

ACDC METALS LTD
ACN 654 049 699

ENTITLEMENT ISSUE PROSPECTUS

For the offers of:

- (a) a pro-rata non-renounceable entitlement issue of one (1) Option for every two (2) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.005 per Option to raise up to \$180,762 (based on the number of Shares on issue as at the date of this Prospectus) (**Loyalty Options Offer**); and
- (b) up to 2,000,000 Options, exercisable at \$0.30 each on or before the date that is two years from the date of issue (**Lead Manager Options**) to the Lead Manager (or its nominee/s) (**Lead Manager Options Offer**),

(together, the **Offers**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the 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.

IMPORTANT NOTICE

This Prospectus is dated 16 March 2023 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 Offers do not, and are not intended to, constitute 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 Shares 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 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 2.9.

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 will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (<http://www.acdcmetals.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 <http://www.acdcmetals.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 +614 22 266 570 during office hours or by emailing the Company at <mailto:info@acdcmetals.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 7.

All references to time in this Prospectus are references to Australian Eastern Daylight 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 +614 22 266 570.

CORPORATE DIRECTORY

Directors

Andrew Shearer
Non-Executive Chair

Mark Saxon
Executive Director

Richard Boyce
Non-Executive Director

Ivan Fairhall
Non-Executive Director

Company Secretary

Tamara Barr

Registered Office

Level 6, 111 Collins Street
Melbourne VIC 3000

Telephone: +61 03 8548 7880

Email: info@acdcmetals.com.au

Website: www.acdcmetals.com.au

ASX Code

ADC

Share Registry*

Automic Pty Ltd
Suite 501, 477 Collins Street
Melbourne VIC 3000

Telephone: 1300 288 664

Email: hello@automic.com.au

Auditor*

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

Legal Advisers

Steinepreis Paganin
Level 6, 99 William Street
Melbourne VIC 3000

Lead Manager

PAC Partners Securities Pty Ltd
Level 29, 360 Collins Street
Melbourne VIC 3000

Telephone: + 61 3 9114 7419

*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

Lodgement of Prospectus with the ASIC (pre-market)	Thursday, 16 March 2023
Lodgement of Prospectus and Appendix 3B with ASX (pre-market)	Thursday, 16 March 2023
Ex date	Monday, 20 March 2023
Record Date for determining Entitlements	Tuesday, 21 March 2023
Offers opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Friday, 24 March 2023
Last day to extend the Closing Date	Thursday, 30 March 2023
Closing Date as at 5:00pm*	Tuesday, 4 April 2023
Securities quoted on a deferred settlement basis	Wednesday, 5 April 2023
ASX notified of under subscriptions	Thursday, 6 April 2023
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the New Options and Lead Manager Options	Thursday, 13 April 2023
Quotation of New Options issued under the Loyalty Options Offer and Lead Manager Options under the Lead Manager Options Offer**	Friday, 14 April 2023

*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

	Full Subscription (\$180,762) ¹
Offer Price per New Option under the Loyalty Options Offer	\$0.005
Option entitlement ratio (based on existing Shares held) ²	1:2
Shares currently on issue	72,305,130
New Options to be issued under the Loyalty Options Offer ³	36,152,565
Lead Manager Options to be issued under the Lead Manager Options Offer ⁴	2,000,000
Options currently on issue	9,550,000
Gross proceeds of the issue of Options	\$180,762
Options on issue Post-Offers	47,702,565

Notes:

1. Assuming the Full Subscription of \$180,762 is achieved under the Loyalty Options Offer.
2. Based on 72,305,130 Shares on issue as at the date of this Prospectus.
3. Refer to Section 4.2 for the terms of the New Options.
4. Refer to Section 4.3 for the terms of the Lead Manager Options.

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	Further Information
Limited history	The Company was incorporated only recently (on 28 September 2021) and has limited operating history and historical financial performance. No assurance can be given that the Company will achieve commercial viability through the successful execution of its strategy and the development of its Projects. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses.	Section 5.2
Exploration and development	Mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company. The Company is subject to customary risks associated with an exploration company, such as the volatility of commodity process and exchange rates, exploration costs, native title and Aboriginal heritage and risks with respect to the holding of exploration tenure.	Section 5.2
Test work program	The MMP Technology has not been proven at a commercial scale. Any proposed development will be subject to risks usual with this type of development including but not limited to scale up risk, cost increases and commissioning risk.	Section 5.2

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	New Option Entitlement	\$
Andrew Shearer ¹	3,094,141	1,250,000	1,547,071	7,735.35
Mark Saxon ²	3,168,500	1,250,000	1,584,250	7,921.25
Ivan Fairhall ³	215,940	600,000	107,970	539.85
Richard Boyce ⁴	892,441	600,000	446,221	2,231.10

Notes:

1. Comprising 3,094,141 Shares and 1,250,000 Options, exercisable at \$0.30 each on or before 9 January 2026 indirectly held by Valas Investments Pty Ltd <Valas Investment A/C>.
2. Comprising:
 - (a) 3,068,500 Shares indirectly held by Mark Stephen Saxon and Paula Saxon as trustee for Ridley Super Fund (of which Mark Saxon is a beneficiary); and
 - (b) 100,000 Shares indirectly held by Sierra Peru Pty Ltd, an entity controlled by Mark Saxon; and
 - (c) 1,250,000 Options, exercisable at \$0.30 each on or before 9 January 2026 held by Mark Saxon.
3. Comprising 215,940 Shares and 600,000 Options, exercisable at \$0.30 each on or before 9 January 2026 indirectly held by Salford Capital Pty Ltd <Ravan Family A/C>.
4. Comprising:
 - (a) 350,000 Shares indirectly held by Bonica Pty Ltd as trustee for Bonica Family Trust;
 - (b) 58,706 Shares indirectly held by Lea Caroline Boyce and Richard Allen Boyce <Sophie Angelina Boyce A/C>.
 - (c) 396,735 Shares indirectly held by Badgeworth Super Pty Ltd <Bonica Family Super A/C>;
 - (d) 600,000 Options exercisable at \$0.30 each on or before 9 January 2026 indirectly held by Badgeworth KBE Pty Ltd <Richard Boyce Family>; and
 - (e) 87,000 Shares indirectly held by Westwood KBE Pty Ltd <Westwood KBE Investment A/C>.

The Board recommends all Shareholders take up their Entitlements. The Directors reserve the right to take up their respective Entitlement in whole or in part at their discretion.

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	% ¹
ACDC Metals Ltd	25,557,630	35.35%
Thomas John Burrowes and associated entities ²	6,946,991	9.61%

Shareholder	Shares	% ¹
Michael Robert Hudson and associated entities ³	6,518,139	9.01%
Medallion Resources Ltd	4,800,000	6.64%

Notes:

1. This is based on a share capital of 72,305,130 Shares as at the date of the Prospectus and that all existing Options, New Options and Lead Manager Options are exercised.
2. Comprising 6,936,991 Shares held by Providence Gold and Minerals Pty Ltd and 10,000 Shares held by Thomas John Burrowes.
3. Comprising 6,168,139 Shares held by Oro Plata Pty Ltd, 100,000 Shares held by Michael Robert Hudson and Debra Janette Hudson ATF Elwood Partners Discretionary Trust and 250,000 Shares held by Michael Robert Hudson and Debra Janette Hudson ATF Sultana Super Fund.

In the event all Entitlements are accepted, there will be no change to the substantial holders on completion of the Offers.

1.6 Effect on Control

Based on current shareholding and Entitlements of Shareholders (including substantial Shareholders) as at the date of this Prospectus, regardless of the amount raised under the Loyalty Options Offer, no Shareholder will increase their holding, to an amount in excess of 19.9% through applying for their Entitlements.

Further as set out in Section 2.6, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Loyalty Options Offer.

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

The substantial holders noted in Section 1.5 above would be prevented from exercising New Options if doing so would be in contravention of section 606 of the Corporations Act.

1.7 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 1.6, Shareholders should note that no immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares and no Shares are issued subsequently, Shareholders who do not participate in the Loyalty Options Offer, are likely to be diluted by an aggregate of approximately 33.33% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date ¹	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer ²
Shareholder 1	10,000,000	13.8%	5,000,000	10,000,000	8.33%
Shareholder 2	5,000,000	6.9%	2,500,000	5,000,000	4.17%
Shareholder 3	1,500,000	2.07%	750,000	1,500,000	1.25%
Shareholder 4	400,000	0.55%	200,000	400,000	0.33%
Shareholder 5	50,000	0.069%	25,000	50,000	0.04%

Notes:

1. This is based on a share capital of 72,305,130 Shares as at the date of the Prospectus.
2. This is based on a share capital of 72,305,130 Shares as at the date of the Prospectus and that all existing Options, New Options and Lead Manager Options are exercised.
3. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2. DETAILS OF THE OFFERS

2.1 Loyalty Options Offer

The purpose of the Loyalty Options Offer is to recognise the invaluable support the Company has received from its Shareholders. The Loyalty Options Offer is an opportunity for Shareholders to participate in the development of the Company. In addition, the Loyalty Options Offer will provide the Company with a potential source of additional capital if the Loyalty Options are exercised in the future.

The Loyalty Options Offer is being made as a pro-rata non-renounceable entitlement issue of one (1) New Option for every two (2) Shares held by Shareholders registered at the Record Date at an issue price of \$0.005 per Option. Fractional entitlements will be rounded to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no Shares are issued prior to the Record Date including on exercise or conversion of securities on issue) approximately 36,152,565 New Options may be issued under the Loyalty Options Offer are exercised (exercisable at \$0.30 on or before the date that is two (2) years from the date of issue), the Company will receive approximately \$10,845,769.50.

As at the date of this Prospectus the Company has 9,550,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Loyalty Options Offer. Please refer to Section 4.2 for information on the exercise price and expiry date of the New Options on issue.

All of the Shares issued upon the future exercise of the New Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares. The New Options will be exercisable at \$0.30 on or before the date that is two (2) years from the date of issue and otherwise on the terms set out in Section 4.2.

Holders of escrowed Shares will receive an Entitlement in respect of their escrowed Shares. New Options issued in respect of such an Entitlement will be issued on the same terms as the remaining New Options and will not be subject to escrow requirements.

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

2.2 Lead Manager Options Offer

This Prospectus includes the offer of up to 2,000,000 Lead Manager Options to be issued to PAC Partners Securities Pty Ltd (or its nominee/s) (**Lead Manager**), exercisable at \$0.30 each, on or before the date that is two (2) years from the date of issue.

No funds will be raised from the issue of Lead Manager Options pursuant to the Lead Manager Options Offer as the Lead Manager Options are being issued for nil cash consideration in part consideration for services provided by the Lead Manager to the Company, pursuant to the Lead Manager Mandate. Further details regarding the material terms of the Lead Manager Mandate are set out in Section 6.4.1.

The Lead Manager Options will be issued on the terms and conditions set out in Section 4.3. All of the Shares issued upon exercise of the Lead Manager Options will rank equally with the Shares on issue at the date of this Prospectus.

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

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

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 which can be accessed at <https://investor.automic.com.au/#/home>. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	<p>(a) 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 can be accessed at https://investor.automic.com.au/#/home. Please read the instructions carefully.</p> <p>(b) 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.</p>	Section 2.4 and Section 0.
Take up all of your Entitlement and also apply for Shortfall Securities	<p>(a) 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 can be accessed at https://investor.automic.com.au/#/home. Please read the instructions carefully.</p> <p>(b) Payment can be made by the methods set out in Section 2.4. Payment should be made for your</p>	Sections 2.4, 0 and 2.6.

Option	Key Considerations	For more information
	<p>Entitlement and the amount of the Shortfall for which you are applying.</p> <p>(c) 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, in conjunction with the Lead Manager, as per the allocation policy set out in Section 2.6. Accordingly, your application for additional Shortfall Securities may be scaled-back.</p> <p>(d) The Company's decision on the number of Shortfall Securities to be allocated to you will be final.</p>	
<p>Take up a proportion of your Entitlement and allow the balance to lapse</p>	<p>(a) 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 can be accessed at https://investor.automic.com.au/#/home 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 ETF, you do not need to return the Entitlement and Acceptance Form.</p>	<p>Section 2.4 and Section 0</p>
<p>Allow all or part of your Entitlement to lapse</p>	<p>(a) 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 Loyalty Options Offer to you will lapse.</p>	<p>N/A</p>

The Loyalty Options 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 Shares 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 5:00pm (AEDT) 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 Shares 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.

(c) By Cheque

Payment by cheque or cash will not be accepted.

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.

2.5 Minimum subscription

There is no minimum subscription.

2.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Loyalty Options Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each New Option to be issued under the Shortfall Offer shall be \$0.005 being the price at which the New Options have been offered under the Loyalty Options Offer (**Shortfall Options**).

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 to other Eligible Shareholders or other third parties 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 Loyalty Options 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.

The Board and the Lead Manager, presently intends to allocate Shortfall Securities as follows:

- (a) to Eligible Shareholders who apply for an excess of their full Entitlement, so long as the issue of Shortfall to that Eligible Shareholder would not take their voting power to in excess of 19.99% once the Loyalty Options are exercised; and
- (b) to other parties identified by the Directors and Lead Manager, which may include parties who are not currently Shareholders.

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 and the Lead Manager and will be final and binding on all applicants under the Shortfall Offer; as such there is no guarantee that any Shortfall Securities applied for will be issued to Eligible Shareholders.

The Company and Lead Manager 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 and Lead Manager scales back any applications for Shortfall Securities under the Shortfall Offer any Application monies will be returned (without interest) as soon as practicable.

2.7 ASX listing

Application for Official Quotation of the New Options and Lead Manager Options offered pursuant to this Prospectus will also be made in accordance with the timetable set out at Section 1.1. If ASX does not grant Official Quotation of the New Options and Lead Manager 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 and Lead Manager Options, then the New Options and Lead Manager Options will still be issued, however will not be quoted on ASX.

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

2.8 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 Securities 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.

2.9 Overseas shareholders

This Loyalty Options 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 Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

Accordingly, the Loyalty Options Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

New Zealand

The Securities 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.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers

The purpose of the Loyalty Options Offer is to reward the loyalty of Shareholders and provide an opportunity for Shareholders to participate in the development of the Company.

The Loyalty Options Offer will result in the Company raising funds of up to \$180,762 before costs. However, the Loyalty Options Offer will provide the Company with a potential source of additional capital if the New Options are exercised in the future (being approximately \$10,845,769.50 where all Entitlements are taken up).

The purpose of the Lead Manager Options Offer is to remove the need for an additional disclosure document to be issued upon the sale of any Options to be issued under the Lead Manager Options Offer. No funds will be raised from the issue of Options under the Lead Manager Options Offer. If the Lead Manager Options are exercised, the Company will raise \$600,000.

The funds raised from the issue of New Options under the Loyalty Options Offer are intended to be applied in accordance with the table set out below:

Item	Proceeds of the Offers	Full Subscription (\$)	%
1.	Working capital	156,592	86.6%
2.	Expenses of the Offers ¹	24,170	13.4%
	Total	180,762	100%

Notes:

1. Refer to Section 6.8 for further details relating to the estimated expenses of the Loyalty Options Offer.

There is no certainty that any New Options or Lead Manager Options will be exercised and the proportion exercised will depend on the Share price relative to the exercise price during the exercise period.

It is currently intended that any funds raised by the exercise of the New Options and Lead Manager Options will be used towards the continued development of the Company's existing projects and working capital. Working capital includes but is not limited to corporate administration and operating costs.

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

The above table is a statement of current intentions as of the date of this Prospectus. 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 Effect of the Offers

The principal effect of the Offers, assuming all Entitlements are accepted prior to the Record Date, will be to:

- (a) increase the cash reserves by \$156,592 (after deducting the estimated expenses of the Offers) immediately after completion of the Offers; and
- (b) increase the number of Options on issue from 9,550,000 as at the date of this Prospectus to 47,702,565 Options.

3.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Entitlements are accepted based on the Record Date, is set out below.

Shares

	Number
Shares currently on issue ¹	72,305,130
Shares offered pursuant to the Offers	Nil
Total Shares on issue after completion of the Offers	72,305,130

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 4.1.

Options

	Number
Options currently on issue ¹	9,550,000
New Options to be issued pursuant to the Loyalty Options Offer	36,152,565
Lead Manager Options to be issued under the Lead Manager Options Offer ²	2,000,000
Total Options on issue after completion of the Offers	47,702,565

Notes:

1. Unquoted Options, comprising:
 - (a) 4,550,000 Options exercisable at \$0.30 on or before 9 January 2026; and
 - (b) 5,000,000 Options exercisable at \$0.30 on or before 9 January 2026.
2. The Company has entered into a Lead Manager Mandate with the Lead Manager pursuant to which the Company has agreed to offer the Lead Manager the Lead Manager Options. Refer to Section 6.4.1 for a summary of the Lead Manager Mandate and Section 4.3 for the terms and conditions of the Lead Manager Options.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 81,855,130 Shares and on completion of the Offers (assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 120,007,695 Shares.

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 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 \$0.30 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEDT) on the date which is two (2) years from the date of issue of the Option (**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**

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

(l) **Transferability**

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

4.3 Terms of Lead Manager Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Lead Manager Option will be \$0.30 (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEDT) on the date which is two (2) years from the date of issue of the Lead Manager Option (**Expiry Date**). A Lead Manager Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

The Lead Manager Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Lead Manager Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Lead Manager 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 Lead Manager 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 Lead Manager 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 Lead Manager Options.

If a notice delivered under (g)(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 Lead Manager 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 Lead Manager Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Lead Manager Options without exercising the Lead Manager Options.

(k) **Change in exercise price**

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

(l) **Transferability**

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

5. RISK FACTORS

5.1 Introduction

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

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

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

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the 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
Limited History	<p>The Company was incorporated on 28 September 2021 and listed on ASX in January 2023. The Company has a limited operating history and historical financial performance as a listed company.</p> <p>No assurances can be given that the Company will achieve commercial viability through the successful test work and development of the MMP Technology and exploration and/or mining of its Tenements. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses.</p>
Contractual risk	<p>The Company's interests in its Projects and the MMP Technology are subject to contracts with Providence Gold and Minerals Pty Ltd, Oro Plata Pty Ltd and Medallion Resources Ltd.</p> <p>The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under these (and other) agreements.</p> <p>If the Company is unable to satisfy its undertakings under</p>

Risk Category	Risk
	<p>these agreements the Company's interest in their subject matter may be jeopardised.</p> <p>If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.</p>
MMP Technology	<p>The MMP Technology has been tested to bench scale and is now in pre-pilot stage and has not been proven at a commercial scale.</p> <p>The Company plans to undertake initial test work on the MMP Technology. The initial testing activities will be of a confirmatory nature to establish the efficacy of the MMP Technology on resources originated from south-eastern Australian HMS, which will enable MMP Technology's operating parameters and conditions to be fine-tuned to the specific requirements of both the Company's Projects' monazite and potential feedstock from third parties seeking to utilise the technology. There is a possibility that the MMP Technology may not be suitable for monazite sourced from the Company's Projects and resources originated from south-eastern Australian HMS.</p> <p>Additionally, further laboratory and engineering studies are required to advance to higher readiness levels, which are likely necessary to support the financing or successful commercial development of a MMP Technology plant. There is no certainty the results of such work will validate the results achieved to date. Any proposed development will be subject to risks usual with this type of development including but not limited to scale up risk, cost increases and commissioning risks.</p>
LAD Technology	<p>Pursuant to the Medallion Licensing Agreement, Medallion and ACDC have agreed to collaborate on advancing REE separation using the LAD Technology or other suitable technology to process mixed REE concentrate, on terms that would be set forth in a separate agreement.</p> <p>There is no guarantee that ACDC and Medallion will enter into a formal and binding agreement to fully document the terms of the collaboration between the parties and the collaboration between ACDC and Medallion to advance the LAD Technology may never eventuate.</p> <p>Further, the LAD Technology is at an early stage of development and there is no guarantee that it will be proven at a commercial scale, and any proposed development will be subject to scale up risk, cost increases and commissioning risk.</p>
Exploration and operations	<p>The Tenements comprising the Projects are at various stages of exploration, and prospective investors should understand that mineral exploration and development are high-risk undertakings.</p>

Risk Category	Risk
	<p>There can be no assurance that future exploration of these exploration licences, or any other mineral licences that may be acquired or granted in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that 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>The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences forming the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences forming the Projects.</p>
Access and third-party interests	<p>A number of the Tenements respectively overlap certain third party interests that may limit the Company's ability to conduct, exploration and mining activities including Crownland, flora and fauna reserves, pastoral leases, private/freehold land and encroachment by other tenements and tenement applications.</p> <p>There is a substantial level of regulation and restriction on the ability of exploration and mining companies have access to land in Australia. Negotiations with both Native Title and landowners/occupiers are generally required before the Company can access land for exploration or mining activities. Inability to access, or delays experienced in accessing, the land may impact on the Company's activities.</p>
Tenement Renewals	<p>Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations,</p>

Risk Category	Risk
	<p>financial position and/or performance of the Company.</p> <p>The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Victoria and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted Tenement for reasons beyond the control of the Company could be significant.</p>
Radioactivity Risk	<p>Mineral sands naturally contain low levels of radioactive materials, being uranium and thorium, which are mostly contained with the minerals zircon and monazite. As the valuable heavy minerals are concentrated and the sand is removed, small amounts of uranium and thorium are also concentrated in the heavy mineral concentrate (HMC). As such, HMS found on the Projects are anticipated to be associated with levels of natural occurring radiation material (NORM) above background levels, and production of saleable HMS concentrates and REE-bearing products will require handling, transport and disposal or sale of radioactive elements. In Victoria, for example, the framework for regulation is under the Radiation Act 2005 and it sets out limits for the amount of radiation to which a worker can be exposed and companies are required to monitor and report radiation levels throughout the life of the project. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits to handle, transport, dispose of or sell radioactive materials, should a viable economic resource be identified.</p>
Related Party Risk	<p>The Company has a number of key contractual relationships with related parties. If these relationships breakdown and the related party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement.</p> <p>Further, the operations of the Company will require involvement of related parties and other third parties including suppliers, manufacturers and customers. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:</p> <ul style="list-style-type: none"> (a) financial failure or default by a participant in any agreement to which the Company may become a party; and/or (b) insolvency, default on performance or delivery by any operators, contractors or service providers. <p>There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor and</p>

Risk Category	Risk
	the impact the Company's position, performance and reputation.

5.3 Industry specific

Risk Category	Risk
Native title and Aboriginal Heritage	<p>In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.</p> <p>There are currently registered native title claims over EL7544 and ELA7642.</p> <p>Further to this, an Indigenous Land Use Agreement (ILUA) is registered against EL7544, ELA7642 and EL5278. The terms and conditions of any such ILUA may be unfavourable for, or restrictive against, the Company.</p> <p>In addition, EL5278, EL7544, EL7545, ELA7642, and ELA7932 contain Aboriginal heritage sites of significance which have been registered with the Department of Indigenous Affairs. Approvals are required if these sites will be impacted by exploration or mining activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.</p> <p>The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.</p>
Exploration costs	<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 uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.</p>
Resource and reserves and exploration targets	<p>The Company does not presently have any JORC Code compliant resources on the Tenements in which it is earning an interest. The Company has identified a number of historic, non-JORC compliant, exploration targets based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data, however, exists to provide certainty over the extent of the mineralisation. Whilst the</p>

Risk Category	Risk
	<p>Company intends to undertake additional exploration works with the aim of defining a resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the exploration targets identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.</p>
<p>Grant of future authorisations to explore and mine</p>	<p>If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licences and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.</p>
<p>Mine development</p>	<p>Possible future development of mining operations at the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production on one of the Projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Projects.</p> <p>The risks associated with the development of a mine will be considered in full should the Projects reach that stage and will be managed with ongoing consideration of stakeholder interests.</p>
<p>Climate</p>	<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> <p>(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</p>

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

Risk Category	Risk
	<p>extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and Aboriginal heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.</p> <p>While the Company believes that it will operate in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned activities.</p> <p>Obtaining necessary permits can be a time-consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.</p>
Research and Development	The Company can make no representation that any of its research into or development of the MMP Technology and the LAD Technology will be successful, that the development milestones will be achieved or that the MMP Technology and the LAD Technology will be developed into products that are commercially viable.

5.4 General risks

Risk Category	Risk
Future funding requirements and the ability to access debt and equity markets	The Company's capital requirements depend on numerous factors. In the event exploration costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, the initial MMP Technology test work is successful, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur, additional financing will be required.

Risk Category	Risk
	<p>In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects or its results from the initial MMP Technology test work justify further test work, additional funding may be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Prospectus.</p> <p>The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means.</p> <p>Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest as well as delay in advancement and development of the MMP Technology. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.</p>
<p>Reliance on key personnel</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>The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.</p>
<p>Economic conditions and other global or national issues</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>

Risk Category	Risk
	<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 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.</p>
Competition	<p>The industry in which the Company will be involved is subject to domestic and global competition. 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.</p>
Market conditions	<p>Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) global health epidemics or pandemics; (e) currency fluctuations; (f) changes in investor sentiment toward particular market sectors; (g) the demand for, and supply of, capital; (h) political tensions; and (i) terrorism or other hostilities. <p>The market price of Shares 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> <p>Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of</p>

Risk Category	Risk
	<p>exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the shares regardless of the Company's performance.</p> <p>In addition, after the end of the relevant escrow periods affecting Shares in the Company, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse effect on the Company's Share price.</p>
<p>Commodity price volatility and exchange rate</p>	<p>If the Company achieves success with the MMP Technology test work and/or exploration and development leading to production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p> <p>Furthermore, international prices of various commodities are typically denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account 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>
<p>Government policy changes</p>	<p>Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Victoria may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.</p>
<p>Insurance</p>	<p>The Company intends to insure its operations in accordance with industry practice. However, 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.</p> <p>Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.</p>
<p>Force Majeure</p>	<p>The Company's existing Projects or projects acquired in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil</p>

Risk Category	Risk
	disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>
Litigation	<p>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, reputation, financial performance and financial position. The Company is not currently engaged in any litigation.</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 the Securities.

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

There is no guarantee that the Securities 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 Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

As at the date of this Prospectus, the Company 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
15 March 2023	ADC Completes Drilling at Goschen Central
9 March 2023	Half Yearly Report and Accounts
21 February 2023	Change of Director's Interest Notice - IGF

Date	Description of Announcement
21 February 2023	Change of Director's Interest Notice - RAB
17 February 2023	Change of Director's Interest Notice - RAB
13 February 2023	ADC to Commence Drill Program & Metallurgical Testwork
6 February 2023	Change of Director's Interest Notice - MSS
20 January 2023	Change of Director's Interest Notice - ANS
19 January 2023	Change of Director's Interest Notice - MSS
13 January 2023	Becoming a Substantial Holder - Medallion
13 January 2023	Becoming a Substantial Holder - Hudson
13 January 2023	Becoming a Substantial Holder - Burrowes
13 January 2023	Becoming a Substantial Holder - ADC
13 January 2023	Initial Director's Interest Notice - MSS
13 January 2023	Initial Director's Interest Notice - IGF
13 January 2023	Initial Director's Interest Notice - RAB
13 January 2023	Initial Director's Interest Notice - ANS
13 January 2023	Pre-Quotation Disclosure
13 January 2023	Top 20 Holders
13 January 2023	Holdings Range Report
13 January 2023	Trading Policy
13 January 2023	Corporate Governance Statement
13 January 2023	Employee Securities Incentive Plan
13 January 2023	Fish Hawk Resources Annual Report 30 June 2022
13 January 2023	Fish Hawk Resources Annual Report 30 June 2021
13 January 2023	ACDC Metals Financial Report 30 June 2022
13 January 2023	Constitution
13 January 2023	Prospectus
13 January 2023	Information Form and Checklist Annexure 1 (Mining Entities)
13 January 2023	Information Form and Checklist
13 January 2023	Appendix 1A - Application for Admission
13 January 2023	ASX Notice - Admission and Quotation

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

The announcements are also available through the Company's website www.acdcmetals.com.au.

6.3 Market price of Shares

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

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

	(\$)	Date
Highest	\$0.20	18 January 2023
Lowest	\$0.13	10 March 2023
Last	\$0.14	14 March 2023

6.4 Material Contracts

6.4.1 Lead Manager Mandate

On 31 January 2023 (**Effective Date**), the Company signed a mandate letter to engage PAC Partners to act as lead manager of the Loyalty Options Offer (**Lead Manager Mandate**), the material terms and conditions of which are summarised below:

Services	
	Pursuant to the Lead Manager Mandate, the Lead Manager will provide the following services to the Company:
	(a) lead managing the Loyalty Options Offer, including co-ordinating the Loyalty Options Offer timetable;
	(b) in conjunction with the Company's legal and other professional advisers, providing advice and recommendations on the structure of the Loyalty Options Offer including terms and pricing, market perception and impact;
	(c) familiarising themselves to the extent they deem appropriate and feasible with the business, operations, assets, liabilities, financial condition and prospects of the Company;
	(d) providing advice on and coordinating the marketing of the Company and the Loyalty Options Offer to potential investors and/or participants in the Loyalty Options Offer including without limitation, institutional roadshows, presentations to equity analysts and publicity to the market generally;
	(e) in conjunction with the Company's legal and other professional advisers, assisting with the drafting of the Prospectus, or other offer documents and any other documents required in connection with the Offers, recognising that these documents are ultimately the sole responsibility of the Company;

	<p>(f) participating in the due diligence process;</p> <p>(g) in conjunction with the Company's legal and other professional advisers, liaising with regulatory bodies such as the ASX and ASIC when required;</p> <p>(h) conducting the demand bookbuild;</p> <p>(i) providing such other assistance to the Company in relation to the Offers as agreed in writing from time to time; and</p> <p>(j) allocating the New Options in consultation with the Company,</p> <p>(together, the Services).</p>
<p>Fees and Expenses</p>	<p>(a) The Company agrees to issue the Lead Manager (or its nominee) 2,000,000 Options, exercisable at \$0.30 each on or before the date that is two years from the date of issue in respect of the Services; and</p> <p>(b) The Company agrees to reimburse the Lead Manager within 7 days of receipt of satisfactory evidence of such expenditure, for reasonable out-of-pocket and travel expenses (including any applicable GST) incurred by the Lead Manager in connection with the Loyalty Options Offer and services provided under the Lead Manager Mandate. The Lead Manager agrees to seek the written approval of the Company prior to incurring expenses (including legal fees) above \$1,000.</p>
<p>Term</p>	<p>The term of the Lead Manager Mandate will remain in place until the earlier of:</p> <p>(a) the completion of the Offers; or</p> <p>(b) twelve (12) months after the Effective Date, unless terminated earlier by mutual written agreement.</p> <p>Unless termination of the Lead Manager Mandate by the Company was due to fraud, wilful misconduct, gross negligence or material breach of its obligations the Lead Manager Mandate, where the Company terminates the Lead Manager Mandate, and subsequently completes the Offers or a similar equity capital within twelve (12) months from the date of termination, the Company must pay the Lead Manager within 7 days of the settlement date for that capital raising an amount equal to the fees stated in the Lead Manager Mandate, with the proceeds of that capital raising treated as proceeds for the purposes of the calculation.</p>
<p>Termination Events</p>	<p>A party may terminate the Lead Manager Mandate with or without cause by giving written notice to the other parties, at any time prior to a trading halt, the signing of an Offer Management Agreement or Underwriting Agreement in connection with the Offers.</p>

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations, warranties, indemnities and confidentiality provisions).

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 \$500,000 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.

Given that the Company was incorporated on 28 September 2021, the Directors did not receive any remuneration for the financial year ended 30 June 2022.

Director	FY ending 30 June 2022 ¹	FY ending 30 June 2023
Andrew Shearer	Nil	35,210
Mark Saxon ²	Nil	41,440
Ivan Fairhall	Nil	24,650
Richard Boyce	Nil	24,650

Notes:

- Given that the Company was incorporated on 28 September 2021, the Directors did not receive any remuneration for the financial year ended 30 June 2022.
- Mark Saxon's services are provided under a consultancy agreement with Sierra Peru Pty Ltd (an entity controlled by Mark Saxon).

6.6 Interests of experts and advisers

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

- 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;
- promoter of the Company; or
- 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:

- the formation or promotion of the Company;
- any property acquired or proposed to be acquired by the Company in connection with:
 - its formation or promotion; or
 - the Offers; or
- 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:

- the formation or promotion of the Company; or
- the Offers.

PAC Partners has acted as the lead manager of the Loyalty Options Offer. During the 24 months preceding lodgement of this Prospectus with the ASIC,

PAC Partners has received \$456,242.00 (excluding GST) in fees from the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$399,872.62 (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.

PAC Partners has given its written consent to being named as Lead Manager to the Company in this Prospectus.

Automic Pty Ltd has given its written consent to being named as the share registry to the Company 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 \$24,170 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	2,964
Legal fees	10,000

	\$
Miscellaneous ¹	8,000
Total	24,170

Notes:

1. Includes fees paid to the Share Registry.

6.9 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.



Andrew Shearer
Non-Executive Chair
ACDC Metals Ltd

7. GLOSSARY

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

ACDC Technology means ACDC Metals Technology Pty Ltd (ACN 654 064 534), a wholly owned subsidiary of the Company.

AEDT means Australian Eastern Daylight Time as observed in Melbourne, Victoria.

Application Form means an Entitlement and Acceptance Form or Shortfall Application 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 CHES.

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 ACDC Metals Ltd (ACN 654 049 699).

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®.

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

Douglas Project means the Douglas heavy mineral sands project comprised of exploration licences EL7544 and EL7545 located in Victoria.

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

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

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

Exercise Price means the exercise price of the New Options, being \$0.30.

Goschen Central Project means the Goschen Central heavy mineral sands project comprised of exploration licence EL5278 located in Victoria.

HMS means heavy mineral sands.

LAD Technology means the Ligand Assisted Displacement Chromatography technology.

Lead Manager or PAC Partners means PAC Partners Securities Pty Ltd (ACN 623 653 912) (AFSL No. 335374).

Lead Manager Mandate means the agreement between the Company and the Lead Manager summarised in Section 6.4.1.

Lead Manager Options means the Options to be issued to the Lead Manager in consideration for services provided to the Company on the terms set out in Section 4.3.

Loyalty Options Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Medallion means Medallion Resources Ltd (TSX:MDL) (a corporation incorporated under the laws of Canada).

Medallion Licensing Agreement means the agreement entered into between the Company, ACDC Technology and Medallion in respect of, amongst other things, the grant of a licence to ACDC Technology to use the MMP Technology.

MMP Technology means the Medallion proprietary monazite processing technology, Medallion Monazite Process to extract REE from monazite.

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

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Projects means the Goschen Central Project, the Douglas Project and or the Watchem Project, as the context requires.

Prospectus means this prospectus.

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

REE means rare earth elements.

Section means a section of this Prospectus.

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

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

Shareholder means a holder of a Share.

Shortfall means the Securities not applied for under the Loyalty Options 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 2.6.

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

Tenements means EL5278, EL7544, EL7545, EL7642 and EL7932 in which the Company has an interest in located in Victoria, Australia.