risk Category	Risk
	<ul style="list-style-type: none"> <li>(a) discovery and proving-up, or acquiring, an economically recoverable resource or reserve;</li> <li>(b) access to adequate capital throughout the acquisition/discovery and project development phases;</li> <li>(c) securing and maintaining title to mineral exploration projects;</li> <li>(d) obtaining required development consents and approvals necessary for the acquisition, mineral exploration, development and production phases; and</li> <li>(e) accessing the necessary experienced operational staff, the applicable financial management and recruiting skilled contractors, consultants and employees.</li> </ul> <p>There can be no assurance that exploration of the Tenements, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>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, native title process and Aboriginal heritage factors, changing government regulations and many other factors beyond the control of the Company.</p>
<p><b>Unpatented Mining Claims</b></p>	<p>A portion of the Tenements are comprised of unpatented mining claims, which provide for access to and extraction of minerals owned by the USA without payment of royalties. Rights under unpatented mining claims are restricted to the extraction and development of a mineral deposit, and no land ownership is conveyed. The rights granted by such mining claims are deemed to be private property that can be sold or encumbered by the claim owner. These rights are valid against a challenge by the USA or another claimant only after the discovery of a valuable mineral deposit within the claim.</p> <p>While the Company will use its reasonable efforts to secure discoveries on each claim, there can be no guarantee that the Company will discover a valuable mineral deposit that can defeat a challenge to the</p>

Risk Category	Risk
	unpatented mining claims by the USA or another claimant.
<b>Overlapping Tenements or Joint Ownership</b>	<p>Some of the Company's Tenements are subject to overlapping interests held by third parties.</p> <p>Additionally, certain Tenements are owned in common with third parties. Accordingly, it may be necessary for the Company to negotiate suitable agreements covering overlapping interests or third party ownership. No guarantee can be given that such agreements can be reached on terms suitable to the Company.</p>
<b>Coronavirus (COVID-19)</b>	<p>The outbreak of the coronavirus disease (<b>COVID-19</b>) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>The COVID-19 pandemic may also give rise to issues, delays or restrictions in product processing and packaging and the Company's ability to deliver products to customers, which may result in cost increases or adverse impacts on sales. In addition, the effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders or the COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects may cause delays or cost increases. The effects of COVID -19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.</p> <p>The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on its revenue channels and any adverse impact on the Company. If any of these impacts appear material prior to close of the Offers, the Company will notify investors under a supplementary prospectus.</p>

Risk Category	Risk
<b>Additional requirements for capital</b>	<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 as the case may be. 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>
<b>Exchange rate risks</b>	<p>The Company operates in multiple currencies and exchanges rates are constantly fluctuating. International prices of various commodities as well as the exploration expenditure of the Company are denominated in United States dollars, whereas the Company will rely principally on funds raised and accounted for in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.</p>
<b>Climate Risk</b>	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <ul style="list-style-type: none"> <li data-bbox="608 1234 1394 1783">(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</li> <li data-bbox="608 1798 1394 2103">(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</li> </ul>

### 5.3 Industry specific

Risk Category	Risk
<p><b>Exploration</b></p>	<p>The mineral tenements of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, a reduction in the case reserves of the Company and possible relinquishment of the Tenements.</p> <p>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 uncertainties and, accordingly, the actual costs may materially differ from these 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 affect the Company's viability.</p>
<p><b>Fluctuations in base and precious metal prices</b></p>	<p>The price of base and precious metals and other minerals fluctuates widely and is affected by numerous factors beyond the control of the Company such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market value of base and precious metals could cause the continued development of, and eventually the commercial production from, the Company's projects and the Company's other properties to be rendered uneconomic. Depending on the price of base and precious metals the Company could be forced to</p>

Risk Category	Risk
	<p>discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of base and precious metals is produced, a profitable market will exist for it.</p> <p>In addition to adversely affecting the reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.</p>
<b>Government regulation</b>	<p>The mining, processing, development and mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people, and other matters. Although the exploration and development activities of the Company are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.</p>
<b>Environmental</b>	<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</p>



Risk Category	Risk
	<p>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>
<b>Occupational health and safety</b>	<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>
<b>Operational</b>	<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. 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>
<b>Competition risk</b>	<p>The industry in which the Company operates in is subject to global competition. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business</p>



## 5.4 General risks

Risk Category	Risk
<b>Economic</b>	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.
<b>Market conditions</b>	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> <li>(a) general economic outlook;</li> <li>(b) introduction of tax reform or other new legislation;</li> <li>(c) interest rates and inflation rates;</li> <li>(d) changes in investor sentiment toward particular market sectors;</li> <li>(e) the demand for, and supply of, capital; and</li> <li>(f) terrorism or other hostilities.</li> </ul> <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
<b>Litigation risks</b>	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 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. The Company is not currently engaged in any litigation.
<b>Dividends</b>	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.
<b>Taxation</b>	The acquisition and disposal of New Options (or the Shares issued on exercise of the New Options) 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

Risk Category	Risk
	<p>consequences of acquiring New Options 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 New Options under this Prospectus.</p>
<p><b>Reliance on key personnel</b></p>	<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>
<p><b>Economic conditions and other global or national issues</b></p>	<p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p> <p>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 Shares remains unknown. The 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.</p>

## 5.5 Speculative investment

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

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 Securities.

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.

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## 6. ADDITIONAL INFORMATION

### 6.1 Litigation

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

### 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
02/09/2022	Results of Meeting
25/08/2022	Alderan completes drilling at Mizpah oxide gold deposit
24/08/2022	Change of Director's Interest Notice - Expiry of Perf Rights
24/08/2022	Notification of cessation of securities - AL8

Date	Description of Announcement
09/08/2022	Change of Director's Interest Notices - Expiry of Options
08/08/2022	Notification of cessation of securities - AL8
03/08/2022	Letter to Shareholders with respect to Notice of Meeting
03/08/2022	Notice of General Meeting/Proxy Form
03/08/2022	AL8 commences drilling at Mizpah Oxide Gold Deposit
28/07/2022	Change in substantial holding
28/08/2022	Cleansing Notice
27/07/2022	Quarterly Activities/Appendix 5B Cash Flow Report
27/07/2022	Application for quotation of securities – AL8
25/07/2022	Alderan Investor Webinar Details
25/07/2022	Alderan Investor Presentation
21/07/2022	Change of Director's Interest Notices - Expiry of Options
20/07/2022	Notification of cessation of securities - AL8
20/07/2022	Proposed issue of securities - AL8
20/07/2022	Proposed issue of securities - AL8
20/07/2022	Proposed issue of securities - AL8
20/07/2022	AL8 to advance Detroit Project drilling with \$1.3M Placement
18/07/2022	Trading Halt
27/06/2022	AL8 secures highly prospective area between Drim and Mizpah
14/06/2022	Notification of cessation of securities - AL8
06/06/2022	Rio Tinto commences Copper Gulch drilling at Frisco Project
03/06/2022	Alderan executes renegotiated option at Detroit Project
25/05/2022	High grade oxide gold mineralisation in all Drum drill holes
11/05/2022	AL8 drilling continues to intersect high-grade oxide gold
29/04/2022	Quarterly Activities/Appendix 5B Cash Flow Report
28/04/2022	Alderan successfully completes maiden drilling at Drum
05/04/2022	Alderan intersects 6.6m @ 2.5g/t Au at Drum
22/03/2022	AL8 drilling at Drum and Mizpah highlights upside potential
14/03/2022	Half Year Financial Report 31 December 2021
03/03/2022	Alderan Resources Investor Webinar
25/02/2022	AL8 intersects 16.2m @ 1.04g/t Au with assays up to 6.0g/tAu
22/02/2022	Alderan completes two holes targeting Drum and Mizpah gold

Date	Description of Announcement
18/02/2022	Investor Presentation
27/01/2022	Quarterly Cashflow Report
27/01/2022	Quarterly Activities Report
21/01/2022	Rio Tinto identifies new magnetic anomalies at Frisco
20/01/2022	AL8 recommences drilling with focus on Drum Gold Mine
05/01/2022	Change of Director's Interest Notice
04/01/2022	Notification of cessation of securities - AL8
30/12/2021	AL8 to focus Detroit drilling on Drum and Mizpah prospects
20/12/2021	Change of Registry Address
16/12/2021	Alderan prepares for drilling at Drum Gold Mine
08/12/2021	Alderan completes sixth hole, first results due this month
30/11/2021	Change of Director's Interest Notice
26/11/2021	Results of Annual General Meeting
19/11/2021	Additional disclosure regarding Drum drill data review
18/11/2021	Alderan's drill data review highlights Drum's gold potential
12/11/2021	Alderan drilling at Detroit on track with two holes complete
29/10/2021	Quarterly Cashflow Report
29/10/2021	Quarterly Activities report
19/10/2021	NWR Conference Series - Investor Presentation
15/10/2021	Letter to Shareholders with respect to AGM
15/10/2021	Notice of Annual General Meeting/Proxy Form
15/10/2021	Alderan commences drilling on copper-gold targets at Detroit
15/10/2021	Alderan Resources to Present at Virtual Conference
01/10/2021	Change in substantial holding
01/10/2021	Change of Director's Interest Notice's
01/10/2021	Cleansing Statement
01/10/2021	Notification regarding unquoted securities - AL8
01/10/2021	Application for quotation of securities - AL8
30/09/2021	Alderan Secures Option over Drum Gold Mine at Detroit
29/09/2021	Appendix 4G
29/09/2021	Annual Report to shareholders

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

The announcements are also available through the Company's website <https://alderanresources.com.au/>.

### 6.3 Market price of Shares and New Options

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

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

	Share Price	Date
Highest	\$0.019	6 June 2022
Lowest	\$0.008	8 August 2022
Last	\$0.011	5 September 2022

Whilst it is intended that the New Options will be quoted, there is no market or trading history for the New Options. It is not possible to predict what value of the New Options or Shares will be following the Offers and the Directors do not make any representations with respect to this.

### 6.4 Lead Manager Mandate

The material terms and conditions of the mandate with Lead Manager Mandate are as follows:

(a) **Fees**

The Company has agreed to pay the following fees to DealAccess (or its nominee/s):

- (i) a management fee of 2.0% of gross proceeds raised under the Placement (plus GST); and
- (ii) a placement fee of 4.0% of the capital introduced in the Placement by DealAccess (plus GST).

As at the date of this Prospectus, the Company has already paid DealAccess the management fee and placement fee for Tranche 1, which totalled \$63,600 (excluding GST).

The Company has agreed to issue DealAccess (or its nominee/s) up to:

- (i) 34,425,000 Placement Fee Options; and
- (ii) a shortfall placement fee comprising the issue of the number of Shortfall Fee Options equal to 6% of the gross proceeds raised via the Shortfall Offer at a deemed issue price of \$0.001 per Shortfall Fee Option,

(together, the **Lead Manager Options**).

The terms of the Lead Manager Options are being issued on the same terms as the New Options, refer to Section 4.2 for a summary of these terms.

Assuming that there are 578,266,080 Shares on issue at the Record Date, 289,133,040 Options will be issued under the Entitlement Offer (see the indicative capital structure set out in Section 3.4 for further information).

If this occurs, and all of the Shortfall Fee Options are placed under the Shortfall Offer, a maximum of 17,347,982 Shortfall Fee Options will be issued by the Company to DealAccess. The Company notes that it considers it highly unlikely that 100% of the Options issued under the Entitlement Offer will be placed under the shortfall offer, so the number of Shortfall Fee Options to be issued to DealAccess will likely be less than 17,347,982.

The number of Shortfall Fee Options to be issued will be equal to 6% of the funds raised from the placement of Shortfall Fee Options by DealAccess (at a deemed issue price of \$0.001 per Option).

(b) **Expenses**

The Company has agreed to reimburse DealAccess for all reasonable out-of-pocket expenses (including GST) incurred by DealAccess in connection with the Lead Manager Mandate, which includes ASX fees, associated facilitation fees of approximately \$2,200, marketing and communication costs, printing, couriers, postage and distribution, roadshow expenses, accommodation, travel and legal fees (plus GST).

DealAccess must obtain the written consent of the Company prior to incurring any costs in excess of \$1,000. DealAccess may obtain external legal advice in relation to their role as lead manager to the Placement and Entitlement Offer of which the Company will reimburse DealAccess up to \$5,000 (plus GST) of these legal fees, subject to the Company's approval.

(c) **Termination**

The Lead Manager Mandate will terminate upon the earlier of:

- (i) the completion of the Placement and Entitlement Offer; or
- (ii) twelve (12) months after the date of the Lead Manager Mandate, unless terminated earlier by mutual written agreement.

Either party may terminate the Lead Manager Mandate by giving written notice, at any time prior to a trading halt, the signing of an Offer Management Agreement or Underwriting Agreement in connection with the Placement and Entitlement Offer.

Any fees that are accrued under the Lead Manager Mandate prior to termination must be paid by the Company.

The Lead Manager Mandate contains otherwise standard terms and conditions for an agreement of this nature.



## 6.5 Interests of Directors

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

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers; or
- (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 as at the date of this Prospectus, together with their respective Entitlement, is set in Section 1.4.

### **Remuneration**

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

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

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

Director	FY 2023 (Proposed)	FY 2022 (Actual)
Ernest Thomas Eadie	\$50,000	\$50,000
Scott Caithness	\$250,000	\$260,651
Bruno Hegner	\$313,500	\$351,390
Peter Williams	\$50,000	\$50,000

Further details of the remuneration paid and payable to each Director of the Company are set out in the annual report for the Company for the year ending 30 June 2021. A copy of this can be accessed on the Company's website or on the ASX website for the Company (ASX: AL8).

## 6.6 Interests of experts and advisers

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

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

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

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers; or
- (f) 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 any of these persons for services provided in connection with:

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

DealAccess Pty Ltd has acted as the lead manager of the Entitlement Offer and the Placement. The Company will pay DealAccess Pty Ltd the fees summarised in Section 2.8 for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, DealAccess Pty Ltd has received \$63,600 (excluding GST) in fees from the Company which related to the management fee and placement fee for Tranche 1 of the Placement.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$12,000 (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 \$20,841.50 (excluding GST and disbursements) for legal services provided to the Company.

## 6.7 Consents

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

Each of the parties referred to in this Section:

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

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

DealAccess Pty Ltd has given its written consent to being named as the Lead Manager to the Entitlement Offer and Placement in this Prospectus.

## 6.8 Expenses of the Offers

In the event that all Entitlements are accepted, the total expenses of the Offers are estimated to be approximately \$45,872 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	17,335
Legal fees	12,000
Printing, registry and distribution	8,331
Miscellaneous	5,000
<b>Total</b>	<b>45,872</b>

*\*Expenses of the Offers does not include Lead Manager Options to be issued under the Lead Manager Mandate.*

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**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.



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**Mr Scott Caithness**  
**Managing Director**  
**Alderan Resources Limited**

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## GLOSSARY

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

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

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

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

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

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

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

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

**Closing Date** means the date specified in the timetable set out at Section 1 (unless extended).

**Company** means Alderan Resources Limited (ACN 165 079 201).

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

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

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

**DealAccess** or **Lead Manger** means DealAccess Pty Ltd (ACN 648 994 067), a Corporate Authorised Representative of PAC Partners Pty Ltd (ABN 72 648 994 067) (AFSL 335 374).

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

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

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

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

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

**Exercise Price** means the exercise price of the New Options being \$0.016.

**Lead Manager Option** has the meaning given in Section 2.8.

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

**Offers** means the Entitlement Offer and the Secondary Offer.

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

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

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

**Placement** has the meaning given in Section 2.1.

**Placement Option** has the meaning given in Section 2.1.

**Prospectus** means this prospectus.

**Record Date** means the date specified in the timetable set out at Section 1.

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

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

**Secondary Offer** means the offer of New Options under this Prospectus that is described in Section 3.2.

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

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

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

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

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

**Shortfall Offer** means the offer of the Shortfall Securities on the terms and conditions set out in Section 2.7.

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

**Tenement** means a mining tenement that the Company (through its subsidiary, Volantis Limited) hold a 100% legal and beneficial interest in.

**Tranche** means a tranche of the Placement.

**Tranche 2 Placement Shares** has the meaning given in Section 2.1.

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