



ACN 645 666 164

Options Prospectus

This Prospectus is being issued for the issue of up to 22,812,500 unquoted options exercisable at \$0.06 each and expiring two (2) years from the date of issue (**New Options**) on the basis of one (1) free attaching New Option for every one (1) Share subscribed for under the SPP (**Offer**).

The Offer under this Prospectus close at 5.00pm (WST) on 25 July 2023*

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

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

The New Options offered under this Prospectus are of a speculative nature.

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

Table of Contents

Important Information	2
Corporate Directory	3
Indicative Timetable	4
Investment Overview	5
1. Details of the Offer	8
2. Application for New Options	11
3. Effect of the Offer	12
4. Risk Factors	14
5. Additional information	22
6. Directors' Statement and Consent	32
7. Definitions	33

Important Information

This Prospectus is dated 20 July 2023 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

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

The Prospectus will be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's registered office by contacting the Company as detailed in the Corporate Directory.

The Company will also provide copies of other documents on request (see Section 5.3).

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

Applications for New Options will only be accepted on an Application Form attached to or provided by the Company with a copy of this Prospectus either in paper or electronic form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed. No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

The Offer constituted by this Prospectus in electronic form is only available to persons receiving an electronic version of this Prospectus and accompanying Application Form within Australia and New Zealand.

No action has been taken to permit the offer of New Options under this Prospectus in any jurisdiction other than Australia and New Zealand.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of New Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus except to the extent permitted below.

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

This document is important and should be read in its entirety before deciding to participate in the Offer. This does not take into account the investment objectives, financial or taxation, or particular needs of any particular Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to their particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

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

Corporate Directory

Directors

Pauline Gately	Non-Executive Chair
Matthew Painter	Managing Director
Carmel McKenzie	Non-Executive Director
Andrew Penkethman	Non-Executive Director

Key Management Personnel

Graeme Smith	Company Secretary
--------------	-------------------

Registered and Principal Office

Level 1, 1209 Hay Street
West Perth, WA 6005

Phone: +61 8 6002 2700
Email: info@kalgoldmining.com.au
Website: <https://www.kalgoldmining.com.au/>

Share Registry

Automic Pty Ltd
Level 5, 191 St Georges Terrace
Perth, WA 6000

Telephone:
1300 288 664 (within Australia)
+61 2 9698 5414 (outside Australia)

Auditor*

Dry Kirkness (Audit) Pty Ltd
Ground Floor, 50 Colin Street
West Perth, WA 6005

Solicitors

Hamilton Locke Central Park Building Level 48, 152 - 158 St Georges Terrace Perth WA 6000	ASX Code: KAL
--	---------------

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

Indicative Timetable

Event	Date
Announcement of SPP	24 May 2023
Issue of SPP Shares	4 July 2023
General Meeting	19 July 2023
Lodgement of Prospectus with ASIC	20 July 2023
Opening Date of Offer	21 July 2023
Issue of New Options offered under this Prospectus	25 July 2023
Appendix 3G New Options	25 July 2023
Closing Date of Offer	25 July 2023

Note:

- * The dates and times noted above are indicative only and subject to change. Any material changes will be notified by the Company to ASX. The Company reserves the right to amend any or all of these dates and times, including amending the Closing Date of the Offer, without prior notice subject to the Corporations Act, the Listing Rules and other applicable laws.

Investment Overview

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

Key Information	Further Information
<p>Transaction specific prospectus</p> <p>This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	
<p>Offer</p> <p>This Prospectus contains an offer of up to approximately 22,812,500 New Options to SPP Subscribers on the basis of one (1) free attaching New Option for every one (1) Share subscribed for under the SPP.</p> <p>The New Options will have an exercise price of \$0.06 each and will expire two (2) years from the date of issue.</p> <p>The issue of SPP Shares raised \$730,000 (before costs). No additional funds will be raised through the issue of New Options under the Offer.</p>	Section 1
<p>Eligibility</p> <p>Only SPP Subscribers who participated in the SPP and were issued SPP Shares are eligible to participate in the Offer.</p> <p>An Application Form in respect of the Offer will be issued to the SPP Subscribers together with a copy of this Prospectus.</p>	Section 1.4
<p>What is the purpose of the Offer?</p> <p>The primary purpose of the Offer is to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued upon conversion of any New Options that are issued under the Offer.</p>	Section 1.3
<p>Risk factors</p> <p>Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <p>(a) Resource Risk: There is inherent uncertainty with mineral resource and ore reserve estimates. Regardless of JORC Code or other status, there is a risk that actual mining performance will not deliver performance in line with mineral resource and ore reserve estimates.</p> <p>(b) Exploration & Development Risks: Mineral exploration and development are high-risk undertakings. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The future exploration and development activities of the Company may be affected by a range of factors, including geological conditions, limitations on activities due to seasonal weather patterns,</p>	Section 4

Key Information	Further Information
<p>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>(c) Future capital and funding requirements: The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. Should the Company require additional funding, there can be no assurance that additional financing will be available on acceptable terms or at all. Any inability to obtain additional financing, if required, would have a material adverse effect on the Company's business, financial condition and results of operations.</p> <p>(d) Environmental Risk: Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or noncompliance with environmental laws or regulation.</p> <p>(e) General market risks: Share market conditions may affect the value of the Company's Securities regardless of the Company's operating performance. The Company is exposed to general market and economic condition risks including adverse changes in levels of economic activity, exchange rates, interest rates, commodity prices, government policies, employment rates and industrial disruption.</p>	
<p>Use of funds</p> <p>No funds will be raised as a result of the Offer.</p> <p>It is currently intended that any funds raised by the exercise of the New Options will be applied towards:</p> <p>(a) exploration activities on the Company's tenements; and</p> <p>(b) general working capital.</p>	Section 3.2
<p>Effect on control of the Company</p> <p>The Company is of the view that the Offer will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. So far as the Company is aware, no new investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offer.</p>	Section 3.5

Key Information	Further Information																												
<p>Indicative capital structure</p> <p>The indicative capital structure upon completion of the Offer is set out below:</p> <table border="1"> <thead> <tr> <th style="background-color: #800080; color: white;"></th> <th style="background-color: #800080; color: white;">Shares</th> <th style="background-color: #800080; color: white;">Options</th> <th style="background-color: #800080; color: white;">Performance Rights</th> </tr> </thead> <tbody> <tr> <td>Existing</td> <td>130,583,525</td> <td>20,031,950</td> <td>744,827</td> </tr> <tr> <td>Lead Manager Shares</td> <td>4,350,526</td> <td>-</td> <td>-</td> </tr> <tr> <td>Tranche 2 Placement Shares</td> <td>22,500,000</td> <td></td> <td></td> </tr> <tr> <td>New Options to be issued under the Offer</td> <td>-</td> <td>22,812,500</td> <td>-</td> </tr> <tr> <td>Placement Options</td> <td>-</td> <td>43,750,000</td> <td>-</td> </tr> <tr> <td>Total</td> <td>157,434,051</td> <td>86,594,450</td> <td>744,827</td> </tr> </tbody> </table> <p>Further details in respect of the Company's capital structure are set out in Section 3.1.</p>		Shares	Options	Performance Rights	Existing	130,583,525	20,031,950	744,827	Lead Manager Shares	4,350,526	-	-	Tranche 2 Placement Shares	22,500,000			New Options to be issued under the Offer	-	22,812,500	-	Placement Options	-	43,750,000	-	Total	157,434,051	86,594,450	744,827	Section 3.1
	Shares	Options	Performance Rights																										
Existing	130,583,525	20,031,950	744,827																										
Lead Manager Shares	4,350,526	-	-																										
Tranche 2 Placement Shares	22,500,000																												
New Options to be issued under the Offer	-	22,812,500	-																										
Placement Options	-	43,750,000	-																										
Total	157,434,051	86,594,450	744,827																										
<p>Forward looking statements</p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p> <p>These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.</p>	Section 4																												

1. Details of the Offer

1.1 Background

On 24 May 2023, the Company announced a placement to raise \$1,400,000 (before costs) through the issue of 43,750,000 Shares (**Placement**) at an issue price of \$0.032. The Placement included a one for one free-attaching unquoted option exercisable at A\$0.06 and expiring 24-months from the date of issue (**Placement Options**). The Placement is being conducted in two tranches. The first tranche of Shares under the Placement was issued on 2 June 2023. The second tranche of 22,500,000 Shares (**Tranche 2 Placement Shares**) will be issued by the Company shortly.

In connection with the Placement, the Company:

- (a) announced an offer to SPP Subscribers under a share purchase plan to raise up to \$500,000 before costs, with the ability to accept oversubscriptions in accordance with the Listing Rules by the issue of Shares at \$0.032 each (**SPP Shares**), with one (1) free-attaching New Option for every one (1) SPP Share subscribed for under the share purchase plan (**SPP**); and
- (b) agreed to issue 4,350,526 Shares to the Lead Manager as partial consideration for lead manager services provided by the Lead Manager (**Lead Manager Shares**).

On 30 June 2023, the Company announced that the SPP was oversubscribed with the Company receiving valid applications for 22,812,500 SPP Shares pursuant to the SPP, raising a total of \$730,000 (before costs). Of this amount, the Directors agreed to subscribe for 1,406,250 SPP Shares and accordingly, subject to shareholder approval, will receive 1,406,250 New Options (**Director SPP Options**).

On 4 July 2023, the Company completed the SPP and issued 22,812,500 SPP Shares to SPP Subscribers.

Shareholder approval for the issue of the Placement Options, Tranche 2 Placement Shares, Director SPP Options and Lead Manager Shares was obtained at the Company's general meeting convened on 19 July 2023 (**Meeting**).

1.2 The Offer

The Offer is an offer of up to approximately 22,812,500 New Options on the basis of one (1) free attaching New Option for every one (1) Share subscribed for and issued under the SPP.

No funds will be raised from the issue of the New Options.

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

The New Options offered under the Offer will be exercisable at \$0.06 each on or before 5:00pm (AWST) on the date which is two (2) from the date of issue and otherwise on the terms set out in Section 5.1. All of the Shares issued upon exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.2 for further information regarding the rights and liabilities attaching to the Shares.

1.3 Purpose of the Offer

The primary purpose of making the Offer available under this Prospectus is to provide disclosure to investors on the terms of the New Options and to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued upon conversion of any New Options that are issued under the Offer.

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

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

1.4 Eligibility of the Offer

Only SPP Subscribers who participated in the SPP and were issued SPP Shares are eligible to participate in the Offer.

1.5 Opening and Closing Dates

The Company will accept Application Forms from 21 July 2023 (**Opening Date**) until 5.00pm (WST) on 25 July 2023 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Closing Date**).

1.6 Minimum subscription

There is no minimum subscription for the Offer.

1.7 Withdrawal of Offer

The Company reserves the right not to proceed with the Offer at any time before the issue of New Options.

1.8 Issue date

It is expected that the New Options will be issued on 25 July 2023, in accordance with the timetable set out on page 5 of this Prospectus.

Security holder statements will be dispatched in accordance with the Listing Rules and as soon as practicable after the issue of the New Options.

1.9 ASX quotation

The Company will not apply to ASX for quotation of the New Options offered under this Prospectus. ASX takes no responsibility for the contents of this Prospectus.

1.10 SRN

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

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

1.11 International Offer Restrictions

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

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of New Options in any jurisdiction in which it would be unlawful. In particular, this Prospectus, and any accompanying Application Form, may not be distributed to any person, and the New Options may not be offered or sold, in any country outside Australia.

1.12 New Zealand Offer Restrictions

The New Options are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand at the Record Date.

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

1.13 Risk factors

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

1.14 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for New Options.

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

1.15 Major activities and financial information

A summary of the major activities and financial information relating to the Company, for the financial year ended 30 June 2022, can be found in the Company's Annual Report announced on ASX on 30 September 2022. Copies of this document are available free of charge from the Company. The Company's continuous disclosure notices (i.e. ASX announcements) since 30 September 2022 are listed in Section 5.3. The Directors strongly recommend that Applicants review the Annual Report and all other announcements prior to deciding whether to participate in the Offer.

1.16 Privacy

If you complete an application for New Options, you will be providing personal information to the Company (directly or by the Share Registry). The Company collects, holds and will use that information to assess the Application, service your needs as a Security holder, facilitate distribution payments and corporate communications to you as a Security holder, and carry out administration.

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

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third-party service

providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

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

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

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

1.17 Enquiries concerning Prospectus

Enquiries relating to this Prospectus should be directed to the Company by telephone on +61 8 6002 2700 or by email via info@kalgoldmining.com.au.

For general shareholder enquiries, please contact the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

2. Application for New Options

2.1 Application Form

The Offer will only be extended to the SPP Subscribers that participated in the SPP. Persons entitled to apply for New Options under the Offer should complete and submit the relevant Application Form, in accordance with the instructions on the Application Form. Please read the instructions carefully.

No subscription monies are payable for the New Options offered pursuant to this Prospectus under the Offer as the New Options are being issued on the basis of one (1) free attaching unquoted Option for every one (1) Share subscribed for and issued under the SPP.

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

2.2 Acceptance of Application

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of New Options accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of New Options.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the Application as valid and how to construe, amend or complete the Application Form is final.

By completing and returning your Application Form, you will be deemed to have represented that you are entitled to apply for New Options under the Offer. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the relevant Offer;

- (b) declare that all details and statements in the Application Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Options to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Application Form;
- (e) declare that you have a registered address in Australia, or another country which permits the Company to make the Offer to you without the requirement to lodge any documents with your local regulatory authority;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Options are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the New Options have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia.

3. Effect of the Offer

3.1 Capital structure on completion of the Offer

Assuming that no existing Options are exercised, or Performance Rights converted into Shares, the effect of the Offer on the Company's issued capital as at the date of this Prospectus is as shown in the following table.

	Shares ¹	Options	Performance Rights ⁴
Existing Securities on issue	130,583,525	20,031,950 ³	744,827
Lead Manager Shares	4,350,526	-	-
Tranche 2 Placement Shares	22,500,000		
New Options to be issued under the Offer ²	-	22,812,500	-
Placement Options ⁴	-	43,750,000	-
Total	157,434,051	86,594,450	744,827

Notes:

1. Includes 22,812,500 SPP Shares issued under the SPP on 4 July 2023.
2. 22,812,500 New Options to be issued under this Prospectus, the terms and conditions of which are set out in Section 5.1, which includes the issue of 1,406,250 Director SPP Options.
3. 20,031,950 unquoted Options comprising:
 - (a) 3,000,000 Options exercisable at \$0.25 each and expiring on 16 September 2024; and
 - (b) 17,031,950 Options exercisable at \$0.25 each and expiring on 5 November 2024.
4. A maximum of 43,750,000 Placement Options are proposed to be issued in connection with the Placement.

5. Comprising 744,827 Performance Rights granted to eligible participants under the Company's employee incentive plan, as set out in the Company's Appendix 3G announced on the ASX Markets Announcement Platform on 18 February 2022.

3.2 Use of funds

No funds will be raised as a result of the Offer.

The Company will receive \$0.06 for each New Option exercised. If all New Options are issued and exercised, the Company will receive approximately \$1,368,750 (before costs). There is no certainty that any of the New Option will be exercised.

It is currently intended that any funds raised by the exercise of the New Options will be applied towards:

- (a) exploration activities on the Company's tenements; and
- (b) general working capital.

The application of funds will depend on when New Options are exercised and the status of the Company's projects and requirements at the relevant time.

The above is a statement of current intentions at the date of this Prospectus. 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 the funds are applied on this basis.

3.3 Substantial Shareholders

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

Substantial Shareholder	Number of Shares	Voting Power
Ardea Resources Limited	9,025,585	6.91%

The Offer will not have an effect on the quantity of Shares held by existing Shareholders as only Options are being offered under this Prospectus.

3.4 Diluting effect of the Offer

On the assumptions that:

- (a) all of the New Options offered under this Prospectus are issued and exercised into Shares; and
- (b) no other Securities are issued or exercised (including the Options and Performance Rights currently on issue),

the diluting effect on the percentage interest of existing Shareholders' would be 15%.

3.5 Effect of the Offer on control of the Company

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

3.6 Financial effect of the Offer

The Offer (assuming all New Options are issued) will not have a material effect on the Company's financial position.

3.7 Expenses of the Offer

The expenses of the Offer will be met from the funds raised under the SPP. The Offer will not have a material effect on the Company's financial position.

Please refer to Section 5.10 for further details on the estimated expenses of the Offer.

4. Risk Factors

As with any investment in Securities, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company but should not be taken as an exhaustive list of the potential risk factors to which the Company and its security holders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for New Options.

The Directors consider that the following summary represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

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

4.1 Risks specific to the Company

(a) Exploration & development risk

Potential investors should understand that mineral exploration and development are high-risk undertakings. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration and development 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.

In addition, the construction of any proposed development may exceed the expected timeframe or cost for a variety of reasons out of the Company's control. Any delays to project development could adversely affect the Company's operations and financial results and may require the Company to raise further funds to complete the project development and commence operations.

(b) Future capital and funding requirements

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. Should the Company require additional funding, there can be no assurance that additional financing will be available on acceptable terms or at all. Any inability to obtain additional financing, if required, would have a material adverse effect on the Company's business, financial condition and results of operations.

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

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

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

(c) **Mineral rights sharing on Gold Rights Tenements**

The Company is party to mineral rights sharing agreements. Despite all efforts to mitigate foreseeable issues, there is an inherent risk with mineral rights sharing agreements that the parties' activities overlap, or interfere, with each other and that this cannot be resolved within the parameters of the agreement. Accordingly, there is an increased risk of dispute that may cause delays, or costs, to the Company in trying to progress its activities.

Given the nature of mineral rights sharing agreements, there is a greater degree of co-ordination required in respect of activities on the Tenements, including some longer negotiation periods and a process for the parties to evaluate a proposed mining area for a period of 6 months in order to ascertain whether there may be any competing resources. As a consequence of this, there is a risk that this may cause the Company's ability to undertake activities, or to progress from exploration to mining, to be delayed.

(d) **New projects and potential acquisitions**

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

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

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

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

4.2 Risks relating to the mining industry generally

(a) Resource risk

There is inherent uncertainty with mineral resource and ore reserve estimates. Regardless of JORC Code or other status, there is a risk that actual mining performance will not deliver performance in line with mineral resource and ore reserve estimates.

(b) Operating risk

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

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

(c) Environmental risks

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

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

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(d) Title and grant

Interests in all tenements in Western Australia are governed by state legislation and are evidenced by the granting of licenses or leases. Each license or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could be exposed to additional costs, have its ability to explore or mine the Tenements reduced or lose title to or its interest in the Tenements if license conditions are not met or if insufficient funds are available to meet expenditure commitments.

If in the future, the term of any of the tenements are not renewed or extended, the Company may suffer damage through loss of the opportunity to discover and/or develop any mineral resources on these tenements.

(e) **Land-owner and access risk**

The Company will be required to negotiate access arrangements and pay compensation to land owners, local authorities, traditional land users and others who may have an interest in the area covered by a mining tenement. The Company's ability to resolve access and compensation issues will have an impact on the future success and financial performance of the Company's operations. If the Company is unable to resolve such compensation claims on economic terms, this could have a material adverse effect on the business, results or operations and financial condition of the Company and any delays or costs in respect of conflicting third-party rights, obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas. Access to land for exploration purposes can be affected by land ownership, nature reserves and national parks, government regulation and environmental restrictions.

Access is critical for exploration and development to succeed and the ability to be able to negotiate satisfactory commercial arrangements with landowners, farmers and occupiers is often essential.

Several of the Tenements overlap various file notation areas, pastoral leases and 'C' Class Reserves.

Many of the Tenements overlap miscellaneous licences held by third parties, some of which are the subject of access agreement in respect to the co-ordination of activities on these tenements. These miscellaneous licences co-exist with the Tenements.

(f) **Native title claims and Aboriginal heritage**

In the future if the existence of native title claims occur over the area covered by the Tenements, or a subsequent determination of native title over the area occurs, this will not impact the rights or interests of the holder provided the Tenements have been or will be validly granted in accordance with the *Native Title Act 1993* (Cth) (**NT Act**).

If any of the Tenements were not validly granted in compliance with the NT Act, this may have an adverse impact on the Company's activities. The Company is not aware of any circumstances to indicate that any of the Tenements were not or will not be validly granted in accordance with the NT Act.

The grant of any future tenure to the Company over areas that are covered by registered claims or determinations will likely require engagement with the relevant claimants or native title holders (as relevant) in accordance with the NT Act. The Directors will closely monitor the potential effect of native title claims involving the Tenements in which the Company has or may have an interest.

There remains a risk that additional Aboriginal sites may exist on the land the subject of the Tenements. The existence of such sites may preclude or limit mining activities in certain areas of the Tenements.

(g) **Third party tenure risks**

Under Western Australian and Commonwealth legislation, the Company may be required, in respect of exploration or mining activities on the Tenements, to recognise the rights of, obtain the consent of, and/or pay compensation to the holders of third-party interests which overlay areas within the Tenements, including other mining tenure, pastoral leases or petroleum tenure.

The Company will continue to be required to negotiate access arrangements and pay compensation to land owners, local authorities, traditional land users and others who may have an interest in the area covered by a Tenement. The Company's ability to resolve access and compensation issues will have an impact on the future success and financial performance of the Company's operations. If the Company is unable to resolve such compensation claims on economic terms, this could have a material adverse effect on the business, results or operations and financial condition of the Company.

Any delays or costs in respect of conflicting third-party rights (for example, in relation to the assignment of any access agreements or the relocation of existing infrastructure on any existing miscellaneous licences that overlap with a Tenement), obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas.

(h) **Competition risk**

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

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

(i) **Third party contractor risks**

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

(j) **Joint venture parties, agents and contractors**

The Company is unable to predict the risk of financial failure or default by a participant in any future joint venture to which the Company may become a party (noting that the Company has no current joint venture intentions). Further, the

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

(k) **Reliance on key personnel**

The Company is reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.

(l) **Staffing**

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

(m) **Climate change**

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

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

(n) **Occupational health and safety**

Site safety and occupational health and safety outcomes are a critical element in the reputation of the Company and its ability to retain and be awarded new contracts in the resources industry. While the Company has a strong commitment to achieving a safe performance on site a serious site safety incident could impact upon the reputation and financial outcomes for the Company.

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

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

(o) **Insurance**

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

(p) **Unforeseen expenses**

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

4.3 General risks

(a) **General economic climate**

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

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

Specifically, it should be noted that the current evolving conflict between Ukraine and Russia is impacting global macroeconomics and markets generally. The nature and extent of the effect of this conflict on the performance of the Company and the value of its 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.

(b) **General market risks**

Share market conditions may affect the value of the Company's Securities regardless of the Company's operating performance. The Company is exposed to general market and economic condition risks including adverse changes in levels of economic activity, exchange rates, interest rates, commodity prices, government policies, inflation, events affecting global financial liquidity, employment rates and industrial disruption.

(c) **Commodity prices**

The Company's ability to proceed with the development of its mineral projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of gold. Consequently, any future earnings are likely to be closely related to the price of gold and the terms of any off-take agreements that the Company enters into.

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply and demand for the specific commodity, prevailing commodity trading terms, general world economic conditions and the outlook for interest rates, inflation, and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities, together with the ability to fund those plans and activities. Furthermore, some products are not traded upon terminal, liquid, commodity exchanges. There is a risk therefore that the Company may not be able to secure an attractive price for its commodity products.

(d) **Government and legal risk**

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

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

(e) **Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. As at the date of this Prospectus, there are no material legal proceedings affecting the Company.

(f) **Force majeure**

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

(g) **Taxes and royalties**

There is a risk that the Commonwealth or Western Australian Governments may seek to introduce further, or increase existing, taxes and royalties.

(h) **Taxation**

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

(i) **Unforeseen risk**

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

4.4 Investment speculative

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

Therefore, the New Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Options.

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

5. Additional information

5.1 Terms and conditions of New Options

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

- (a) **(Entitlement)**: Each Option gives the holder the right to subscribe for one Share.
- (b) **(Expiry Date)**: The Options will expire at 5:00pm (AWST) on the date that is 2 years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) **(Exercise Price)**: the amount payable upon exercise of each Option is \$0.06 per Option (**Exercise Price**).
- (d) **(Exercise)** A holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) an electronic funds transfer for the Exercise Price for the number of Options being exercised.
- (e) **(Exercise Notice)** An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 50,000 must be exercised on each occasion.
- (f) **(Timing of issue of Shares on exercise)** Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the

number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.

- (g) **(Transferability)** The Options are not transferable.
- (h) **(Ranking of Shares)** All Shares allotted upon the exercise of Options will upon allotment be fully paid and rank pari passu in all respects with other Shares.
- (i) **(Quotation)** The Company will not apply for quotation of the Options on ASX.
- (j) **(Adjustments for reorganisation)** If there is any reorganisation of the issued share capital of the Company, the rights of the holders of Options will be varied in accordance with the Listing Rules.
- (k) **(Dividend rights)** An Option does not entitle the holder to any dividends.
- (l) **(Voting rights)** An Option does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.
- (m) **(Entitlements and bonus issues):** Holders of Options will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.
- (n) **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of a Option will be increased by the number of Shares which the holder of Options would have received if the holder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.
- (o) **(Return of capital rights):** The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (p) **(Rights on winding up):** The Options have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.
- (q) **(Takeovers prohibition):**
 - (i) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (ii) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.
- (r) **(No other rights):** An Option does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

5.2 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution and the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of

Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) **General meetings**

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

(b) **Voting rights**

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

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

(c) **Dividend rights**

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

No dividend will carry interest as against the Company.

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

(d) **Winding-up**

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

(e) **Shareholder liability**

As the Company will only have fully paid shares on issue, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

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

(g) **Variation of rights**

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

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

(h) **Alteration of Constitution**

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

5.3 Copies of documents

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

- (a) the financial statements of the Company for the financial year ended 30 June 2022 as lodged with ASX on 30 September 2022 (**Annual Report**), being the last financial statements for a financial year of the Company lodged with ASIC before the issue of this Prospectus;
- (b) the half yearly report and review financial statements of the Company for the half year ended 31 December 2022 as lodged with ASX on 16 March 2023; and
- (c) the following notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Report referred to in paragraph (a) above, until the date of this Prospectus:

Date lodged	Subject of Announcement
19 July 2023	Results of Meeting
6 July 2023	Gold and lithium update, Perrinvale, Pianto, Bulong Taurus
4 July 2023	Change of Director's Interest notice x 3

Date lodged	Subject of Announcement
4 July 2023	Cleansing Statement
4 July 2023	Application for quotation of securities
30 June 2023	Update – Proposed issue of Securities
30 June 2023	Addendum to the Notice of General Meeting
30 June 2023	Share Purchase Plan Results SPP Oversubscribed
23 June 2023	Investor Webinar Presentation
22 June 2023	High-grade gold in surface rock chips at Zelica Project
19 June 2023	Notice of General Meeting/ Proxy Form
8 June 2023	Thick shear-hosted gold mineralisation at Kirgella Gift
6 June 2023	SPP Offer Booklet and Shareholder Letter
2 June 2023	Cleansing Statement
2 June 2023	Application for Quotation of Securities
30 May 2023	Investor Webinar Pinjin Farm-In & Rebecca West Acquisition
29 May 2023	Pinjin Project webinar Tuesday 30 May
24 May 2023	Proposed issue of Securities
24 May 2023	\$1.4m Institutional Share Placement and \$0.5m SPP
23 May 2023	Pinjin farm-in acquisition
22 May 2023	Trading Halt
22 May 2023	Pause in Trading
20 April 2023	Quarterly Activities/Appendix 5B Cash Flow Report
30 March 2023	Notification of cessation of securities
30 March 2023	Application for quotation of securities
16 March 2023	Half Yearly Report and Accounts
7 March 2023	First La Mascotte Mineral Resource
23 February 2023	Gold and lithium anomalies from Pianto first-pass program
30 January 2023	Quarterly Activities/Appendix 5B Cash Flow Report
20 January 2023	La Mascotte gold results confirm down-plunge continuity
24 November 2022	RIU Resurgence Conference Presentation
10 November 2022	Perrinvale Heritage Survey, No Impediments Identified
9 November 2022	Pianto auger program tests new target
7 November 2022	Application for quotation of securities
31 October 2022	Quarterly Activities/Appendix 5B Cash Flow Report

Date lodged	Subject of Announcement
31 October 2022	Results of Meeting
21 October 2022	Release from Escrow
18 October 2022	Drilling underway at La Macotte
30 September 2022	Notice of Annual General Meeting/Proxy Form
30 September 2022	Corporate Governance Statement 2022
30 September 2022	Annual Report to Shareholders

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

- (d) this Prospectus;
- (e) the Constitution; and
- (f) the consents referred to in Section 5.11 and the consents provided by the Directors to the issue of this Prospectus.

5.4 Information excluded from continuous disclosure notices

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

5.5 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on Section 713 of the Corporations Act in issuing the New Options under this Prospectus.

5.6 Market price of Shares

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

Highest: \$0.043 on 21 April 2023.

Lowest: \$0.029 on 5 July 2023.

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.037 per Share on 19 July 2023.

5.7 Interests of Directors

(a) Information disclosed in this Prospectus

Other than as set out in this Prospectus, no Director (or entity in which they are a partner or director) holds or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

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

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

(b) **Directors' interests in Securities**

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

Director	Shares	Options	Performance Rights
Pauline Gately ¹	518,750	750,000	-
Matt Painter ²	750,626	1,000,000	-
Carmel McKenzie ³	101,721	625,000	-
Andrew Penkethman ⁴	600,149	625,000	-

Notes:

1. Ms Gately's Securities are held directly as follows:
 - (a) 518,750 Shares; and
 - (b) 750,000 Options exercisable at \$0.25 each and expiring on 16 September 2024.
2. Mr Painter's Securities are held indirectly by Ms J Jones as follows:
 - (a) 750,626 Shares; and
 - (b) 1,000,000 Options exercisable at \$0.25 each and expiring on 16 September 2024.
3. Ms McKenzie's Securities are held as follows:
 - (a) 100,000 Shares directly;
 - (b) 1,721 Shares indirectly by Birriwa Pty Ltd of which Ms McKenzie is a director and shareholder; and
 - (c) 625,000 Options exercisable at \$0.25 each and expiring on 16 September 2024 held directly.
4. Mr Penkethman's Securities are held as follows:
 - (a) 550,149 Shares held indirectly by Geothermometer Pty Ltd, of which Mr Penkethman is a director and shareholder;
 - (b) 50,000 Shares held indirectly by Raw Power (Aust) Pty Ltd, of which Mr Penkethman is a director and shareholder; and
 - (c) 625,000 Options exercisable at \$0.25 each and expiring on 16 September 2024 held by Raw Power (Aust) Pty Ltd.

Following the issue of the Director SPP Options, it is expected that the relevant interests of each of the Directors in Securities will be as follows:

Director	Shares	Options	Performance Rights
Pauline Gately ¹	518,750	1,218,750	-
Matt Painter ²	750,626	1,468,750	-
Carmel McKenzie ³	101,721	625,000	-
Andrew Penkethman ⁴	600,149	1,093,750	-

Notes:

1. Ms Gately's Securities will be held directly as follows:
 - (a) 518,750 Shares;
 - (b) 750,000 Options exercisable at \$0.25 each and expiring on 16 September 2024; and
 - (c) 468,750 New Options.
2. Mr Painter's Securities will be held as follows:
 - (a) 750,626 Shares held indirectly by Ms J Jones;
 - (b) 1,000,000 Options exercisable at \$0.25 each and expiring on 16 September 2024 held indirectly by Ms J Jones; and
 - (c) 468,750 New Options held directly.
3. Ms McKenzie did not participate in the SPP, so there will be no change to the Securities held Ms McKenzie's upon issue of the Director SPP Options.
4. Mr Penkethman's Securities will be held as follows:
 - (a) 550,149 Shares held indirectly by Geothermometer Pty Ltd, of which Mr Penkethman is a director and shareholder;
 - (b) 50,000 Shares held indirectly by Raw Power (Aust) Pty Ltd, of which Mr Penkethman is a director and shareholder;
 - (c) 625,000 Options exercisable at \$0.25 each and expiring on 16 September 2024 held by Raw Power (Aust) Pty Ltd; and
 - (d) 468,750 New Options held indirectly by Geothermometer Pty Ltd.

(c) Remuneration of Directors

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The aggregate amount fixed is \$500,000. This aggregate amount is to be allocated among the non-executive directors equally, having regard to the proportion of the relevant year for which each director held office, or as otherwise decided by the Board. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The Constitution also provides that:

- (i) the Directors shall be entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors; and

- (ii) if any of the Directors being willing are called upon to perform additional or special duties for Company, the Company may remunerate that Director as determined by the Directors and that remuneration may be either in addition to or in substitution for his or her share in the fee-pool described.

The remuneration of executive directors is to be fixed by the Board. As at the date of this Prospectus, the Company does not have an executive director.

The table below sets out the remuneration provided to the Directors of the Company and their associated companies during the last financial year (FY), inclusive of directors fees, consultancy fees, non-monetary benefits, superannuation benefits and share-based payments.

Director	FY ended 30 June 2022 (\$)
Pauline Gately	111,822
Matt Painter	293,316
Carmel McKenzie	77,073
Andrew Penkethman	79,740

Notes: The Company listed on the ASX on 17 November 2021 and the Directors did not receive any remuneration for the FY ending 2021.

5.8 Related party transactions

There are no related party transactions involved in the Offer, other than set out in this Section 5.8.

The Directors participated in the SPP on the same terms as each of the unrelated SPP Subscribers. Subject to shareholder approval at the meeting, the Directors will receive the Director SPP Options on a one for one basis for each SPP Share subscribed for.

The issue of the SPP Shares and Director SPP Options to Directors has been made on terms no more favourable than an arm's length.

5.9 Interests of other persons

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

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

Hamilton Locke will be paid approximately \$25,000 (plus GST) in fees for legal services in connection with the Offer and the SPP. Hamilton Locke has been paid approximately \$20,000 (including GST) for other legal services to the Company over the past 24 months.

5.10 Expenses of Offer

The estimated expenses of the Offer is as follows:

Estimated expenses of the Offer	\$
ASIC lodgement fee	3,206
Legal and preparation expenses (excluding GST)	25,000
Printing, mailing and other expenses (excluding GST)	2,000
Total	30,206

5.11 Consents

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

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; and
- (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.

Hamilton Locke has given its written consent to being named as the solicitors to the Company in this Prospectus. Hamilton Locke has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Automic has given its written consent to being named in this Prospectus as share registry to the Company. Automic has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

5.12 Electronic Prospectus

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Shares in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

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. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

6. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors of the Company.

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

A handwritten signature in black ink, appearing to read 'P. Gately', with a stylized flourish at the end.

Pauline Gately
Non-Executive Chair

Dated: 20 July 2023

7. Definitions

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

\$ means Australian dollars.

Annual Report means the financial statements of the Company for the financial year ended 30 June 2022 as lodged with ASX on 30 September 2022.

Applicant means a person who submits an Application Form.

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

Application Form means the application form accompanying this Prospectus pursuant to which an Applicant is capable of accepting the relevant Offer.

ASIC means Australian Securities and Investments Commission.

ASIC Instrument means ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.

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

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means ASX Settlement Operating Rules of ASX Settlement.

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

Board means the Directors meeting as a board.

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

CHESS means ASX Clearing House Electronic Subregister System.

Closing Date means 5:00pm (AWST) on the closing date identified in the proposed timetable.

Company means Kalgoorlie Gold Mining Limited (ACN 645 666 164).

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

Corporations Act means *Corporations Act 2001* (Cth), as amended or modified from time to time.

Director SPP Options has the meaning given in Section 1.1.

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

Electronic Prospectus means the electronic copy of this Prospectus located at the Company's website.

Eligible Shareholder means a person registered as a holder of Shares at 5:00pm WST on the SPP Record Date whose registered address is in Australia or New Zealand.

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

Lead Manager means Palomar Advisory Pty Ltd (ACN 663 429 570).

Lead Manager Shares has the meaning given in Section 1.1(b).

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in Section 1.1.

New Option means an Option to be issued under this Prospectus, exercisable at \$0.06 and expiring on the date that is two (2) years after the date of issue, on the terms and conditions in Section 5.1.

NT Act means the *Native Title Act 1993* (Cth).

Offer means an offer of up to 22,812,500 New Options on the basis of 1 free attaching New Option for every 1 SPP Share subscribed for under the SPP.

Official List means the official list of ASX.

Official Quotation means quotation of Securities on the Official List.

Opening Date has the meaning given to it in Section 1.5.

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

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

Placement Options has the meaning given in Section 1.1.

Prospectus means this prospectus dated 20 July 2023.

Section means a Section of this Prospectus.

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

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

Share Registry means Automic.

Shareholder means a holder of Shares.

SPP means share purchase plan.

SPP Offer Booklet means the SPP offer booklet despatched to Eligible Shareholders on 6 June 2023.

SPP Record Date means Tuesday, 23 May 2023.

SPP Shares means up to 22,812,500 Shares offered under the SPP Offer at an issue price of \$0.032 per Share to Eligible Shareholders.

SPP Subscribers means the Eligible Shareholders that subscribed for SPP Shares under the SPP.

Tranche 2 Placement Shares has the meaning given in Section 1.1.

Tenements means the tenements and tenement applications held by the Company in which the Company holds rights.

TMD means target market determination.

Unquoted Option means an Option that is not and will not be quoted on the Official List.

WST means Western Standard Time.