

ADVANCE METALS LIMITED

ABN 83 127 131 604

Offer Document Non-Renounceable Rights Issue

For a non-renounceable pro-rata rights issue to Eligible Shareholders of one (1) New Share for every two (2) fully paid ordinary Existing Shares held in the Company at 7.00pm (Sydney time) on 23 May 2024 issued at an offer price of \$0.026 (2.6 cents) per New Share, to raise up to \$0.593M (**Offer**) plus one new attaching option for each new share exercisable at \$0.05 with an expiry date of 31 May 2029.

Eligible Shareholders may apply for Shortfall Shares in addition to their Entitlement.

The Offer opens on 27 May 2024 and closes at 5.00pm (Sydney time) on 6 June 2024 (unless extended).

This Offer is fully underwritten by PAC Partners Securities Pty Ltd (ACN 623 653 912,AFSL 335 374) (Underwriter or PAC Partners). Refer to Section 11 on page 11 for details regarding the terms of the underwriting.

Important Notice

This document contains important information about the Non-Renounceable Rights Issue. You should read the entire Prospectus.

Please read the instructions in this Prospectus and the accompanying Entitlement and Acceptance Form regarding your Rights. If you have any questions about the Offer or this Prospectus, you should speak to your professional adviser. The new securities offered by this Prospectus should be considered speculative.

1 Important information

The Prospectus is dated 17 May 2024 and was lodged with 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 the 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 prospectus 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 be reasonably be expected to be known to investors and professional advisers whom prospective investors may consult,

Not investment or financial product advice

The information in this Prospectus does not constitute investment or financial product advice and does not take into account your investment objectives, financial situation or particular needs. If you have any questions about the Offer you should contact your stockbroker, accountant or other professional adviser.

The potential tax effects of the Offer will vary between investors. You should consult with your tax adviser about any possible tax consequences.

Information about the Company

Announcements released by the Company are available from the ASX website (www.asx.com.au) and the Company's website (www.advancemetals.com.au). Although these announcements are not incorporated into this Prospectus, you should have regard to them before making a decision whether or not to participate in the Offer, or to otherwise invest in the Company.

The Company may release further announcements after the date of this Prospectus and throughout the Offer Period, which may be relevant to your consideration of the Offer. You should check whether any announcements have been released by the Company after the date of this Prospectus before taking any action or deciding to do nothing in relation to the Offer. These announcements will be available from the ASX website (www.asx.com.au) and the Company's website (www.advancemetals.com.au).

Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Prospectus. Any information or representation that is not in this Prospectus may not be relied on as having been authorised by the Company or its related body corporates in connection with the Offer. Except as required by law, and only to the extent required, none of the Company, or any other person warrants or

guarantees the future performance of the Company or any return on investment made pursuant to this Prospectus.

Forward looking statements

This Prospectus may contain forward looking statements. Statements that describe the Company's objectives, plans, goals or expectations are or may be forward looking statements.

Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that may cause the actual results, performance or achievements of the Company to be materially different from the results, performance or achievements expressed or implied by such statements.

Any forward-looking statements in this Prospectus are made and reflect views held, only at the date of this Prospectus. The Company makes no representation and gives no assurance or guarantee that the occurrence of the events or the achievement of results expressed or implied in such statements will actually occur. You are cautioned not to place undue reliance on any forward-looking statements. Except to the extent required by law (including the ASX listing rules), the Company does not give any undertaking to update or revise any forward looking statements after the date of the Prospectus to reflect any changes in expectations in relation to forward looking statements or any change in events, conditions or circumstances on which any such statement is based.

Past performance

Investors should note that past performance, including past share price performance, cannot be relied on as an indicator of, and provides no guidance as to, future Company performance, including future share price performance.

Overseas jurisdictions

This Prospectus has been prepared for Shareholders resident in Australia and New Zealand.

This Prospectus is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue. By applying for New Shares, including the submitting the Entitlement and Acceptance Form or making a payment using BPAY® you represent and warrant that there has been no breach of such laws.

The distribution of this Prospectus outside Australia and New Zealand may be restricted by laws and persons who come into possession of it should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liability to such persons.

The New Shares offered to Eligible Shareholders in New Zealand under this Prospectus are offered in reliance on the Financial Markets Conduct (Same Class Offers ASX/NZX-Quoted Financial Products) Exemption Notice 2018. This Prospectus is not an investment statement or Offer Document under New Zealand law and may not contain all the information that an investment statement or Offer Document under New Zealand law is required to contain.

Currency

All references in this Offer Document to "\$", "AUD" or "dollar" are references to Australian currency unless otherwise indicated.

Reference to time

All references in this document to time relate to time in Sydney, New South Wales.

Defined terms

Terms and abbreviations used in this Prospectus are defined in Section 19.

Corporate Directory

Directors

Geoffrey Hill (Non-Executive Chairman)
Melissa Sanderson (Non-Executive Director)
Denis Geldard (Non-Executive Director)

Company Secretary

Wayne Kernaghan

Registered Office

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89 York Street
Sydney NSW 2000

Telephone: (02) 8964 4373
Email: info@advancemetals.com.au
Website: www.advancemetals.com.au

Auditor*

Hall Chadwick
Level 40
2 Park Street
Sydney NSW 2000

Share Registry*

Boardroom Limited
Level 8, 210 George Street
Sydney NSW 2000
Telephone: (02) 9290 9600
www.boardroomlimited.com.au

Lead Manager and Underwriter

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

- This entity has been included for information purposes only. It has not been involved in the preparation of this prospectus and has not consented to being named in this prospectus.

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3 Key Information

Overview of Offer	
Ratio	One (1) New Share for every two (2) fully paid ordinary Existing Shares held at the Record Date plus one new attaching option for each new share exercisable at \$0.05 with an expiry date of 31 May 2029.
Offer Price	\$0.026 (2.6 cents) per New Share
Maximum number of New Shares to be issued	22,798,848
Maximum number of New Options to be issued	22,798,848
Maximum funds to be raised	\$592,770
Minimum subscription	There is no minimum subscription to the Offer.
Use of funds	Support expansion, evaluation and development of the Anderson Creek Gold Project in Idaho, pursue new gold and copper opportunities in North America, to ensure the status of Elko remains in good standing and with the remainder being allocated to working capital and to support ongoing activity in the Company's other investments.
Who can participate in the Offer	Shareholders on the Record Date with a registered address in Australia or New Zealand.

Timetable for the Offer	
17 May 2024	Announcement to ASX of the Offer.
22 May 2024	Shares commence trading on the ASX on an ex-rights basis.
23 May 2024 7.00pm (Sydney time)	Record Date – the date for identifying Shareholders entitled to participate in the Offer.
27 May 2024	Offer Document with Entitlement and Acceptance Forms sent to Eligible Shareholders.
27 May 2024	Opening Date – the first day for receipt of acceptances under the Offer and the Shortfall Offer.
6 June 2024 5.00pm (Sydney time)	Closing Date – the last day for receipt of acceptances under the Offer and the Shortfall Offer, unless extended.
7 June 2024	New Shares quoted on ASX on a deferred settlement basis
12 June 2024	Announcement to ASX of the results of the Offer.

12 June 2024	Issue Date - New Shares issued under the Offer and the Shortfall Offer and deferred settlement trading ends. In the event that the Offer is extended, the Company reserves the right to allot applications for New Shares on or about the time of the extension, and weekly thereafter as any further applications are received.
13 June 2024	New Shares expected to commence normal (T+2) trading on ASX.

The above events, dates and times are indicative only and may be subject to change. The Company reserves the right to amend any of these events, dates and times without notice, subject to the Corporations Act, the ASX listing rules and other applicable laws. In particular, the Company reserves the right to extend the Closing Date and to accept late applications. The commencement of trading of New Shares on ASX is subject to confirmation by ASX.

4 Our strategy moving forward

The Company continues to pursue business and project opportunities that add value to shareholders and hence we have actively built a US portfolio of base and precious metals opportunities. As global demand for critical metals increases, the Company strategy targets specific metals and metals properties for maximum return to shareholders.

Copper, with Other Complimentary Metals

Copper is the strategic centerpiece of electrification. Global copper demand in the next five years will exceed global copper demand of the previous 100 years. The company has established a portfolio of high-grade Copper assets that have secondary metals such as Gold, Silver and Zinc that will be targeted as well. With the Company's present copper properties in development, the Company will focus on new projects with developed exploration data from prior owners. This critical data, when coupled with the Company's newly developed data, will de-risk the projects and shorten timelines for development.

Mining Friendly Jurisdictions with logistics in place

Experienced mining-knowledgeable states and districts are eager to work with responsible, safe mining firms in developing new projects. Strong mining states like Arizona and Idaho have in place essential logistics, power, labor and suppliers to serve the needs of the Company's projects.

Company Project Development

The company is currently developing the Augustus Project in Arizona and the Garnet Skarn Project in Idaho. The Company has also formed Joint Venture Bandera Mining to identify, acquire and develop projects consistent with our strategy. The capital raise focuses on advancing our Augustus Project and Garnet Skarn Project while sustaining and maintaining our other business areas. **Details about our projects are included below:**

Augustus Project, Arizona

The Augustus Project is a Copper-Gold exploration project located in Western Central Arizona USA. The Project is in Yavapai County AZ, approximately 104 km (65 mi) northwest of Phoenix, AZ and 11 km (6.84 mi) north of the small community of Aguila, AZ. The property consists of 2,631 acres, approximately 2,100 of which are unpatented lode claims and approximately 500 of the 2,631 acres being patented land. Patented land has advantages in speed of development and path to production.

AVM completed preliminary exploration at the project including mapping, geochemical sampling, geophysical drone surveys, as well as the recently completed JORC Exploration Target. The Company is currently developing programs for resource estimate and for confirmatory drilling projects, as well as metallurgical sampling for studies. Recent assays from sampling show copper ranging up to 11% copper and 21.7g/t Gold.

Garnet Skarn Project, Idaho

The Garnet Skarn Project property is located on the southeast margin of the Seven Devils Mountains in Adams County, west-central Idaho, USA. The Property is within the Seven Devils Mining District and is approximately 68 km (42 mi) northwest of the town of Council, within the Payette National Forest. The property totals 2,527 acres, containing 147 lode claims. The Company completed exploration at the project including mapping, geochemical sampling, geophysical drone surveys and completed a JORC Exploration Target. A drilling permit for 12 drill sites has been submitted to the Federal Government to complete mapping, geochemical sampling, drilling and road construction. These permits are in the final stages of the permitting process.

Project Summary

The Company will continue to commit the majority of funds raised through this Offer towards developing the Augustus Project and Garnet Skarn Project in the USA as well as actively seek out and review new projects in the base, battery metals and critical minerals sectors both directly and through its joint venture Bandera Mining which can add value for each of every one of its shareholders.

5 Details of the Offer

5.1 The Entitlement Offer

The Company is seeking to raise up to \$592,770 (before costs) through a non-renounceable pro rata offer of New Shares to Eligible Shareholders (**Offer**).

Under the Offer, Eligible Shareholders are invited to apply for one (1) New Share for every two (2) Existing Shares held at the Offer Price of \$0.026 (2.6 cents) per New Share plus a one new attaching option exercisable at \$0.05 (5 cents) with an expiry date of 31 May 2029 from the Record Date, being 7:00pm (Sydney time) on 23 May 2024. Eligible Shareholders may apply for additional Shares. However, the allocation of any additional Shares will be at the sole discretion of the underwriter with input from the Company.

If an Eligible Shareholder becomes entitled to a fraction of a Share, the entitlement will be rounded up to the nearest whole number

New Shares issued under the Offer will be fully paid and will rank equally with Existing Shares on issue.

The Offer opens on 27 May 2024 and will close at 5.00pm (Sydney time) on 6 June 2024, unless extended, with New Shares to be issued on 12 June 2024 under the Offer expected to commence normal trading on 13 June 2024.

The Company currently has 45,597,697 Ordinary Shares and 5,554,268 unlisted Options on issue. Based on the current capital structure, up to 22.8 million approximately New Shares may be issued under the Offer to raise up to \$592,770 (before costs) and 22.8 million approximately New options exercisable at \$0.05 with an expiry date of 5 years from date of issue. If any of the existing unlisted Options are exercised before the Record Date then the number of New Shares that may be issued under the Offer will increase. However, as the exercise price of the existing unlisted Options are at or above the current market price of the Shares, the Company does not expect to issue further Shares pursuant to exercise of unlisted Options before the Record Date.

The Company will use the funds raised under the Offer to progress the Augustus Project and Garnet Skarn Project in the USA. The Company will also use funds to maintain the Elko Coking Coal Project in good standing and review complementary opportunities in the metals space. Further information about the purpose of the Offer and the use of funds is set out in Section 12 of this Prospectus.

5.2 Top-Up Offer

In addition to the Entitlement Offer, Eligible Shareholders may apply to receive any New Shares not taken up in accordance with the Entitlement Offer (**Top-Up Shares**) by participating in the Top-Up Offer.

The issue price of Top-Up Shares offered in accordance with the Top-Up Offer is the same as the Entitlement Offer, being \$0.026 per Share and successful Applicants will also receive one (1) Attaching Option for everyone (1) New Shares issued (for nil additional consideration).

Eligible Shareholders who wish to apply for Top-Up Shares can do so in accordance with the instructions contained in section 15 of this Offer Booklet.

Shares will only be offered in accordance with the Top-Up Offer if the Entitlement Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions received in accordance with the Entitlement Offer.

However, the allocation of any and all Top-Up Shares will be at the sole discretion of the underwriter with input from the Company.

It is possible that, depending on the extent to which Eligible Shareholders participate in the Entitlement Offer or Top-Up Offer, one or more Eligible Shareholders could increase their Shareholding significantly by participating in the Entitlement Offer or Top-Up Offer.

The control effect of the Entitlement Offer and Top-Up Offer is set out in section 5.5 of this Prospectus.

5.3 Purpose of the Capital Raising

The purpose of the Capital Raising is to raise up to approximately \$0.593 million (before expenses).

The Company will continue to commit the majority of funds raised through this Offer towards developing the Augustus Project and Garnet Skarn Project in the USA as well as actively seek out and review new projects in the base, battery metals and critical minerals sectors both directly and through its joint venture Bandera Mining which can add value for each of every one of its shareholders.

5.4 Principal effect of the Entitlement Offer

The principal effect of the Entitlement Offer, assuming that the Entitlement Offer is fully subscribed and that no Options are exercised prior to the Record Date, will be to:

- (a) increase the Company's cash position by up to approximately \$0.593 million (before expenses) immediately after Completion of the Entitlement Offer; and
- (b) increase the number of Shares on issue from 45,597,697 at the date of this Prospectus up to 68,396,545 Shares (with no Attaching Options exercised).

Effect on capital structure

New Shares

	Maximum subscription (\$592,770)
Offer Price per New Share	\$0.026
Entitlement Ratio (based on existing Shares)	1:2
Share currently on issue	45,597,697
New Shares to be issued under the Offer (subject to rounding)	22,798,848
Gross proceeds of the issue of New Shares	\$592,770
Share on issue post-Offer	68,396,545

New Options

	Maximum subscription (0)
Offer Price per New Share	nil
Option Entitlement Ratio (based on New Shares subscribed for)	1:1
Options currently on issue	0
New Options to be issued under the Offer (subject to rounding)	22,798,848
Gross proceeds of the issue of New Shares	\$0
Options on issue post-Offer	22,798,848

5.5 Dilution of Eligible Shareholders that do not accept their entitlement.

As the Entitlement Offer is an offer of one (1) New Share for every two (2) Shares held by Eligible Shareholders, the maximum dilution that will be experienced by any Eligible Shareholder that fails to subscribe for any Entitlement is approximately 50 % of its existing Shareholding.

Eligible Shareholders should note that if they do not accept their Entitlements in full, their Shareholdings are likely to be diluted as follows:

Example Shareholder	Total Share Holding as at the Record Date	% as at the date of this Prospectus	Entitlement	Holding if Entitlement not taken up	% following allotment of New Shares
Shareholder 1	100,000	0.22%	50,000	100,000	0.14%
Shareholder 2	250,000	0.55%	125,000	250,000	0.36%
Shareholder 3	500,000	1.10%	250,000	500,000	0.73%
Shareholder 4	1,000,000	2.20%	500,000	1,000,000	1.46%

6 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	Share Entitlement	New Option Entitlement	\$
Geoffrey Hill	2,809,112	200,000	1,404,556	1,404,556	\$36,518
Melissa Sanderson	-	75,000	-	-	-
Denis Geldard	-	500,000	-	-	-

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.

7 Details of Substantial Holders

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	%
Dovido Pty Ltd	4,465,295	9.8%
HFT Nominees Pty Ltd	2,809,112	6.2%

As at the date of this Prospectus, the Company has not received any commitment from any of the above Shareholders as to whether they intend to subscribe for their respective Entitlements under the Entitlement Offer.

If the Entitlement Offer is fully subscribed and each of the above Shareholders subscribe for their full Entitlement, there will be no change to their relevant interests in the Company's Shares.

If the Entitlement Offer is not fully subscribed, the above parties' may increase their relevant interest in the Company's Shares. The extent to which each of the above may increase their respective relevant interest in the Company's Shares is dependent upon the level that other Shareholders subscribe for their full Entitlements.

8 Overseas shareholders

The offer of New Shares and Attaching Options pursuant to this Prospectus does not, and is not intended to, constitute an offer or invitation in any place or jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or to issue this Prospectus.

It is not reasonable for the Company to comply with the securities laws of all overseas jurisdictions in which Shareholders are resident having regard to the number of overseas Shareholders and the number and value of Shares these Shareholders would be offered and the cost of complying with the regulatory requirements in each relevant jurisdiction.

The Entitlement Offer is not being extended to Shareholders that are recorded in the Company's share register as having an address that is outside Australia or New Zealand.

This Prospectus is prepared under Australian law and is not a product disclosure statement prepared under New Zealand law. New Zealand law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important for investors to make an informed decision.

No New Zealand product disclosure statement is being prepared and the offer of New Shares and Attaching Options is being extended to Eligible Shareholders that were recorded in the Company's share register as having an address in New Zealand in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (New Zealand).

As a result, Eligible Shareholders that were recorded in the Company's share register as having an address in New Zealand may not be given all the information usually required under New Zealand law and will also have fewer other legal protections for this investment.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser. The Entitlement Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

Any amounts paid on the financial products will be in Australian dollars and not New Zealand dollars. You may incur significant fees in having any such Australian dollar funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. The financial products are not currently traded on any financial product market in New Zealand. The way in which any financial product trading market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from the financial product trading markets that operate in New Zealand.

Eligible Shareholders that are resident in Australia or New Zealand that hold Shares on behalf of persons who are resident in jurisdictions other than Australia and New Zealand are responsible for ensuring that taking up any Entitlement pursuant to the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. The return of a duly completed Application will be taken by the Company to constitute a representation that there has been no breach of those regulations.

9 No Minimum Subscription

There is no minimum subscription for the Offer.

10 Underwriting Engagement

The Offer is fully underwritten by PAC Partners(Underwriter). Refer to section 11 for details of the terms of the underwriting agreement. The key terms of the underwriting are as follows:

- The full \$592,770 to be raised at \$0.026 will be fully underwritten by PAC Partners Securities Pty Ltd (ACN 623 653 912).
- The cost of the rights issue is 6% of \$592,770 or \$35,566.
- The Underwriter will also receive (or its nominee/s) one (1) New Option for every ten (10) New Shares issued pursuant to the Offer
- Up to 22,798,848 New Shares and 22,798,848 new Options will be issued as part of the rights issue
- The Underwriter will ensure that no person will acquire, through participation in sub-underwriting the 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 Offer.
- All eligible shareholders will be able to participate in the rights issues
- the Underwriter must subscribe (or cause its nominee(s) to subscribe) for the Shortfall Shares on or before 5:00 pm on the day which is 2 Business Days after the Shortfall Notice Deadline Date accompanied by the payment of the Price for those Shortfall Shares
- the Company must take all necessary and appropriate steps by 5:00 pm on the Settlement Date to issue the Shortfall Securities in accordance with the Shortfall Applications as directed by the Underwriter.

11 Underwriting Agreement

(a) Fees

The Company has agreed to pay the Underwriter 6% of the total amount raised under the Offer (before Costs) plus (1) option for every ten (10) Shares issued under the Offer, at an exercise price of \$0.05 and a 5 year expiry date.

(b) Termination Events

The Underwriter may terminate the Underwriting by notice to the Company at any time before the issue of the Shortfall Securities if:

- Indices fall:** the S&P ASX 200 Index is at any time after the date of this Agreement 10% or more or more below its respective level as at the close of business on the Business Day prior to the date of this Agreement; or
- Share price:** the Shares finish trading on the ASX under the ASX code of "AVM" on any trading day with a closing price that is less than the Price;
- Prospectus:** the Company does not lodge the Prospectus on the Lodgement Date or the Prospectus or the Offer is withdrawn by the Company; or
- Supplementary prospectus:**

the Underwriter, having elected not to exercise its right to terminate its obligations under this Underwriting Agreement as a result of an occurrence as described in (xvii) below, forms the view on reasonable grounds that a Supplementary Prospectus should be lodged with ASIC for any of the reasons referred to in Section 719 of the Corporations Act and the Company fails to lodge a Supplementary Prospectus in such form and content and within such time as the Underwriter may reasonably require; or the Company lodges a Supplementary Prospectus without the prior written agreement of the Underwriter; or

- (v) **Non-compliance with disclosure requirements:** it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company and the rights and liabilities attaching to the Underwritten Securities; or
- (vi) **Misleading Prospectus:** if it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of Sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive or the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
- (vii) **Proceedings:** ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Offer or the Prospectus, or publicly foreshadows that it may do so;
- (viii) **Unable to Issue Securities:** the company is prevented from issuing the Underwritten Securities within the time required by this Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority; or
- (ix) **Future matters:** any statement or estimate in the Prospectus which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;
- (x) **Withdrawal of consent to Prospectus:** any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the prospectus, withdraws that consent; or
- (xi) **No Quotation Approval:** the Company fails to lodge an Appendix 3B in relation to the Underwritten Securities with ASX within 7 days of the Lodgement Date or by the time required by the Corporations Act, the Listing Rules or any other regulation; or
- (xii) **ASIC application:** an application is made by ASIC for an order under Section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn; or
- (xiii) **ASIC hearing:** ASIC gives notice of its intention to hold a hearing under Section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under Section 739 of the Corporations Act; or
- (xiv) **Takeovers Panel:** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, which in the Underwriter's reasonable opinion has a Material Adverse Effect; or
- (xv) **Authorisation:** any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter; or
- (xvi) **Indictable offence:** a director or senior manager of a Relevant Company is charged with an indictable offence or offence; or
- (xvii) **Termination Events:** subject always to clause 11, any of the following events occurs;
 - a. **Hostilities:** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the

United States of America, India, Pakistan, or the Peoples Republic of China or any member of the European Union other than hostilities involving Libya, Afghanistan, Iraq, Iran, Syria, Lebanon or Israel and the Underwriter believes (on reasonable grounds) that the outbreak or escalation is likely to result in the S&P ASX 200 Index falling by the percentage contemplated by (a) above;

- b. **Default:** default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking;
- c. **Incorrect or untrue representation:** materially false and misleading statement or misrepresentation in the information provided by the Company to the Underwriter, a material omission in the information or materials supplied to the Underwriter, and any representation, warranty or undertaking given by the Company in this Agreement is or becomes untrue or incorrect in a material respect;
- d. **Contravention of constitution or Act:** a material contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- e. **Adverse change:** an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a likely Material Adverse Effect after the date of this Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
- f. **Error in Due Diligence Results:** it transpires that any of the Due Diligence Results or any part of the Verification Material was, misleading or deceptive, materially false or that there was a material omission from them;
- g. **Significant change:** a "new circumstance" as referred to in Section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- h. **Public statements:** without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or the Prospectus other than a statement the Company is required to make in order to comply with its disclosure obligations under the Listing Rules and/or the Corporations Act;
- i. **Misleading information:** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- j. **Official Quotation qualified:** the official quotation is qualified or conditional other than as set out in clause 1.3;
- k. **Change in Act or policy:** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy that has not been publicly disclosed or proposed as at the date of this Agreement;
- l. **Prescribed Occurrence:** a Prescribed Occurrence occurs, other than as disclosed in the Prospectus;
- m. **Suspension of debt payments:** the Company suspends payment of its debts generally;
- n. **Event of Insolvency:** an Event of Insolvency occurs in respect of a Relevant Company;

- o. **Judgment against a Relevant Company:** a judgment in an amount exceeding \$100,000.00 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- p. **Litigation:** litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against any Relevant Company except as disclosed in the Prospectus;
- q. **Board and senior management composition:** there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter;
- r. **Change in shareholdings:** there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer or a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- s. **Timetable:** there is a delay in any specified date in the Timetable which is greater than 2 Business Days;
- t. **Force Majeure:** a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- u. **Certain resolutions passed:** a Relevant Company passes or takes any steps to pass a resolution under Section 254N, Section 257A or Section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- v. **Capital Structure:** any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus excluding the issue of any Shares upon exercise of Options, such Options having been disclosed to the ASX as at the date of this Agreement;
- w. **Breach of Material Contracts:** any of the Contracts is terminated or substantially modified; or
- x. **Market Conditions:** a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

a. Material Adverse Effect

The events listed in clause 11 do not entitle the Underwriter to exercise its rights under clause 11 unless, in the reasonable opinion of the Underwriter reached in good faith, it has or is likely to have, or those events together have, or could reasonably be expected to have, a Material Adverse Effect or could give rise to a liability of the Underwriter under the Corporations Act.

b. No prejudice

The exercise by the Underwriter of any of its rights under clause 11 does not prejudice any right the Underwriter may have under clause 11 or any rights the Underwriter may have to seek damages for loss caused to the Underwriter as a result of a breach of this Agreement by the Company.

The Underwriting Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

12 Purpose of the Offer and use of funds

The Company is seeking to raise up to \$592,770 (before costs) under the Offer.

The proceeds of the capital raise will be used for the following purposes:

- (a) Advance the Company's Augustus Project and Garnet Skarn Project with in-field geological sampling exploration drilling and metallurgical testing.
- (b) Build on our North American gold and copper strategy.
- (c) Maintain the tenements at the Elko Coking coal project in good standing, and
- (d) Meet costs associated with general corporate and capital raising activity.

13 Closing Date

The Company will accept applications under the Offer from the date of this Offer Document until 5.00pm (Sydney time) on **6 June 2024** (or such other date determined by the Directors in their discretion subject to the requirements of the Corporations Act, the ASX listing rules and any other applicable law).

14 Your entitlement under the Offer

Your entitlement to participate in the Offer is shown by the number of Rights on the accompanying Entitlement and Acceptance Form and has been calculated based on one (1) New Share for every two (2) Existing Shares you hold at the Record Date. Also one new attaching option will be issued for each new share exercisable at \$0.05 with an expiry date of 31 May 2029.

Under the Offer terms, there will be fractional rights which will be rounded up.

If you have more than one holding of Existing Shares, you will be sent separate personalised Entitlement and Acceptance Forms and will receive a separate entitlement for each holding.

14.1 Eligibility to participate in the Offer

The Offer is made to Eligible Shareholders only.

Eligible Shareholders are those Shareholders who at the Record Date have a registered address listed on the Company's share register in Australia or New Zealand.

The Offer is not extended to Shareholders who do not meet these criteria.

14.2 Excluded Shareholders

Shareholders who do not meet the criteria to participate in the Offer are Excluded Shareholders. Excluded Shareholders are not entitled to participate in the Offer to subscribe for New Shares.

The Company has made this decision taking into account the number of Shareholders located outside of Australia and New Zealand, the number and value New Shares to which those Shareholders would otherwise be entitled and the potential cost of complying with the legal requirements and regulatory requirements in those overseas jurisdictions.

14.3 Nominees, custodians and trustees

Persons acting as nominees, trustees, or custodians for other persons must not take up any Rights on behalf of, or send any documents related to the Offer to, any person in any jurisdiction where it is unlawful to do so, or to any person that is acting for the account or benefit of a person in any jurisdiction where it is unlawful to do so. By applying for New Shares, including submitting an Entitlement and Acceptance Form or making a payment using BPAY® you represent and warrant this is the case.

The Company is not required to determine whether or not a registered holder or investor is acting as a nominee, trustee or custodian or the identity or residence of any beneficial holder of Shares. Where any person is acting as a nominee, trustee or custodian for a foreign person, that person, in dealing

with its beneficiary, will need to assess whether indirect participation in the Offer by the beneficiary complies with applicable laws.

14.4 Shortfall Offer

Any New Shares not subscribed for under the Offer will form the Shortfall and will be offered under the Shortfall Offer.

The Shortfall Offer is a separate offer under this Offer Document. The issue price of the New Shares forming the Shortfall is \$0.026 (2.6 cents) (equal to the issue price under the Offer). Also one new attaching option will be issued for each new share exercisable at \$0.05 with an expiry date of 31 May 2029.

Eligible Shareholders who take up their Rights in full may also apply for additional New Shares forming part of the Shortfall (Shortfall Shares) at an offer price of \$0.026 (2.6 cents) per New Share (being the same as the Offer Price under the Offer). Any additional New Shares applied for by Eligible Shareholders will be subject to the availability of Shortfall and will be allocated at the discretion of the underwriter with input from the Company. The Company and the Underwriter will not allocate Shortfall Shares to the extent that the recipient's voting power would be in breach of the takeover thresholds in the Corporations Act.

Eligible Shareholders can apply for any number of Shortfall Shares provided that the issue of those New Shares will not result in a breach of the ASX listing rules, the Corporations Act or any other applicable law. Shortfall Shares will only be available where there is a shortfall between the number of New Shares applied for under the Offer and the number of New Shares offered to Eligible Shareholders under the Offer.

Eligible Shareholders who wish to apply for Shortfall Shares must do so at the same time as they apply for New Shares under the Offer. For information about how to apply for Shortfall Shares, please refer to Section 15 of this Offer Document.

If applications for additional New Shares forming part of the Shortfall exceed the Shortfall, those applications will be scaled back in proportion to each applicant's Shareholding at the Record Date.

If scaling back occurs the Company will refund the Application Money for the New Shares applied for, but not issued, as soon as possible after the Closing Date without interest by cheque to the address recorded on the register. There is no guarantee the Eligible Shareholders will receive any or all of any additional New Shares applied for.

The Underwriter reserves the right to allocate Shortfall Shares should they not be all taken up in their absolute discretion, subject to the ASX listing rules and any restrictions under applicable law after the close of the Offer. For the avoidance of doubt, the Underwriter will have discretion

The Company and the Underwriter will not allocate Shortfall Shares to the extent that the recipient's voting power would be in breach of the takeover thresholds in the Corporations Act.

14.5 Effect of the Offer

(a) Effect on cash reserves

If all of the Rights under the Offer are accepted, the cash reserves of the Company will increase by \$592,770 (approximately) before costs of the Offer.

(b) Effect on capital structure upon completion of the Offer

If all of the Rights under the Offer are accepted, the total number of Shares on issue will increase by up to 22,798,848 shares (approximately) immediately following completion of the Offer.

Equity Security¹	Number	%
Shares on issue at the date of the Offer Document	45,597,697	61.92
Unlisted Options on issue at the date of the Offer Document²	5,246,966	7.12
Total Equity Securities at the date of the Offer Document	50,844,663	69.04
New Shares	22,798,848	30.96
Total Equity Securities after the Offer	73,643,511	100.00

(c) Effects on control

The potential effect the Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand and existing shareholdings.

If Eligible Shareholders take up their Rights in full, then the Offer will have no effect on the control of the Company. In this case, Eligible Shareholders will retain their percentage shareholding interest in the Company.

The Offer will likely affect the shareholding interests of Shareholders in the Company if all of the Rights are not accepted:

- (i) The shareholding interest of Eligible Shareholders who do not accept all or some of their Rights will be reduced.
- (ii) The shareholding interest of Excluded Shareholders will be reduced because they cannot participate in the Offer.

(d) Purpose of the Offer

The purpose of the Offer is to raise approximately \$592,770 before costs.

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

Use of proceeds of the Offer	Full Subscription (\$)	%
Exploration	400,000	66.67%
Administration	100,998	17.89%
Expenses of the offer	91,772	15.44%
Total	\$592,770	100.00%

15 How to accept your entitlement under the Offer

(b) Your Alternatives

The number of your Rights are shown on the accompanying Entitlement and Acceptance Form. Before taking any action in relation to the Offer, you should read this Offer Document in its entirety and if required seek professional advice from your accountant, stockbroker or other professional adviser.

¹ Assumes that no Options are exercised before the Record Date. Assumes full subscription under the Offer and that 22,798,848 New Shares are issued.

² These are the current number of unlisted Options on issue.

Alternatives	Action
Take up all or part of your Rights	Please follow the instructions in Section 15 of this Offer Document and on the Entitlement and Acceptance Form and to accept all or part of your Rights. make payment for the applicable amount of Application Money (for the number of New Shares you wish to apply for) using BPAY® so that it is received by the Closing Date. If you use BPAY® you do not need to complete and return the Entitlement and Acceptance Form. If you only take up part of your Rights, the balance of your Rights lapse. The New Shares not applied for will form part of the Shortfall.
Take up all of your Rights and apply for additional New Shares forming part of the Shortfall	If you accept all of your Rights you may also elect to apply for additional New Shares forming part of the Shortfall (Top-up Shares). Please follow the instructions in Section 15 of this Offer Document and on the Entitlement and Acceptance Form to accept all of your Rights and to apply for Top-up Shares. make payment of the applicable amount of Application Money (for your Rights plus the number of Top-up Shares you wish to apply for) using BPAY® so that it is received by the Closing Date. If you use BPAY® you do not need to complete and return the Entitlement and Acceptance Form. Further information about the Shortfall and the allocation policy for the issue of Shortfall Shares under the Shortfall is set out in Section 15 of this Prospectus.
Do nothing	You do not need to take any action if you do not wish to accept any of your Rights or deal with your Rights. If you do nothing then your Rights will lapse. The New Shares not applied for will form part of the Shortfall.

You will be sent more than one personalised Entitlement and Acceptance Form if you have more than one holding of Shares. You need to complete each Entitlement and Acceptance Form and make payment of the applicable Application Money for each separate holding.

(a) How to apply

To take up all or part of your Rights or to apply for additional New Shares forming part of the Shortfall you can accept the Offer by using BPAY®.

Cash payments are not accepted.

(b) Acceptance and payment using BPAY®

For payment using BPAY® on the internet, please follow the instructions on your Entitlement and Acceptance Form (which includes the Biller Code and your Customer Reference Number). You can only make a payment using BPAY® if you are a holder of an account with an Australian financial institution that supports BPAY® transactions.

Your payment must be received by no later than the Closing Date (5.00pm (Sydney time) on 6 June 2024 , unless extended). You should take into consideration that your financial institution may implement earlier cut-off times for electronic payment when making payment to ensure that it is received by the Closing Date.

Please note that if you wish to pay using BPAY®:

- you do not need to submit your Entitlement and Acceptance Form but are taken to have made the declarations on that form;
- if you do not pay for all of your Rights, you are deemed to have taken up your Rights in respect of the whole number of New Shares which is covered in full by your Application Money; and
- if you pay an amount in excess of the amount representing all of your Rights, you will be deemed to have applied for the number of Shortfall Shares which that excess represents.

You must ensure that you use the specific Biller Code and Customer Reference Number on your Entitlement and Acceptance Form. The Customer Reference Number is used to identify your holding. If you have more than one holding of Shares you will receive multiple Customer Reference Numbers. You must use each Customer Reference Number shown on each Entitlement and Acceptance Form to pay for each holding separately.

You will not be able to withdraw or revoke your application once it has been received by the Company.

(c) Application Money and refunds

Application Money will be held on trust for applicants until New Shares are issued under this Offer Document.

Any Application Money received in excess of your final allocation of New Shares will be refunded as soon as possible after issue. If the Offer is withdrawn, all Application Money will be refunded as soon as possible. Refund payments will be by cheque made payable to the registered holder and will be sent to the address last recorded on the Company's register of shareholders.

No interest will be paid to applicants on any Application Money which is refunded, and any interest earned on Application Money will belong to the Company.

(d) Effect of taking up your Rights

Making payment using BPAY® constitutes a binding offer to acquire New Shares on the terms and subject to the conditions set out in this Offer Document and, once lodged, cannot be withdrawn. The Entitlement and Acceptance Form does not need to be signed to be binding.

If an Entitlement and Acceptance Form is not completed or submitted correctly it may still be treated as a valid application. The Company's decision whether to treat an application as valid and how to construe, amend or complete or submit the application is final.

The Company reserves the right (in its sole discretion) to:

- reject any application that it believes comes from a person who is not an Eligible Shareholder; and
- reduce the number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claim to be entitled to participate in the Offer proves to be false, exaggerated or unsubstantiated.

(g) ASX quotation

The Company will apply to ASX for quotation of the New Shares. If ASX does not grant quotation to the New Shares, then the Company will not issue any of the New Shares. The Company will refund all Application Money without interest.

(h) Issue of New Shares

The Company expects to issue the New Shares under the Offer on the Issue Date, being 12 June

2024 and then, as soon as practicable, send holding statements for the New Shares.

The New Shares will be issued concurrently with the Company making application for the ASX to grant permission for quotation of the New Shares.

It is your responsibility to determine your holdings before trading in New Shares. Any person who sells New Shares before receiving confirmation of their holding will do so at their own risk.

The Directors reserve the right not to proceed with the whole or any part of the Offer at any time before the issue of New Shares. In that event, all Application Money will be refunded without interest.

(i) Enquiries concerning your Rights

If you have any queries concerning your Rights, please contact the Company using the details below:

ADVANCE METALS LIMITED

ABN 83 127 131 604

Suite 706, Level 7,

89 York Street, Sydney NSW 2000

GPO Box 1546, Sydney NSW 2001

P: +61 2 8964 4373

E: info@advancemetals.com.au

16 Rights attaching to New Securities

16.1 Rights attaching to New Shares

The New Shares issued pursuant to the Offer will rank equally with the existing Shares on issue and will have the same rights as those existing Shares on issue.

Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act, the Listing Rules and the Company's Constitution.

16.2 Constitution

A copy of the Constitution can be obtained from ASIC or from the ASX website by searching under stock code AVM. The Constitution may also be inspected at the Company's registered office during normal business hours.

16.3 Terms and conditions of New Options

The Company will issue New Options pursuant to the Entitlement Offer. The terms of the New Options are below:

(a) Entitlement

Each New Option entitles the holder (Holder) to subscribe for one (1) Share upon exercise.

(b) Exercise Price and Expiry Date

The exercise price (Exercise Price) of each New Option will be A\$0.05.

Each New Option will expire on 31 May 2029 (Expiry Date).

(c) Exercise Period

Each New Option is exercisable at any time before the Expiry Date (Exercise Period). After this time, any unexercised New Options will automatically lapse.

(e) Notice of Exercise

The New Options may be exercised by notice in writing to the Company (Notice of Exercise) and payment of the Exercise Price for each New Option being exercised. Any Notice of Exercise of a New Option received by the Company will be deemed to be a notice of the exercise of that New Option at the date of receipt.

(f) Shares issued on exercise

Shares issued on exercise of the New Options will rank equally with the existing Shares on issue and are free of all encumbrances, liens and third party interests.

(g) Quotation of Shares on exercise

The Company will apply to ASX for Official Quotation of the shares issued upon the exercise of the New Options.

(h) Timing of issue of Shares and quotation of Share on exercise

Within five (5) Business Days after receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each New Option being exercised, the Company will:

- (i) allot and 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; and
- (ii) apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the New Options.

(i) Participation in new issues

A Holder is not entitled to:

- (i) notice of, or to vote or attend at ,a meeting of the Shareholders;
- (ii) receive any dividends declared by the Company; or
- (iii) participate in any new issues of securities offered to Shareholders during the term of the New Options;

Unless and until the New Options are exercised and the Holder holds Shares.

(j) Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders of the Company other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued upon the exercise of a New Option will be increased by the number of Shares which the Holder would have received if the New Options had been exercised before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(k) Adjustment for rights issue

If the Company makes an issue of Shares pr rata to existing Shareholders of the Company (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment) the Exercise Price of a New Option may be reduced according to the following formula:

$$O' = \frac{O - E[P - (S + D)]}{N + 1}$$

Where:

O' = the new Exercise Price of the New Option

O = the old Exercise Price of the New Option

E = the number of underlying Shares into which one (1) New Option is exercisable

P = average market price per Share weighted by reference to volume of the underlying Shares during the five (5) Trading Days ending on the day before the ex-rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one (1) Share.

(l) Adjustments for reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Holder will be varied to comply with the Listing Rules which apply to the reorganisation at the time of the reorganisation.

(m) Quotation of New Options

The Company will seek quotation of the New Options subject to compliance of the Listing Rules.

16.4 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company and no forecast is made of any of those matters.

17 Risk Factors

The risks described in this section and elsewhere in this Prospectus are not exhaustive. Applicants should realise that any company with resource-based operations is subject to a wide range of risks, many of which may not be foreseeable.

Before deciding to invest in the Company, Applicants should read this document carefully, in its entirety and with particular emphasis on the risk factors detailed in this Prospectus.

Applicants should review past announcements made by the Company in order to fully appreciate such matters, and the manner in which the Company operates, before making a decision regarding the rights issue and whether they take up their Entitlement, in full or in part. This information is available from the ASX website where the Company's ASX code is AVM.

Applicants should note that no guarantee or representation is, or can be, made with respect to the payment of dividends, returns of capital or the market value of the New Shares offered for subscription.

The business operations of the Company will be subject to risks which may impact adversely and severely on its future performance. These risks may adversely affect the value of any shares in the Company. The value of shares in the Company and of its underlying assets will depend on factors beyond the immediate control of the Directors.

Eligible Shareholders should consult their professional advisers before deciding whether to invest.

Shareholders should consider the risk factors set out below which the Directors believe represent some of the general and specific risks that Shareholders should be aware of when evaluating the

Company and deciding whether to take up their entitlements to New Shares.

An investment in New Shares should be considered speculative.

(a) Company specific risks

The following risks have been identified as being key risks specific to an investment in the Company. These risks may adversely affect the Company's financial position, prospects and price of its securities.

(b) Future capital requirements

The continued operations of the Company are currently dependent on its ability to obtain this equity financing, facilitating other sources of funding or generating sufficient cash flows from future operations.

There is a risk in view of the current corona virus pandemic that the Company will not be able to access capital from equity markets (or via any other forms of available financing) for its existing or future projects or developments, which could have a material adverse impact on the Company's business and financial condition.

(c) Exploration

The success of the Company depends on access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities.

The actual costs of exploration may materially differ from those estimated by the Company. No assurance can be given that the cost estimates and the underlying assumptions used as a basis for those estimates will be realised in practice, which may materially and adversely affect the Company's viability.

(d) Resource estimates

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Company's future plans and ultimately its financial performance and value.

(e) Key personnel

Recruiting and retaining qualified personnel is important to the Company's success. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons is strong. There can be no assurance that there will be no detrimental impact on the Company if such persons employed, cease their employment with the Company.

(f) Development risks

Profitability depends on successful implementation of the business plan and ongoing demand for renewable energy technology particularly in the "off grid" area

(g) Environmental risks

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

(h) Joint venture parties, agents and contractors

There is a risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party, or the insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

(i) Competition

The Company competes with other companies, including major mining companies in Australia and internationally. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.

(j) Other

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other causes, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Company.

(k) General investment risks securities market conditions

As with all securities market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below or above the Offer Price for the Shares.

General factors that may affect the market price of Shares include economic conditions in both Australia and internationally, investor sentiment, local and international securities market conditions, changes in interest rates and the rate of inflation, variations in commodity process, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(l) Liquidity risk

There can be no guarantee that there will continue to be an active market for Shares or that the price of Shares will increase. There may be relatively few buyers or sellers of Shares on ASX at any given time. This may affect the volatility of the market price of Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the Offer Price.

(m) Securities investment risk

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

(n) Other risks

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk, and other matters that may interfere with the business or trade of the Company.

18 Additional Information

(a) The Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX listing rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise as well as the lodgement of yearly and half-yearly financial statements, audit or review reports and quarterly reports.

The Company is required to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Shares, subject to certain exceptions. That information is available to the public from the ASX (www.asx.com.au) and the Company's website (www.advancemetals.com.au).

The New Shares are in the same class as Shares that have been quoted on the official list of the ASX during the three months prior to the issue of this prospectus.

This Prospectus is a transaction specific prospectus to which special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities or operations to acquire securities in a class which has been continuously quoted by the ASX in the three months prior to the date of this prospectus. In general terms transaction specific prospectuses are only required to contain information in relation to the effect of the issue of New Securities on the Company and the rights attaching to the New Securities. It is not necessary to include general information in relation to all of the assets and liabilities, the financial position, profits and losses or prospectus of the issuing company.

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 enquiries 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.

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:

(i) it is subject to regular reporting and disclosure obligations:

(ii) 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

(iii) 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:

-the Annual Report being the most recent annual financial report of the Company lodged with the ASIC before the issue of this prospectus:

-any documents used to notify ASX of information relating to the Company in the period from lodgement of the Annual Report until the issue of this Prospectus in accordance with the

Listing Rules as referred to in section 674(1) of the Corporations Act.

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.

The Company has lodged the following announcements with ASX since the lodgement of its Annual Report on 27 March 2024:

Date Lodged	Subject of Announcement
1 May 2024	Notice of Annual General Meeting/Proxy Form
30 April 2024	Quarterly Activities/Appendix 5B Cash Flow Report
12 April 2024	Cleansing Notice
12 April 2024	Application for quotation of securities - AVM
10 April 2024	Proposed issue of securities - AVM
9 April 2024	Investor Presentation
8 April 2024	Advance Metals Investor Presentation
5 April 2024	Director Appointment/Resignation
4 April 2024	JORC Update – Augustus Project
27 March 2024	Appendix 4G
27 March 2024	Annual Report to Shareholders

(b) No financial product advice

This document is not, and is not to be taken to be, financial product advice or a recommendation to acquire New Shares. This document has been prepared without taking into account the objectives, financial situation or needs of individual investors. All investors should consider all relevant information having regard to their own objectives, financial situation and needs and consult a stockbroker, accountant or other independent financial adviser before making an investment decision.

(c) Representations

No person is authorised to give any information or to make any representation in relation to the Offer which is not contained in this document or in a release by the Company to the ASX. Any information or representation in relation to the Offer which is not contained in this document may not be relied upon as having been authorised by the Company. To the maximum extent permitted by law the Company and its advisers and affiliates or related bodies corporate and any of their respective directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offer or this Offer Document being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

(d) Taxation

None of the Company, its officers, employees or advisers is giving or is able to give advice about the specific tax consequences arising from the Offer. All investors should satisfy themselves of any possible tax consequences by consulting their own professional tax advisers.

(e) Discretion of the Directors

Without limiting the other powers and discretions set out in this document, the Directors may:

- implement the Offer in the manner they think fit (subject always to the Listing Rules and the Corporations Act); and
- settle any difficulty, anomaly or dispute which may arise either generally or in a particular case in connection with, or by reason of, the operation of the Offer or a matter in this Offer Document as they think fit, whether generally or in relation to any Shareholder or any Shares, and the determination of the Directors is conclusive and binding on all relevant Shareholders and other persons to whom the determination relates.

(f) Estimated expenses of the Offer

The estimated expenses of the Offer are \$91,772.

	\$
ASIC Fees	3,206
ASX Fees	8,000
Underwriting Fee	35,566
Legal fees	25,000
Share registry	20,000
Total	\$91,772

(f) **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	\$0.045	9 April 2024
Lowest	\$0.022	26 April 2024
Last	\$0.028	15 May 2024

(i) Privacy

If you apply for New Shares, you are providing information to the Company that may be personal information for the purposes of the Privacy Act 1988 (Cth). The Company (and the Share Registry on its behalf) collects, holds and uses personal information in order to assess applications for New Shares, service the needs of Shareholders, and provide facilities and services and to administer the Company.

Access to information may also be provided to the Company's related bodies corporate, agents and service providers, regulatory bodies, mail houses and the Share Registry.

If you do not provide the information requested of you in the Entitlement and Acceptance Form, the Share Registry will not be able to process your application for New Shares or administer your holding of Shares appropriately.

(ii) Governing law

The Offer Document, the Offer and the contracts formed on acceptance of applications are governed by the laws applicable in New South Wales, Australia. Each applicant submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

(iii) Jurisdiction

The Offer Document, the Offer and the contracts formed on acceptance of applications are governed by the laws applicable in New South Wales, Australia. Each applicant submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

Interests of experts and advisors

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

- (a) Person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) Promoter of the Company; or
- (c) Underwriter to the issue or a financial licensee name in this Prospectus as a financial services licensee involved in the issue,

Holds or has held within the 2 years preceding lodgement of the Prospectus with 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 the offer or
- (c) The offer

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

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

Pac Partners has acted as the lead manager and underwriter of the Offer. The Company estimates it will pay \$35,566 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, PAC Partners has not received any fees from the Company for any other services.

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 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 the 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.

PAC Partners has given its written consent to being named as the lead manager and underwriter to the Offer in this Prospectus.

PAC Partners (including its related entities) is not a Shareholder of the Company and currently has no relevant interest in any of the Company's securities.

Withdrawal of Entitlement Offer

The Company reserves the right to withdraw all or part of the Entitlement Offer at any time, subject to applicable laws, in which case the Company will refund application monies in relation to New Shares and Attaching Options not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any application monies paid by you to the Company will not entitle you to receive any interest and that any interest earned in respect of application monies will belong to the Company.

Enquiries

Any questions concerning the Entitlement Offer should be directed to the Company's Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia).

Compliance Statement

Information in this booklet regarding Mineral Resource estimates in respect of the Company's projects which are available to view on the Company's website www.advancemetals.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the competent persons' findings are presented have not been materially modified from the original market announcements.

19 Definitions

Terms and abbreviations used in this Offer Document have the following meaning:

Term or Abbreviation	Meaning
Application Money	Money paid by applicants for New Shares under the Entitlement and the Top-Up Offer.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.
ASX listing rules or Listing Rules	The listing rules of ASX as waived or modified from time to time.
Board	The Board of directors of the Company.
Business Day	Has the meaning given to it in the ASX listing rules.
Closing Date	The time the Offer closes, being 5.00pm (Sydney time) on 6 June 2024 (unless extended).
Company, Advance Metals Limited or AVM	Advance Metals Limited ABN 83 127 131 604.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Eligible Shareholder	A Shareholder who is eligible to participate in the Offer as set out in Section 8 of this Offer Document.
Entitlement and Acceptance Form	The entitlement and acceptance form that accompanies this Offer Document.
Excluded Shareholder	A Shareholder determined by the Company who is not an Eligible Shareholder.
Issue Date	12 June 2024, unless extended. In the event the Offer is extended, the Company reserves the right to allot applications for Shares on or about the time of the extension, and weekly thereafter as any further applications are received.
New Securities	New Shares
New Shares	A New Share offered under this Offer Document.
New Option	One new attaching option for each New Share subscribed exercisable at \$0.05 with an expiry date of 31 May 2029.
Offer	The pro rata renounceable rights issue offering Eligible Shareholders one (1) New Share for every two (2) Shares held at the Record Date for the Offer Price plus one new attaching option for each new share exercisable at \$0.05 with an expiry date of 31 May 2029.
Offer Document	This offer document dated 17 May 2024.
Offer Price	The price payable per New Share under the Offer being \$0.026 (2.6 cents) per New Share.

Opening Date	The date the Offer opens, being 27 May 2024 (unless extended).
Pacific American Coal	Pacific American Coal Canada Limited BC0936302 Incorporated in British Columbia, Canada – a wholly owned subsidiary of the Company.
Record Date	7.00pm (Sydney time) on 23 May 2024.
Right	The right of an Eligible Shareholder to apply for a New Share under the Offer.
Rights Issue Documentation	means: (a) the initial ASX announcement referring to the Offer, the Appendix 3B, the notice given to ASX in accordance with Section 708AA of the Corporations Act; and (b) this Prospectus, and the Entitlement and Acceptance Form.
Share	A fully paid ordinary share in the capital of the Company.
Share Registry	Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001
Shareholder	A registered holder of Shares.
Shortfall	The number of New Shares not applied for under the Offer before the Closing Date.
Shortfall Offer	The offer of New Shares comprising the Shortfall under this Offer Document will be the responsibility of the Underwriter.
Shortfall Shares	New Shares not applied for under the Offer before the Closing Date will be the responsibility of the Underwriter.
Underwriter	PAC Partner Securities Pty Ltd (ACN 623 653 912, AFSL 335 374)

20 Summary of Projects

20.1 Augustus Project, Arizona

(i) Project Overview

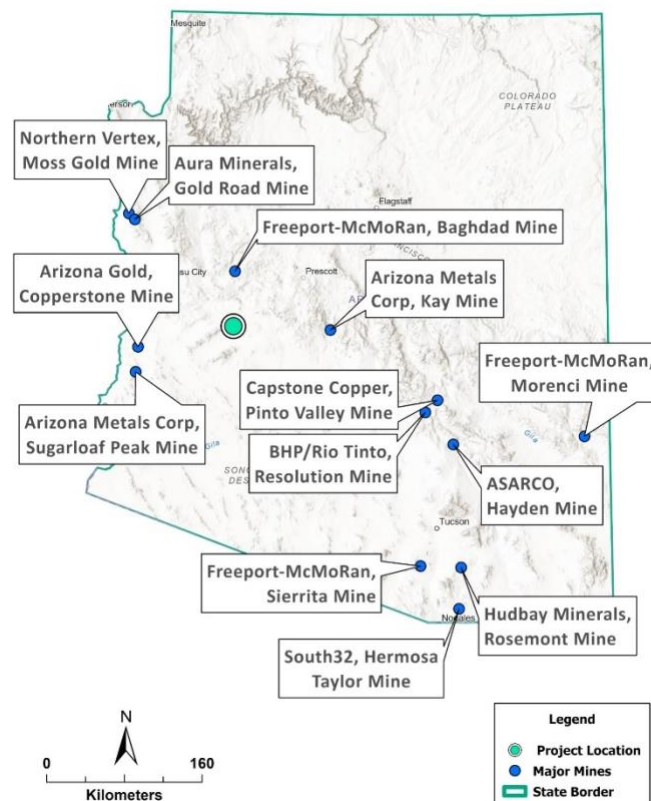
The Augustus Project is a Copper-Gold exploration project located in Western Central Arizona along the Bullard detachment fault at the southern end of the Harcuvar metamorphic core complex. The Project is in Yavapai County, USA, approximately 104 km (65 mi) northwest of Phoenix, AZ and 11 km (6.84 mi) north of the small community of Aguila, AZ.

The Project totals 2,631 acres consisting of Patented (Private Surface and Minerals) Mining Claims and Bureau of Land Management (Surface and Minerals) Mining Lode Claims. The Patented mining claims allow the project to enter a streamlined permitting process for exploration and mine development.

The Augustus Project has 2024 JORC Exploration Target: 19m tons – 25m tons @ 0.3%-2.0% Cu , 0.3g/t-7g/t Au. Total Range 110m-410m pounds of copper and 320k-920k Ounces of Gold.

The potential quantity and grade of this exploration target is conceptual in nature, there is currently insufficient exploration completed to support a mineral resource of this size and it is uncertain whether continued exploration will result in the estimation of a JORC resource. The Exploration Target has been prepared in accordance with the JORC Code (2012).

The Augustus Project (Table A) has been explored by majors such as Teck Cominco, Freeport-McMoRan and Asarco and, most recently, by AVM. The exploration included geochemical sampling, mapping, exploration drilling, and geotechnical studies.



Significant Exploration Target Potential across 6,000 metres of veins has been identified at the Augustus Project
Previous Owner Drilling Highlights include the following:

- DH B3 – 5ft (1.5m) @ 6.3 g/t Au from 40ft (12.2m)
- DH B14 – 30ft (9.1m) @ 5.8 g.t Au from 55ft (16.8m)
- DH B16 – 5ft (1.5m) @ 7.7 g/t Au from 200 ft (60.9m)
- DH USBM 4 – 3ft (0.91m) @ 8.93% Cu from 37ft (11.3m)
- DH USBM 2 – 3Ft (0.91m) @ 6.47% Cu from 52ft (15.8m)
- DH B6 – 70 Ft (21.4m) copper mineralisation from 30ft (9.1m)
- DH B7 – 50ft (15.3m) copper mineralisation from 100ft (30.5m)

Table A: Major Exploration Campaigns

Company/Operator	Year	Type of Exploration
U.S. Bureau of Mines	1944	Mapping, Geochemical Surveys, Drilling, Metallurgical Studies
NRG Resources	1986	Mapping, Geochemical Surveys
Freeport-McMoRan	1987	Mapping, Geochemical Surveys, Drilling,
Teck Cominco Resources	1990	Mapping, Geochemical Surveys, Drilling, Geophysical IP Surveys
Canadian Mining Company	2010	Mapping, Geochemical Surveys, Drilling -
Advance Metals Limited	2023	Mapping, Geochemical Surveys, Geophysical Drone Survey

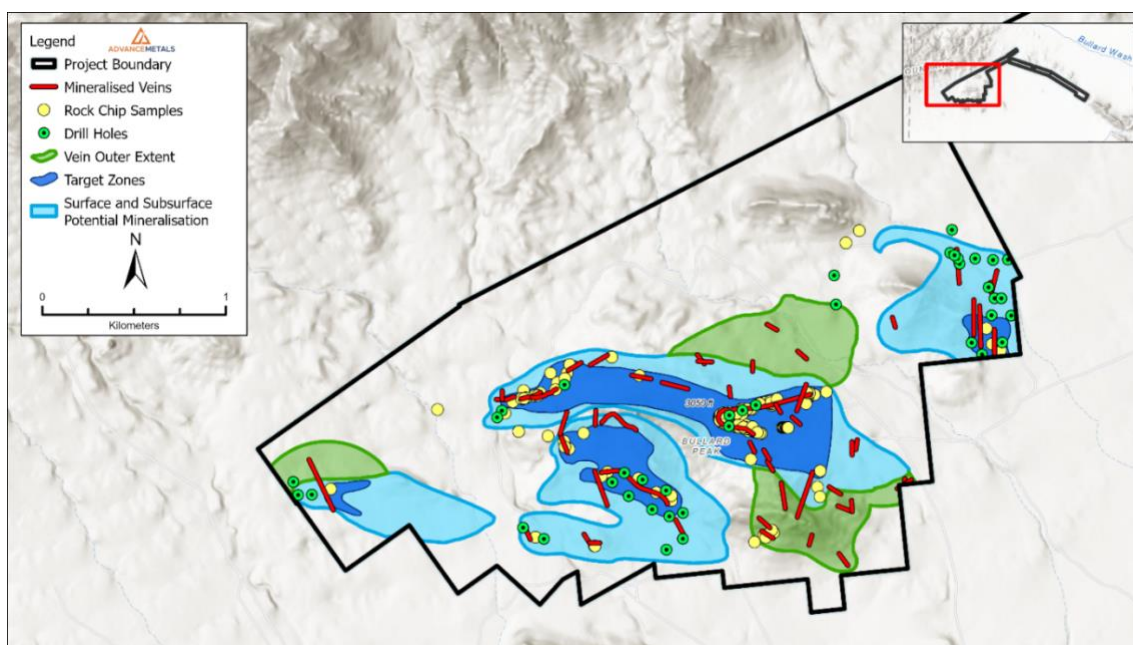


Figure: . Mineral Potential Map with Geochemical Samples and Drill Holes

(ii)Geology and Mineralisation

The geology at the Augustus Project features three types of ore deposits that are seen within the exploration data. There are numerous occurrences of metallic mineralisation exposed at surface or intercepted at depth as reported in drilling logs. A recent interpretation by AVM of all exploration data suggests that significant mineralisation is associated with three distinct deposit types. A total of 6,583 meters of listric veins have been mapped at the surface on the property.

- (i) Polymetallic gold, copper listric veins and replacement/disseminated deposits in association with the veins cutting late Cenozoic rocks and
- (ii) Sediment/volcanics-hosted low-angle disseminated copper deposits
- (iii) Copper-gold stockworks in volcanics

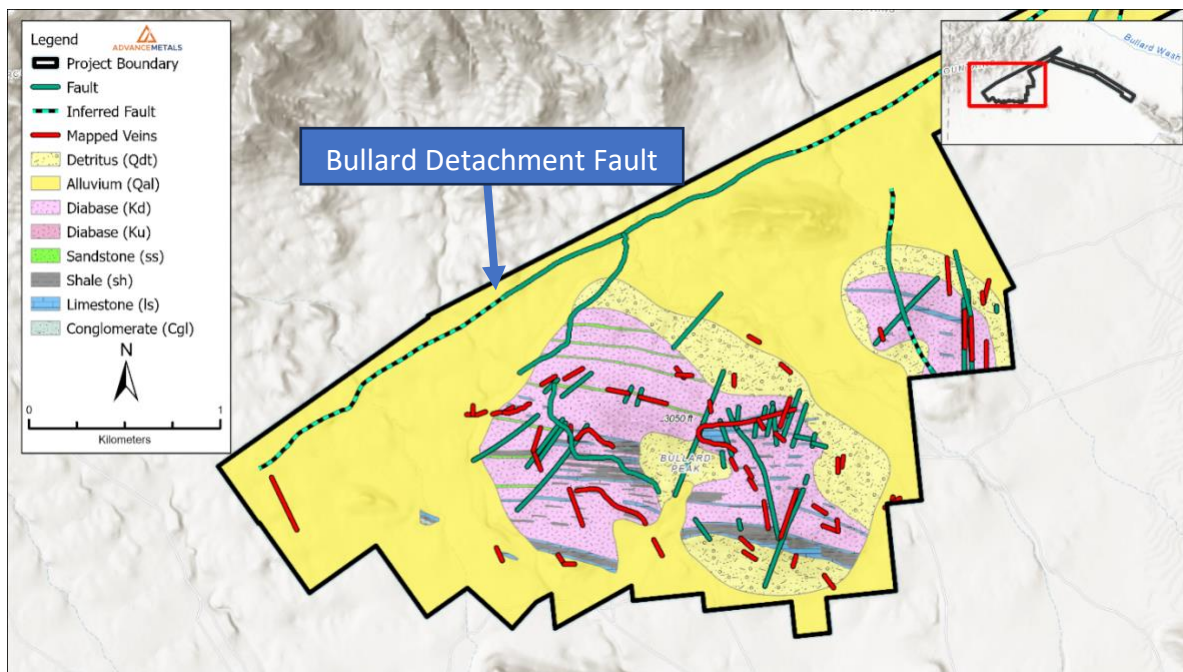


Figure: Project Geology

(iii) Proposed Exploration

An initial 8 hole drill program is being planned within the project area, including at least 2 holes in the Unity area, 3 holes in the International area, 1 hole in the State area, 1 hole in the Sullar area, and 1 Hole in the Bullard area. A drill program at Augustus should evaluate geophysical and geochemical anomalies at depth below the Bullard Mine and surficial cover of the basin throughout the Project. The program intends to validate identified ore body potential at depth and underneath existing previous workings, such as the Bullard Mine, where structural trends of the Bullard detachment fault signify further mineralisation potential

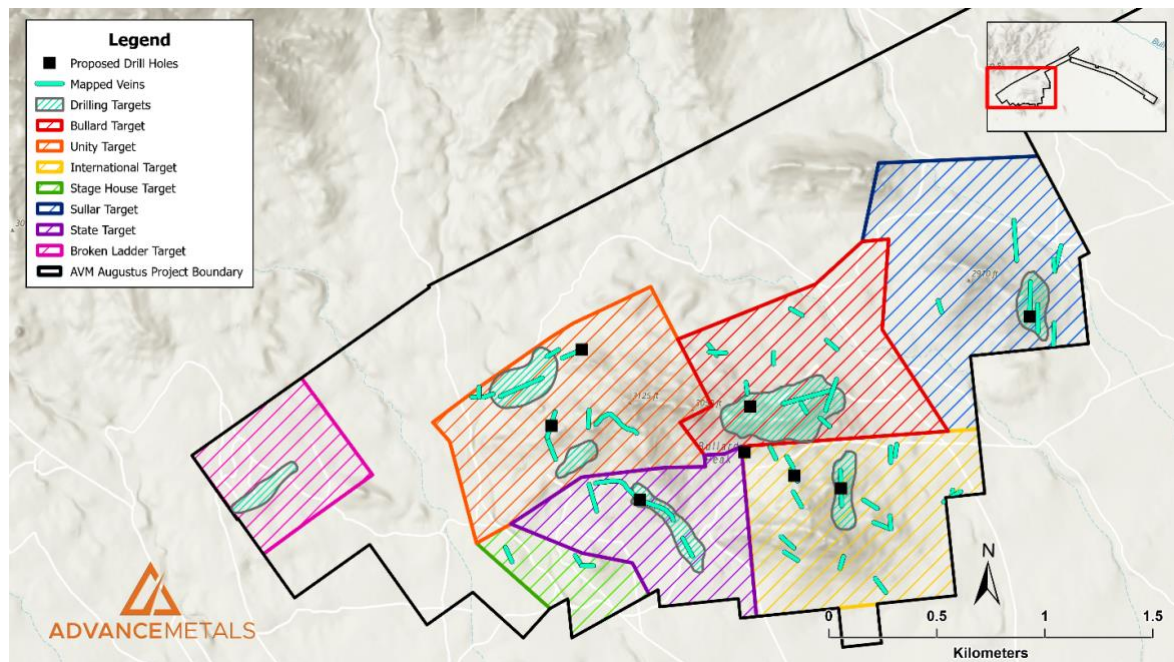


Figure. Proposed Drilling Locations

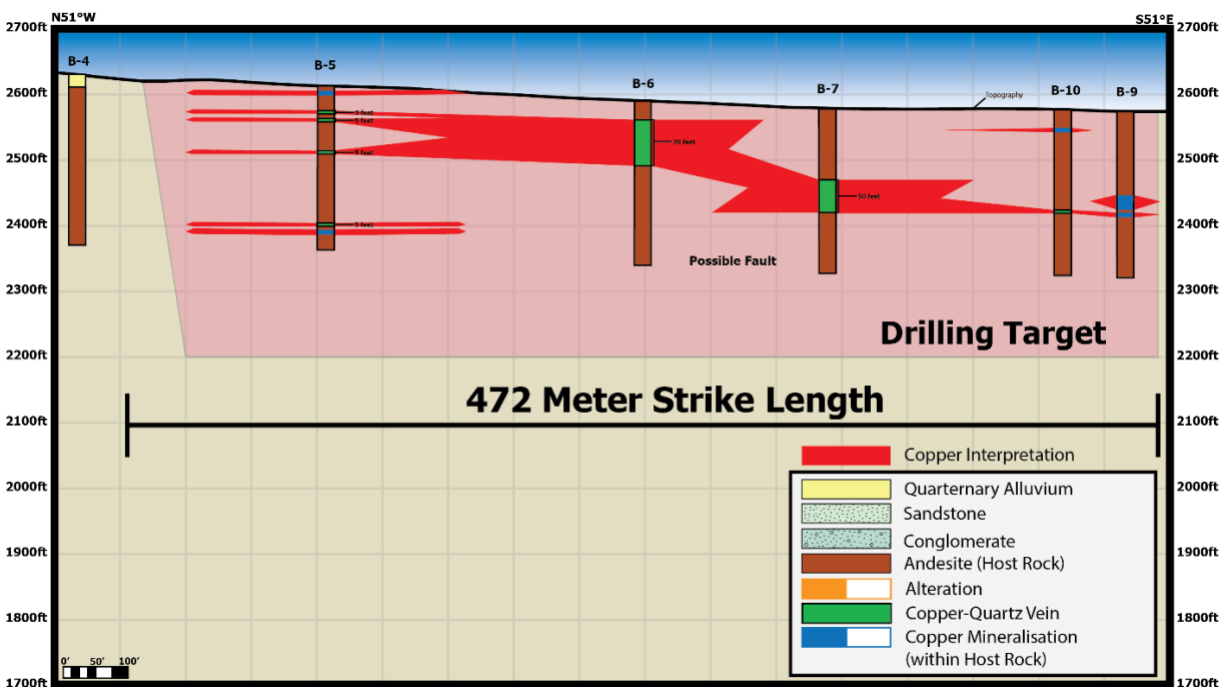


Figure. AVM Drilling Target A (State)

20.2 Garnet Skarn Project, Idaho

(a) Project Overview

The Garnet Skarn Project property is located on the southeast margin of the Seven Devils Mountains in Adams County, west-central Idaho, USA. The Property is within the Seven Devils Mining District and is approximately 68 km (42 mi) northwest of the town of Council, within the Payette National Forest. The Property totals 1,022.6 hectares (2,527 acres). The property consists of 147 lode claims.

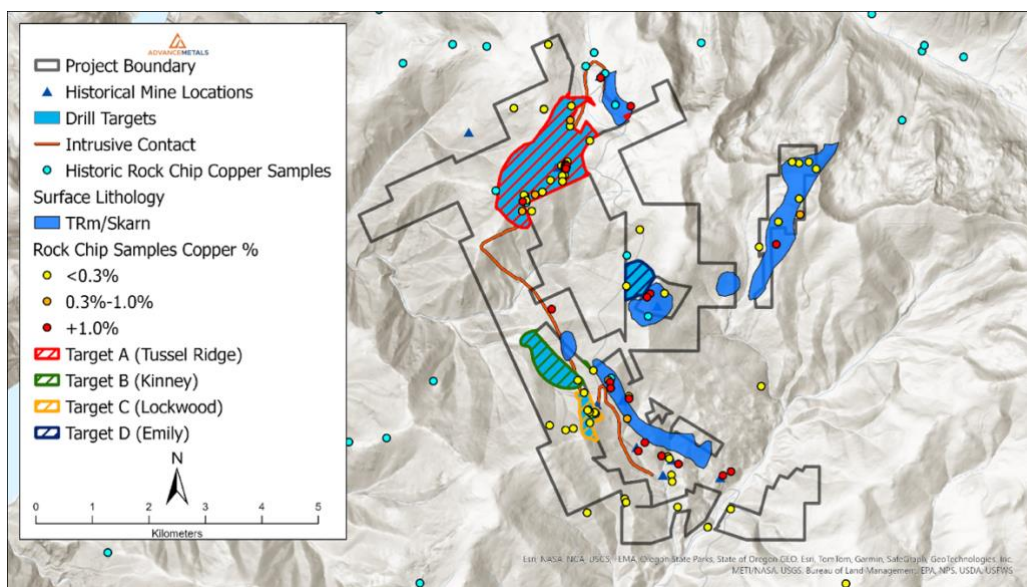
The Property has been explored by a series of companies starting in the 1930s, including the Anaconda Mining Company. Anaconda Mining Company's thorough review of the properties provided a reasonable investment analysis in the Seven Devils Mining District.

Recent select sampling in the area assayed up to 21.24% Cu, 345 g/t Ag, 398 ppm W, and 10.7% Mo with elevated Au in samples selected from the mineralised zones. Exploration efforts also exposed a 1.0 km x 1.0 km wide copper-in-soil anomaly

JORC Exploration Target 20mt-30mt @ 0.3–0.7% Cu, 0.31–0.52 oz/Ag, 0.15–0.5 g/t Au



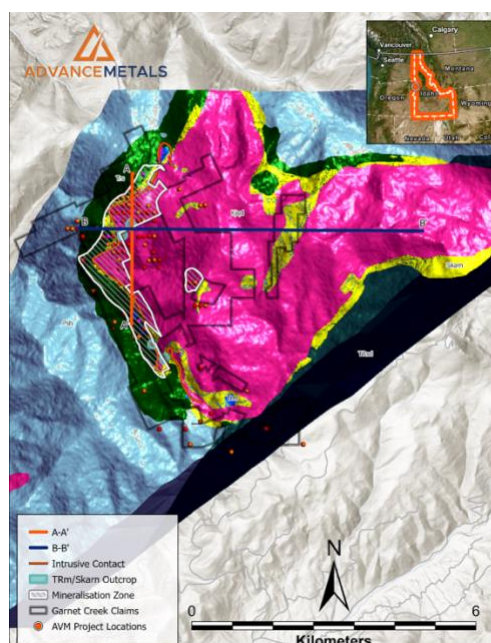
The potential quantity and grade of this exploration target is conceptual in nature, there is currently insufficient exploration completed to support a mineral resource of this size and it is uncertain whether continued exploration will result in the estimation of a JORC resource. The Exploration Target has been prepared in accordance with the JORC Code (2012).

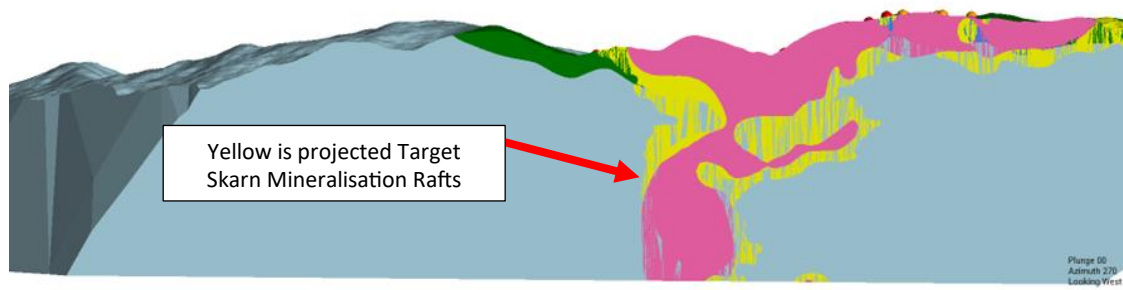


(b) Geology and Mineralisation

The Property geology consists of a package of Palaeozoic sedimentary rocks that have been contact metamorphosed by the Late Cretaceous Deep Creek pluton to produce the copper skarn that has been mined in the past. A 3D model developed by the company has identified potential skarn mineralization at depth.

Figure: 3D Model Full Section





Cross Section A'-A

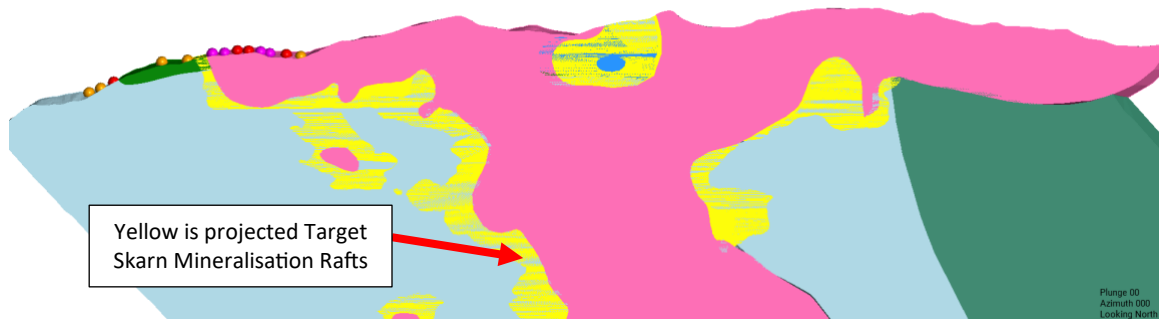


Figure. Cross Section B-B'

(c) Proposed Drilling Program

A drill program at Garnet Skarn should test geophysical and geochemical anomalies at depth below Tussel Ridge and along other mineralised trends throughout the Project. This program intends to validate carbonate units and associated skarn mineralisation at depth trending S-SW from the Peacock Mine, through Tussel, and along the Blue Jacket trend at Targets A, B, C, and D, in addition to testing for disseminated mineralisation within the volcanic units at depth.

An HQ/NQ coring rig is planned to drill approximately 1350 m from 9 proposed drill sites with depths averaging 150 m (492 ft) - 200 m (656 ft). These depths are at least four times as deep as any historical drilling performed within the Seven Devils district. These proposed drill sites are easy to access via well-travelled and established roads throughout the Project. Permitting for these drill sites is underway.

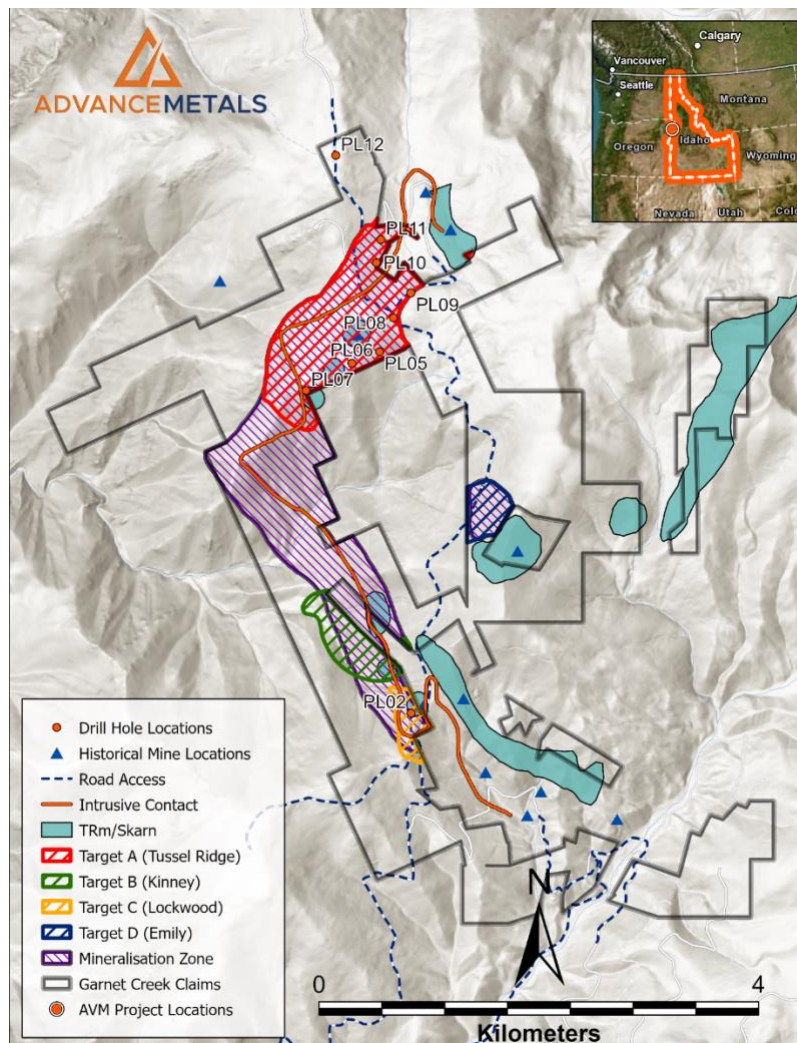


Figure. Proposed Drill Hole Locations

20.3 Bandera Resources Joint Venture

The company's Bandera Mining Joint Venture has completed a review of several critical minerals' projects in North America. Bandera Mining has recently reviewed projects in the Western USA and has started negotiating access with a large minerals and surface owner.

20.4 Elko Coking Coal Project

The Elko Project is a strategic investment owned by PAK's 100% owned Canadian entity. The Project contains a 303Mt JORC (2012)3, resource and is located in the East Kootenays of British Columbia, Canada. The Elko Leases have a combined area of 3,571 Hectares.

The Elko project is at a pre-concept level stage, with independent engineering studies indicating a low-capital cost entry into mining operations. Elko would leverage existing infrastructure in close proximity to the project as the start of a reliable logistics network into a Southeast Asian customer base that has a growing demand for this limited resource.

Elko is positioned within 20km to rail infrastructure and is situated at the southern end of the East Kootenay Basin. This unique position makes it the closest project in the East Kootenay Basin to the ports of Vancouver with approximately a \$2/t rail cost advantage over projects located at the northern end of the East Kootenay Basin

With the return of higher pricing across all metallurgical coal categories, the Company continues to seek out collaborative partners to realise the value of such a high quality and limited resource. Elko has always been considered a medium to long term project

Looking beyond short term coking coal price fluctuations, the consensus forecast Hard Coking Coal price supports the view that coking coal prices will be sustained in the long term, hence underpinning the Company's investment thesis that the Elko Coking Project retains substantial value for shareholders



21 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.

Signed on behalf of the Company on 17 May 2024



Geoffrey Hill
Chairman

ENTITLEMENT AND ACCEPTANCE FORM

Subregister:

HIN / SRN:

Entitlement No:

Number of Shares held
at 7.00 pm (AEST) on
Thursday, 23 May 2024
(Record Date):

OFFER CLOSES: 5.00 pm (AEST) Thursday, 6 June 2024

A Entitlement Acceptance

As an Eligible Shareholder you are entitled to acquire the New Shares in Advance Metals Limited (**New Shares**) below for the Application Amount. **Your entitlement is to 1 New Share for every 2 Shares held by Eligible Shareholders registered as at the Record Date, at an Offer Price of \$0.026 per New Share.** The Prospectus dated Friday, 17 May 2024 contains information about investing in the New Shares and you should carefully read the Prospectus before applying for New Shares.

(1) If you wish to accept your **FULL ENTITLEMENT**, please make a **PAYMENT VIA BPAY® FOR THE AMOUNT PRINTED BELOW** by 5.00 pm (AEST) on Thursday, 6 June 2024. Your payment will constitute acceptance of the Entitlement Offer. **You are not required to return this Entitlement and Acceptance Form to the Registry.**

Entitlement New Shares	Offer Price (per New Share)	Application Amount \$
	\$0.026	

(2) If you wish to accept **PART ONLY OF YOUR ENTITLEMENT**, the amount you pay via BPAY® will be equal to the number of New Shares accepted, multiplied by the Offer Price per New Share.

Part Acceptance of Entitlement New Shares	Offer Price (per New Share)	Application Amount \$
	\$0.026	

B Application for Additional Shares under Top Up Facility

If you have accepted **YOUR FULL ENTITLEMENT** and wish to apply for Additional Shares, please complete the boxes below with the **NUMBER OF ADDITIONAL SHARES** for which you wish to apply and the requisite Application Amount payable.

Number of Additional Shares	Offer Price (per New Share)	Application Amount \$
	\$0.026	

C Calculate total Application Amount (if applying for Additional Shares)

If you are applying for Additional New Shares, please calculate and complete the boxes below with the **TOTAL NUMBER OF NEW SHARES** and requisite Application Amount payable by adding the number of New Shares to which you are entitled under your Entitlement (**Section A**) to the number of Additional New Shares for which you are applying (**Section B**)

Total Number of New Shares (A (1) + B)	Offer Price (per New Share)	Application Amount \$ (A (1) + B)
	\$0.026	\$

Additional Shares will only be allotted if available.

If the person completing this Form is acting for the Eligible Shareholder, the return of this Form, together with payment of the requisite Application Amount or payment by BPAY, will constitute acceptance of the Entitlement Offer by the Eligible Shareholder, and if that person is acting under Power of Attorney, he/she states that he/she has not received notice of revocation and that he/she has authority to accept the Entitlement Offer.

Payment Instructions

Payment may only be made by BPAY®. Cash will not be accepted via mail or at Boardroom Pty Limited. Payments cannot be made at any bank.

REFER OVERLEAF FOR INSTRUCTIONS

Payment Option – BPAY®

If you pay for your Entitlement by BPAY®, which is highly recommended it is not necessary to return the Entitlement and Acceptance Form. Your payment must be received by the registry before 5.00 pm (AEST) on Thursday, 6 June 2024.

	Billers Code:	Telephone & Internet Banking - BPAY® Contact your bank, credit union or building society to make this payment from your cheque, credit or savings account. More info: www.bpay.com.au ® Registered to BPAY Ltd ABN 69 079 137 518
	CRN:	
- To pay via BPAY® please contact your participating financial institution - If paying by BPAY®, you do not need to complete and return the Entitlement and Acceptance Form		

Please enter your contact details in case we need to contact you in relation to your application

CONTACT NAME	EMAIL ADDRESS	TELEPHONE

This document is of value and requires your immediate attention. If in doubt, please consult your stockbroker, solicitor, accountant or other professional advisor without delay.

The offer to which this Entitlement and Acceptance Form relates does not constitute an offer to any person who is not an Eligible Shareholder, and in particular is not being made to Shareholders with registered addresses outside Australia and New Zealand. This Entitlement and Acceptance Form does not constitute an offer in the United States of America (or to, or for the account or benefit of, US Persons) or in any jurisdiction in which, or to any persons to whom, it would not be lawful to make such an offer.

ACCEPTANCE OF THE OFFER

By either returning the Entitlement and Acceptance Form together with your payment of the requisite Application Amount to Boardroom, or making payment by BPAY®, by 5.00 pm (AEST) on Thursday, 6 June 2024:

- you represent and warrant that you have read and understood and agree to the terms set out in this Form and acknowledge you have read the entire Prospectus issued in connection with the Entitlement Offer;
- you represent and warrant that you are not located in the United States or a U.S. Person and are not acting for the account or benefit of a U.S. Person or any other foreign person;
- you provide authorisation to be registered as the holder of New Shares and the Attaching Options acquired by you and agree to be bound by the constitution of Advance Metals Limited; and
- your application to acquire New Shares is irrevocable and may not be varied or withdrawn except as allowed by law.

HOW TO ACCEPT NEW SECURITIES OFFERED

- BPAY® payment method:** The requisite Application Amount payable by you in order to accept your Entitlement in full is shown in **Section A** on the first page of this Form. If you accept your full Entitlement and wish to apply for Additional Shares, please complete **Sections B and C** (to determine your total Application Amount payable). Contact your Australian bank, credit union or building society to make this payment from your cheque, savings or credit account. For more information visit: www.bpay.com.au. Refer to the front of this form for the Billers Code and Customer Reference Number. Payments must be received by BPAY® before 5.00 pm (AEST) on Thursday, 6 June 2024.

If the BPAY® payment is for any reason not received in full, the Company may treat you as applying for as many New Securities as will be paid for by the cleared funds. Shareholders using the BPAY® facility will be bound by the provisions relating to this Offer. **You are not required to submit this Form if you elect to make payment using BPAY®.**

2. PAYMENT - OVERSEAS RESIDENTS

If you are a New Zealand resident shareholder, you are unable to pay by BPAY® unless you have an Australian bank account. However, you are able to pay by international electronic funds transfer (EFT). **Please refer to the additional payment instructions provided to you if you would like to pay by EFT.** Please contact the Share Registry, Boardroom Pty Limited, on +61 2 9290 9600 if you have any queries, or if you have not received the separate EFT instruction letter.

Mailing Address:
Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

Hand Delivery Address:
Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

Privacy Statement:

Boardroom Pty Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a Shareholder (including your name, address and details of the Shares you hold) to be included in the public register of the entity in which you hold Shares. Information is collected to administer your Shareholding and if some or all of the information is not collected then it might not be possible to administer your Shareholding. Your personal information may be disclosed to the entity in which you hold Shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form.

Our privacy policy is available on our website (<https://www.boardroomlimited.com.au/corp/privacy-policy>).

Not for release to US wire services or distribution in the United States

Dear Eligible Shareholder,

Entitlement Offer - Additional payment option for New Zealand shareholders

As set out in its announcement on Friday, 17 May 2024, Advance Metals Limited ACN 127 131 604 (**Advance Metals** or the **Company**) is undertaking a 1 for 2 pro rata non-renounceable entitlement offer of new fully paid ordinary shares in the capital of the Company plus one new attaching option for each new share exercisable at \$0.05 with an expiry date of 31 May 2029 (**Entitlement Offer**).

Capitalised terms not defined in this letter have the same meaning ascribed to those terms in the Prospectus dated Friday, 17 May 2024 issued by the Company in respect of the Entitlement Offer (**Prospectus**).

Terms used but not defined in this document have the meaning given to them in the Prospectus.

To facilitate payment of Application Monies from Eligible Shareholders resident in New Zealand (**New Zealand Shareholders**), in addition to the option of making payment via BPAY®, Advance Metals is pleased to offer its New Zealand Shareholders the opportunity to remit their Application Monies by international electronic funds transfer (**EFT**) to the following Australian bank account:

Bank:	St George Bank
Address:	IBN 82, 1 King Street, Concord West NSW 2138
BSB:	332-027
Account Number:	
Account Name:	Boardroom Pty Limited ITF Advance Metals Limited
Swift Code:	SGBLAU2S

Please note that the Application Monies remitted by you will be subject to international transfer and foreign currency conversion fees levied by your financial institution such that the amount received by Advance Metals in Australian dollars will be less than the amount remitted by you in New Zealand dollars.

If you wish to take up all or part of your Entitlement or apply for any Additional Shares (on the terms set out in the Prospectus), you will need to ensure that the amount paid by you takes into account any international transfer and foreign currency conversion fees levied by your financial institution. In this case, you will need to confirm this amount with your financial institution prior to paying your Application Monies to Advance Metals and pay an additional amount to cover these fees as Advance Metals will only issue New Shares based on the actual amount of Application Monies that it receives.

If your Application Monies do not pay for your full Entitlement, you are deemed to have only taken up your Entitlement in respect of such whole number of New Shares and Additional New Shares (as the case may be) that is covered in full by your Application Monies. If Application Monies received pay for more than your full Entitlement, you are deemed to have taken up your full Entitlement and such whole number of Additional Shares that is covered in full by your Application Monies.

Additional Shares will only be issued at the discretion of the Underwriter and Advance Metals Board and on the terms set out in the Prospectus. If you do not receive any or all of the Additional Shares covered by the amount that exceeds your Entitlement, any excess Application Monies will be returned to you in Australian dollars (without interest).

For processing and reconciliation, when making your payment, please add to the remittance advice your CRN which appears under the Biller Code on the front of your personalised Entitlement and Acceptance Form and forward a copy of the remittance advice to Advance Metals' Share Registry, Boardroom Pty Limited, by e-mail to corporateactions@boardroomlimited.com.au, as soon as the payment is made. Failure to do so may result in funds not being matched to your application and Advance Metals being unable to issue you New Shares under the Entitlement Offer.

Eligible Shareholders are reminded that the Entitlement Offer will close at 5.00pm (Sydney, Australia time) on Thursday, 6 June 2024 (Closing Date) and any payment received after the Closing Date may be rejected.

If you are interested in the Entitlement Offer, you are advised to arrange for payment of Application Monies as early as possible and to allow sufficient time for the Application Monies to be transferred and received by Advance Metals by the Closing Date.

If you have any additional questions regarding the Entitlement Offer, please contact the Advance Metals Offer Information Line on +61 2 9290 9600 from 8.30am to 5.00pm (Sydney, Australia time) Monday to Friday (excluding public holidays) or by e-mail to corporateactions@boardroomlimited.com.au.

Yours faithfully,

**Wayne Kernaghan
Company Secretary
Advance Metals Limited**