

YANDAL RESOURCES LIMITED

ACN 108 753 608

PROSPECTUS

For the offer of a non-renounceable pro-rata rights issue to Eligible Shareholders of approximately 22,542,049 New Shares, on the basis of 1 New Share for every 5.15 Shares held at an issue price of 12 cents per New Share, to raise up to approximately \$2,705,046 (before costs) and approximately 11,271,025 New Options on the basis of 1 free attaching New Option for every 2 New Shares issued, with each New Option having an exercise price of 24 cents and an expiry date of 31 October 2024 (Offer).

The Offer is partly underwritten by MST Financial Services Pty Ltd who is also acting as lead manager to the Offer (Lead Manager). Refer to Section 3.1 for details regarding the terms of the Offer Management and Underwriting Agreement.

This Prospectus also contains the Cleansing Offer, which is detailed in Section 5.2.

IMPORTANT NOTICE

This document is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. This Prospectus contains important information about the Offer. You should read the entire document including the Entitlement and Acceptance Form. If after reading this Prospectus you have any questions about the Offer or this Prospectus, you should speak to your professional adviser.

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

IMPORTANT NOTICE

This Prospectus is dated 13 October 2022 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Certain terms and abbreviations used in this Prospectus have defined meanings, which are explained in the Glossary. In this Prospectus, the words "we", "our" and "us" refer to the Company. The words "you" or "your" refer to Shareholders.

No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Application for quotation of the New Shares will be made to ASX within 7 days after the date of this Prospectus.

We are an ASX listed company whose securities are granted official quotation by ASX. In preparing this Prospectus regard has been had to the fact that we are a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisers who investors may consult.

No person is authorised to give any information or to make any representations in connection with this Offer that is not contained in this Prospectus. Any information or representation that is not contained in this Prospectus may not be relied upon as having been authorised by the Directors or by us.

Restrictions on distribution

Eligible Shareholders are all Shareholders at the Record Date. However, this Prospectus does not constitute an offer in any overseas jurisdiction where it would be unlawful to make the Offer. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares those Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand. You must ensure compliance with all laws of the country relevant to your Application. We will take the return of a duly completed Entitlement and Acceptance Form as a representation by you that there has been no breach of any laws.

The Corporations Act prohibits any person passing on to another person an application form unless it is accompanied by or included in a hard copy, or the complete and unaltered electronic version of this Prospectus. Please contact us if you wish to obtain a hard copy of this Prospectus free of charge.

A copy of this Prospectus can be downloaded from the Company's website at www.yandalresources.com.au. If you access the electronic version of this Prospectus you should ensure that you download and read the entire Prospectus.

Target Market Determination

A Target Market Determination (TMD) in respect of the offer of New Options under this Prospectus has been prepared by the Company and is available on the Company's website at www.yandalresources.com.au.

The TMD seeks to offer potential investors with an understanding of the class of investors for which the offer of New Options has been designed, having regard to the objectives, financial situation and needs of the target market.

CORPORATE DIRECTORY

DIRECTORS

Mr Greg Evans (Non-Executive Chair)
Mr Tim Kennedy (Managing Director)
Ms Katina Law (Non-Executive Director)

COMPANY SECRETARY

Mrs Bianca Taveira

BUSINESS OFFICE

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Nedlands WA 6009

Telephone: +61 8 9389 9021
Email: yandal@yandalresources.com.au
Website: www.yandalresources.com.au

LEGAL ADVISERS

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Level 4, The Read Buildings 16 Milligan Street
Perth WA 6000

UNDERWRITER AND LEAD MANAGER

MST Financial Services Pty Ltd
Level 13, 14 Martin Place
Sydney NSW 2000

AUDITOR

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

SHARE REGISTRY *

Boardroom Pty Limited
Level 12
225 George Street
Sydney, New South Wales, 2000

Telephone: 1300 737 760 (within Australia)
Email: corporateactions@boardroomlimited.com.au
Website: www.boardroomlimited.com.au

* The name of the Share Registry is included for information purposes only. It has not been involved in the preparation of any part of this Prospectus and has not consented to being named in the Prospectus.

TIMETABLE

Prospectus lodged with ASIC and ASX	13 October 2022
Opening Date of the Cleansing Offer	13 October 2022
"Ex" date	17 October 2022
Record Date to identify Shareholders entitled to participate in the Offer (7:00pm AEDT)	18 October 2022
Proposed issue of Shares under the Placement	20 October 2022
Send Prospectus and Entitlement and Acceptance Forms to Eligible Shareholders/ Opening Date	21 October 2022
Last day to extend the Closing Date	1 November 2022
Closing Date (5:00pm AEDT)	4 November 2022
Closing Date of the Cleansing Offer	
Securities quoted on a deferred settlement basis and ASX and Underwriter notified of undersubscriptions	7 November 2022
Announce results of Offer	8 November 2022
Issue date/Apply for quotation of New Shares/deferred settlement trading ends	11 November 2022
New Shares commence normal trading on ASX	14 November 2022

Please note that these dates are subject to change. We reserve the right, subject to the Corporations Act and the Listing Rules to amend the timetable at any time, and in particular, to extend the Closing Date or to withdraw the Offer without prior notice.

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1. INVESTMENT OVERVIEW

Question	Response	Where to find more information
What is the Offer?	<p>We are offering to issue New Shares and New Options to Eligible Shareholders by a pro-rata non-renounceable rights issue.</p> <p>Under the Rights Issue, Eligible Shareholders may subscribe for 1 New Share for every 5.15 Shares held on the Record Date. Each Eligible Shareholder will also be entitled to 1 free New Option for every 2 New Shares subscribed for under the Prospectus. Application will be made for quotation of the New Shares.</p>	Section 2.1
What is the Cleansing Offer	<p>The Cleansing Offer is being undertaken to enable the Shares issued pursuant to the Placement to be freely tradable upon issue. The Cleansing Offer is a compliance mechanism only and we do not currently intend to issue any New Shares or raise any funds under the Cleansing Offer.</p>	Section 5.2
What is the Issue Price for the New Shares?	<p>The Issue Price is 12 cents per New Share.</p>	Section 2.1
What are the terms of the New Options?	<p>The New Options have an exercise price of 24 cents and an expiry date of 31 October 2024. The full terms of the New Options are set out in Section 6.2.</p>	Section 6.2
Who is an Eligible Shareholder?	<p>The Offer is made to Eligible Shareholders being all Shareholders at the Record Date.</p>	Section 5.1
How many New Securities will be issued?	<p>The maximum number of securities that may be issued under the Offer is approximately 22,542,049 New Shares and 11,271,025 New Options.</p> <p>This may increase if existing Option holders exercise their Options before the Record Date to participate in the Offer.</p>	Section 2.1
What is the amount that will be raised under the Offer?	<p>At the date of this Prospectus the maximum amount that may be raised under the Offer is \$2,705,046.</p> <p>The actual amount of funds that will be raised under the Offer is not known as it depends upon Eligible Shareholders' take-up of the Offer and the placing of subsequent Shortfall in respect of the Non-Underwritten Amount. Further, existing Option holders may exercise their Options before the Record Date to participate in the Offer.</p>	Section 2.1

Question	Response	Where to find more information						
What is Minimum Subscription?	The Minimum Subscription is \$1,533,066, which equates to the Underwritten Amount.	Section 5.1 and Section 3.5						
What is the purpose of the Offer?	<p>Since listing on ASX in December 2018, the Company has undertaken systematic exploration and development of its 4 Projects in Western Australia that are primarily prospective for gold.</p> <p>The purpose of the Offer is to raise funds to primarily be used to fund accelerated exploration upon the Company's Projects.</p> <p>A budget of how we intend to use the funds raised both at Minimum Subscription and Full Subscription is set out in Section 2.2. As with any budget, new circumstances may change the way we apply the funds.</p>	Section 2.2						
What is the effect of the Offer?	<p>The effect of the Offer is to:</p> <ul style="list-style-type: none"> • Increase the number of Shares and Options on issue. • Increase our cash reserves by approximately \$2,705,046 (at Full Subscription and before the costs of the Offer), which in addition to the funds raised under the Placement results in an increase in cash reserves of a total of \$5,005,046. 	Section 2.3						
What are the risks of a further investment in the Company?	<p>The Offer should be considered highly speculative. Before deciding to subscribe under the Offer, you should consider the risk factors set out in this Prospectus and all other relevant material including our public announcements and reports. Some of the specific risks relevant to an investment in the Company are:</p> <table border="0" data-bbox="405 1375 1219 2058"> <thead> <tr> <th data-bbox="405 1375 635 1413">Risk Area</th> <th data-bbox="657 1375 1219 1413">Risks</th> </tr> </thead> <tbody> <tr> <td data-bbox="405 1442 635 1507">Exploration and development</td> <td data-bbox="657 1429 1219 1827"> <p>Mineral exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company.</p> <p>There can be no assurance that exploration on the Projects will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.</p> </td> </tr> <tr> <td data-bbox="405 1861 635 1921">Tenure and access</td> <td data-bbox="657 1861 1219 2058"> <p>The Company has a large portfolio of tenements in Western Australia. Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of leases and licences by the State. The Company is subject to the</p> </td> </tr> </tbody> </table>	Risk Area	Risks	Exploration and development	<p>Mineral exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company.</p> <p>There can be no assurance that exploration on the Projects will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.</p>	Tenure and access	<p>The Company has a large portfolio of tenements in Western Australia. Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of leases and licences by the State. The Company is subject to the</p>	Section 4
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Question	Response	Where to find more information
	<p>Mining Act and the Company has an obligation to meet conditions that apply to the granted tenements including the payment of rent and prescribed annual expenditure commitments.</p> <p>The granted tenements are subject to annual review and periodic renewal. While it is the Company's intention to satisfy the conditions that apply to the tenements, there can be no guarantees made that, in the future, the tenements that are subject to renewal will be renewed or that minimum expenditure and other conditions that apply to the tenements will be satisfied.</p> <p>There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Negotiations with both Native Title and land owners/occupiers are generally required before the Company can access land for exploration of mining activities. Further, activities can be restricted by the Aboriginal heritage sites that may be present. Inability to access, or delays experienced in accessing the land, may adversely impact on the Company's activities.</p>	
Future funding	<p>No assurance can be given that future investor funds as required will be made available on acceptable terms (if at all). If the Company is unable to obtain additional financing (whether equity or debt) as is needed, it may be required to reduce the scope of its operations and scale back its programs.</p>	
Gold Price	<p>The Company Projects are primarily prospective for gold. Gold and other commodity prices can fluctuate significantly and the gold price is exposed to numerous factors beyond the control of the Company. A significant decrease in the gold price is likely to adversely affect sentiment and market support towards a gold exploration company. If the Company achieves gold mining production, the Company's financial performance will be dependent in part on the gold price.</p>	

Question	Response	Where to find more information
	<p>Dependence on key personnel</p> <p>The Company's success depends in part on the core competencies of the Directors and management and the ability of the Company to retain these key executives. Loss of key personnel (such as the Managing Director) may have an adverse impact on the Company's performance.</p>	
<p>What are the underwriting and Lead Manager arrangements?</p>	<p>MST Financial Services Pty Ltd (the Lead Manager) has been engaged as Lead Manager and the Underwriter to the Offer. The Lead Manager is not a related party or a Shareholder of the Company.</p> <p>The Lead Manager has agreed to partially underwrite the Offer to an amount of \$1,533,066 (Underwritten Amount).</p> <p>The Lead Manager may appoint unrelated parties who are not substantial shareholders to sub-underwrite the Offer.</p> <p>The Lead Manager is also appointed to seek to place any Shortfall.</p> <p>The fees payable to the Lead Manager in respect of this Offer is set out in section 3.1.</p>	<p>Section 3.1</p>
<p>What is the Firm Commitment from Gold Road</p>	<p>The Company has entered into a firm commitment letter with Gold Road, pursuant to which Gold Road has committed to subscribe for \$500,000 (4,166,667 Shares) worth of its Entitlement under the Offer.</p> <p>Based on information known to the Company at the date of this Prospectus, Gold Road has a relevant interest in 23,362,809 Shares. Gold Road's commitment represents approximately 92% of its Entitlement, showing a strong sign of support for the Company, management and its current operations.</p> <p>The Company has also entered into a firm commitment letter with 3 other shareholders, as detailed in Section 3.5.</p>	<p>Sections 3.5 3.6</p>
<p>What are the alternatives for Eligible Shareholders?</p>	<p>The Offer is non-renounceable. Accordingly, you are not entitled to sell or transfer all or part of your Rights. As an Eligible Shareholder, you may:</p> <ul style="list-style-type: none"> • Take up all of your Rights. • Apply for Shortfall Shares. • Take up part of your Rights and allow the balance of your Rights to lapse. • Allow all or part of your Rights to lapse. 	<p>Section 5.2</p>

Question	Response	Where to find more information
How will Shortfall be allocated?	<p>Any Entitlement not accepted will form the Shortfall.</p> <p>The Shortfall will be placed pursuant to the Offer Management and Underwriting Agreement and otherwise at the discretion of the Directors in consultation with the Lead Manager (as Lead Manager and Underwriter). Application for Shortfall by Eligible Shareholders who are not related parties and have subscribed for their full Entitlement does not guarantee any allocation.</p>	Sections 3.2 and 5.7
What is the effect on control of the Offer?	<p>The maximum dilution to shareholding that will be experienced by Eligible Shareholders that do not subscribe for their Entitlement is 16.3%.</p> <p>Gold Road is the largest Shareholder in the Company with a current voting power of 20.12%. On Completion of the Placement, Gold Roads voting power will be diluted to approximately 17.27%. Gold Road has provided a firm commitment to subscribe for 4,166,667 Shares under the Offer which is equal to approximately 92% of its full Entitlement. The Lead Manager has agreed to partially underwrite the Offer to the Underwritten Amount. In addition, the Company has received additional firm commitments (other than from Gold Road) from existing Shareholders for an aggregate of \$1,198,835. Accordingly, the maximum voting power of Gold Road by reason of its participation in the Offer and assuming dilution of its current interest as a result of the Placement will be 17.42% (refer to section 3.4).</p> <p>Gold Road will not participate in any Shortfall.</p> <p>Please refer to Section 3.3 for additional effects on control from substantial Shareholders as a result of the Offer.</p> <p>For the reasons set out above and in Section 3.3, the Company is of the view that the Offer will not materially affect the control of the Company.</p>	Sections 3.4 and 3.5

2. REASON FOR THE RIGHTS ISSUE AND EFFECT ON THE COMPANY

2.1 Background

The Company is a resource exploration and development company with a large portfolio of tenements in Western Australia primarily prospective for gold. The Company's tenements form 4 Projects. The Ironstone Well, Barwidgee and Mt McClure Projects are located in the Yandal Greenstone Belt in Western Australia. The Gordons Project is in the Kalgoorlie terrain of the Norseman to Wiluna Greenstone Belt in Western Australia.

The Company listed on ASX on 14 December 2018. Since listing on ASX, the Company has undertaken systematic exploration and development activities on its Projects. Drilling programs have been undertaken resulting in new mineralisation at the Projects and a 2012 JORC Code Mineral Resource Estimate at the Flushing Meadows prospect within the Ironstone Well Project (see ASX announcement of 4 November 2020) and the Challenger, Success and Parmelia prospects within the Mt McClure Project (see ASX announcements of 22 August 2022, 6 September and 20 September respectively).

As announced by the Company on 13 October 2022 the Company received firm commitments from sophisticated and professional investors to raise approximately \$2,300,000 via the issue of 19,166,667 Shares at an issue price of 12 cents per Share (**Placement**). Participants in the Placement will be issued 1 free attaching Option on the basis of every 2 Shares subscribed for under the Placement on the same terms and conditions as the Options being offered pursuant to the Offer. The Placement Shares and Options will be issued pursuant to the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A. MST Financial Services Pty Ltd (ACN 617 475 180) acted as lead manager to the Placement. Subscribers under the Placement will be ineligible to participate in this Offer except to the extent they are existing Shareholders prior to the Record Date.

In conjunction with the Placement, the Company is making this Offer in order to apply the funds raised under the Placement and the Offer to accelerate exploration upon the Company's Projects as set out in Section 2.2 below.

The Offer consists of a pro-rata non-renounceable rights issue of approximately 22,542,049 New Shares to Eligible Shareholders. The Offer is made on the basis of 1 New Share for every 5.15 Shares held by Eligible Shareholders on the Record Date at an issue price of 12 cents per New Share and 1 free New Option for every 2 New Shares subscribed for under the Prospectus. The Offer will raise up to approximately \$2,705,046 (before costs) at Full Subscription, which together with the Placement, results in total funds raised of up to \$5,005,046.

Application will be made for quotation of the New Shares on ASX.

2.2 Use of funds

The Company had approximately \$3,730,000 cash on hand at 30 June 2022 and has since received binding commitments to raise approximately \$2,300,000 pursuant to the Placement. Presented below is the manner in which the Company intends to use its current funds (including funds raised under the Placement) and the proceeds of the Offer at Minimum Subscription and Full Subscription.

The funds raised from this Offer and Placement are intended to primarily be used to fund accelerated exploration upon the Company's Projects as set out below.

Funds Raised	Minimum Subscription (\$1,533,066)	Full Subscription (\$2,705,046)
Funds raised under the Placement	\$2,300,000	\$2,300,000
Funds raised under the Offer ¹	\$1,533,066	\$2,705,046
Total	\$3,833,066	\$5,005,046

Use of Funds	Amount	
Exploration programmes and drilling at the Mt McClure Project	\$2,000,000	\$2,350,000
Exploration programmes and drilling at the Ironstone Well Project	\$650,000	\$950,000
Exploration programmes and drilling at the Barwidgee Project	\$400,000	\$650,000
Exploration programmes and drilling at the Gordons Project	\$280,000	\$350,000
Working Capital ²	\$231,161	\$359,290
Costs of the Offer ³	\$271,905	\$345,756
Total	\$3,833,066	\$5,005,046

Notes:

1. This table assumes that none of the existing Option holders exercise their Options before the Record Date and participate in the Offer.
2. General working capital includes operating costs and may be applied to directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance costs and travel costs.
3. The costs of the Offer are set out in Section 6.7.
4. In the event that less than the Full Subscription but greater than the Minimum Subscription is raised, the use of funds set out in the table above will be scaled back amongst the items on a pro rata basis.
5. This table is a statement of our proposed application of the funds raised as at the date of this Prospectus. As with any budget, unexpected events and new circumstances have the potential to affect our decisions and we reserve the right to vary the way the funds are applied.

2.3 Effect on Shareholders' equity and cash reserves

Assuming that all New Shares and New Options offered under the Rights Issue are issued, the principal effects of the Rights Issue on the Company will be to:

- (a) increase the total number of Shares and Options on issue (see Section 2.4); and
- (b) increase our cash reserves, before taking into account the costs of the Offer (see Section 2.5).

A pro forma statement of financial position that contains further information about the effect of the Rights Issue on the Company is provided in Section 2.5.

2.4 Effect on capital structure

Assuming no existing Options are exercised before the Record Date, the capital structure of the Company following the Offer assuming each of Minimum Subscription and Full Subscription is shown in the following table.

Shares	Minimum Subscription	Full Subscription
Existing Shares	116,091,553	116,091,553
Shares to be issued under the Placement	19,166,667	19,166,667
New Shares issued under the Offer	12,775,550	22,542,049
Total Shares	148,033,770	157,800,269
Options	Minimum Subscription	Full Subscription
Existing Options (exercise price 65 cents and expiry date 31 December 2022)	5,349,695	5,349,695
Existing Options (exercise price 50 cents and expiry date 4 April 2025)	1,300,000	1,300,000
Existing Options (exercise price \$1.00 and expiry date 4 April 2026)	1,300,000	1,300,000
Existing Options (exercise price \$0.30 and expiry date 1 September 2025)	1,000,000	1,000,000
New Options to be issued under the Placement	9,583,334	9,583,334
New Options issued under the Offer (exercise price 24 cents and expiry date 31 October 2024)	6,387,775	11,271,025
New Options issued to the Lead Manager ¹	Nil	2,000,000
Total Options	24,920,804	31,804,054

Notes

- As set out in Section 3.1, the Lead Manager will, subject to Shareholder approval, be issued with 2,000,000 New Options subject to not less than \$4,500,000 being raised under the Placement and the Offer.
- The Company also has 1,500,000 Performance Rights on issue, the terms of which are set out in the ASX announcement dated 15 October 2021. In the event of conversion, the Performance Rights convert into Shares on the basis of one Share for each one Performance Right.

2.5 Pro forma Statement of Financial Position

To illustrate the effect of the Rights Issue on the Company, an unaudited pro forma statement of financial position has been prepared based on the audited balance sheet as at 30 June 2022. The pro forma statement of financial position shows the effect of the Rights Issue as if it had been made on 30 June 2022 at both Minimum Subscription and Full Subscription based on the following assumptions:

- (a) The issue of 19,166,667 Shares at an issue price of 12 cents and 9,583,334 New Options pursuant to the Placement which raised \$2,300,000.
- (b) At Minimum Subscription, the issue of 12,775,550 New Shares at an issue price of 12 cents each and the issue of 6,387,775 free attaching New Options to raise \$1,533,066 less estimated costs of \$271,905.
- (b) At Full Subscription, the issue of 22,542,049 New Shares at an issue price of 12 cents and the issue of 11,271,025 free attaching New Options to raise \$2,705,046 less estimated costs of \$345,756.
- (c) No Options or other convertible securities currently on issue are converted or exercised prior to the Record Date.

	30 June 2022 Consolidated Audited	30 June 2022 Proforma (Minimum Subscription)	30 June 2022 Proforma (Full Subscription)
	\$	\$	\$
Current assets			
Cash and cash equivalents	3,730,000	4,991,161	6,089,290
Trade and other receivables	116,161	116,161	116,161
Other	6,899	6,899	6,899
Total current assets	3,853,060	5,114,221	6,212,350
Non-current assets			
Capitalised exploration expenditure	19,382,704	19,382,704	19,382,704
Property, plant and equipment	195,030	195,030	195,030
Total non-current assets	19,577,734	19,577,734	19,577,734
Total assets	23,430,794	24,691,955	25,790,084
Current liabilities			
Trade and other payables	213,663	213,663	213,663
Total current liabilities	213,663	213,663	213,663
Total liabilities	213,663	213,663	213,663
Net assets	23,217,131	24,478,292	25,576,421
Equity			
Contributed equity	25,154,568	26,415,729	27,513,858
Reserves	866,797	866,797	866,797
Accumulated (losses)/profits	(2,804,234)	(2,804,234)	(2,804,234)
Total equity	23,217,131	24,478,292	25,576,421

3. UNDERWRITING, LEAD MANAGER ARRANGEMENTS, EFFECT ON CONTROL AND FIRM COMMITMENT FROM GOLD ROAD

3.1 Offer Management and Underwriting Agreement

The Company has entered into an offer management and underwriting agreement (**Underwriting Agreement**) with MST Financial Services Pty Ltd (AFSL 500557) (**MST or Lead Manager**), pursuant to which MST has agreed to manage and underwrite the Offer up to the Underwritten Amount, being a value of \$1,533,066. Any funds raised by the Company pursuant to the firm commitment letters set out in Section 3.5 will not reduce MST's underwriting agreement in relation to the Underwritten Amount. The Offer Management and Underwriting Agreement documents the rights, liabilities and obligations of the Company and MST with respect to the Placement and the Offer.

The lead Manager may appoint sub-underwriters to sub-underwrite the Offer. The appointment of sub-underwriters is at the discretion and expense of the Lead Manager.

In consideration for its services in relation to the Placement and the Offer, the Company has agreed to pay the following fees to MST:

- (a) a management fee of 6% of the gross proceeds under the Placement;
- (b) an underwriting fee of 6% of the Underwritten Amount;
- (c) a 4% management fee of the Non-Underwritten Amount; and
- (d) subject to a minimum of \$4,500,000 being raised under the Placement and Offer and Shareholder approval being obtained for the issue, issue to MST 2,000,000 New Options (being on the same terms as the New Options to be issued under the Placement).

The Company is obligated to pay or reimburse MST for reasonable legal costs incurred by MST in connection with the Offer, capped at \$10,750 plus GST and disbursements, all reasonable out of pocket expenses incurred MST in connection with the Offer (including travel, airfares and accommodation expenses previously approved by MST), provided that MST obtains the consent of the Company to incur expenses in excess of \$2,000, stamp duty, transfer taxes, withholding taxes or similar taxes and all reasonable costs of MST in relation to any inquiry or review by ASX, ASIC or any government agency in connection with the Offer.

MST may immediately terminate the Offer Management and Underwriting Agreement in the event of the following where MST has reasonable and bona fide grounds to believe that the event:

- (a) could give rise to MST contravening any applicable law;
- (b) has a material adverse effect on the marketing or outcome of the Offer (including the likely trading price of the Securities); or
- (c) has resulted in or may result in a material adverse change in the financial position, performance or prospects of the Company; and
 - (i) (**information**) the information supplied by or on behalf of the Company to the Lead Manager for the purposes of due diligence investigations, the offer materials, or the Offer, is misleading or deceptive (including by omission);
 - (ii) (**Tenements**) if any of the Tenements are revoked, not renewed, illegal, invalid or void, or the terms of any Tenements are materially breached by the relevant Group Member;
 - (iii) (**Supplementary Prospectus**) a Supplementary Prospectus is:

- (A) lodged by the Company, or the due diligence committee recommends that a Supplementary Prospectus is lodged, or
 - (B) in the reasonable opinion of the Lead Manager, a Supplementary Prospectus is required to comply with section 719 of the Corporations Act;
 - (C) lodged by the Company without the approval of the Lead Manager;
- (iv) **(Change of law)** there is introduced or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of this document), any of which does or is likely to prohibit or regulate the Offer, capital issues or stock markets;
- (v) **(pandemic)** a pandemic, epidemic or large-scale outbreak of a disease (including without limitation SARS, swine or avian flu, H5N1, H7N9, COVID-19 or a related or mutated form of these) not presently existing occurs or in respect of which there is a major escalation, involving Australia;
- (vi) **(market disruption)** either of the following occurs:
- (A) a general moratorium on commercial banking activities in Australia, New Zealand, the United States of America, Japan, Singapore, the People's Republic of China (including Hong Kong), the United Kingdom or a member of the European Union is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or
 - (B) trading in all securities quoted or listed on ASX, the London Stock Exchange, the HK Stock Exchange, the New York Stock Exchange or the Tokyo Stock Exchange is suspended or limited in a material respect for more than one day on which that exchange is open for trading;
- (vii) **(hostilities)** hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, the United States of America, New Zealand, Canada, Japan, Singapore, Malaysia, the People's Republic of China (including Hong Kong), the United Kingdom, any member state of the European Union, Norway, or Switzerland or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries elsewhere in the world;
- (viii) **(political or economic conditions)** the occurrence of any adverse change or disruption to the political conditions or financial markets of Australia, the United States of America, New Zealand, Canada, Japan, Singapore, the People's Republic of China (including Hong Kong), Malaysia, the United Kingdom, any member state of the European Union, Norway, or Switzerland

or the international financial markets or any change or development involving a prospective change in national or international political, economic or financial conditions;

- (ix) (**Ukraine war**) in respect of the existing hostilities in Ukraine:
 - (A) there is a nuclear incident;
 - (B) Russia invades another country; or
 - (C) another country becomes directly and formally involved in the existing conflict;
- (x) (**charge**) a person charges or encumbers or agrees to charge or encumber, the whole, or a substantial part of the business or property of the Company;
- (xi) (**warranties**) a warranty contained in this document on the part of the Issuer is untrue or incorrect when given or taken to be given or becomes untrue or incorrect;
- (xii) (**breach**) the Company fails to perform or observe any of its obligations under the Underwriting Agreement;
- (xiii) (**change in management**) a change in the senior management or the board of directors of the Company occurs or is announced;
- (xiv) (**Insolvency of a Group Member**) an Insolvency Event occurs in respect of a Group Member (excluding the Company) or there is an act which has occurred or any omission made which would result in an Insolvency Event occurring in respect of any Group Member (excluding the Company);
- (xv) (**misleading statement**) the Certificate which is required to be furnished by the Issuer under this document is untrue, incorrect or misleading; or
- (xvi) (**Prescribed Occurrence**) a Prescribed Occurrence in respect of the Issuer occurs during the Offer Period, other than:
 - (i) as contemplated by this agreement;
 - (ii) the Issuer issuing securities pursuant to:
 - (A) the exercise or conversion of any security on issue as at the date of this agreement;
 - (B) any employee incentive scheme in operation as at the date of this agreement; or
 - (C) any distribution reinvestment plan; or
 - (iii) as permitted in writing by the Lead Manager.

In addition to the above events, MST may terminate the Offer Management and Underwriting Agreement immediately in any of the following circumstances:

- (a) (**misleading disclosure**) a statement contained in the offer materials (including the Prospectus, and any estimate, expression of belief or intention, or statement relating to future matters made in the Prospectus) is or becomes misleading or deceptive or

likely to mislead or deceive or a matter required to be included is omitted from the offer materials, or there are no reasonable grounds for the making of any statement in the offer materials relating to future matters;

- (b) (**Prospectus not lodged or withdrawn**) the Company does not lodge the Prospectus in accordance with the Timetable or the Prospectus or the Offer is withdrawn by the Company;
- (c) (**adverse change**) any adverse change, or development (including but not limited to any regulatory change) or event involving a prospective change, in the condition, financial or otherwise, or in the assets, liabilities, earnings, business, operations, management, profits, losses or prospects of the Issuer, any Group Member or any Target or their respective underlying investments occurs;
- (d) (**new circumstance**) a new circumstance arises which is a matter adverse to investors in Offer Securities or which would have been required by the Corporations Act to be included in the Prospectus or any of the offer materials had the new circumstance arisen before the Prospectus or any of the offer materials were given to ASX;
- (b) (**Issuer offers refund**) any circumstance arises after the Prospectus is lodged with ASIC that results in the Company doing any of the following:
 - (i) repaying, or offering to repay, any monies the Issuer receives from applicants; or
 - (ii) offering one or more applicants an opportunity to withdraw their Entitlement and Acceptance Forms or their application for Shortfall Securities
- (c) (**unauthorised changes**) the Company or a Group Member:
 - (i) disposes, or agrees to dispose of, the whole, or a substantial part, of its business property;
 - (ii) ceases or threatens to cease to carry on business; or
 - (iii) alters its capital structure, other than as contemplated in the Offer Materials;
- (d) (**unable to proceed**) the Company is or will be prevented from conducting or completing the Offer (including granting the Entitlements or issuing the Offer Securities) by or in accordance with the Listing Rules, ASIC, ASX, any applicable laws or an order of a court of competent jurisdiction, or otherwise are or will become unable or unwilling to do any of these things or a third party applies to a court of competent jurisdiction seeking orders to prevent, or which will have the effect of preventing any of these things;
- (e) (**Offer to comply**) any offer material or any aspect of the Offer does not or fails to comply with the Corporations Act, the Listing Rules, the ASX Waiver or any other applicable law or regulation;
- (f) (**ASIC determination**) ASIC makes a determination, exemption or order which would prevent:
 - (i) the Company from making the Entitlement Offer under section 709 of the Corporations Act, including a determination under section 713(6) of the Corporations Act; or

- (ii) the Company from proceeding with the Entitlement Offer by reason of an order (actual or threatened, interim or final) under section 739 of the Corporations Act or a determination under section 713(6) of the Corporations Act; or
 - (iii) a holder of Securities selling Securities under section 708A(11) or (12) of the Corporations Act, including a determination under section 708A(2) of the Corporations Act.
- (g) **(listing):**
- (i) the Company ceases to be admitted to the official list of ASX or the Securities (or interests in them) cease trading or are suspended from official quotation or cease to be quoted on the ASX (other than a voluntary suspension requested by the Issuer and consented to by the Lead Manager to facilitate the Offer (such consent not to be unreasonably withheld or delayed));
 - (ii) ASX makes any official statement to any person, or indicates to the Issuer or the Lead Manager that it will not grant permission for the official quotation of the Offer Securities; or
 - (iii) permission for the official quotation of the Offer Securities is not granted before the date of issue of those Offer Securities or, if granted, the approval is subsequently withdrawn, qualified or withheld;
- (h) **(notifications)** any of the following notifications are made in relation to the Offer or any offer materials:
- (i) ASIC issues an order (including an interim order under section 739A(3) of the Corporations Act) under section 739(1A) of the Corporations Act;
 - (ii) ASIC holds a hearing under section 739(2) of the Corporations Act;
 - (iii) ASIC applies for an order under sections 1324B or 1325 of the Corporations Act in relation to the offer materials or prosecutes or commences proceedings against or gives notice of an intention to prosecute or commence proceedings against the Issuer;
 - (iv) an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the offer materials or the offer;
 - (v) ASIC commences, or gives notice of an intention to hold, any investigation or hearing under Part 3 of the ASIC Act or other applicable laws in relation to the Offer or any of the offer materials;
 - (vi) ASIC prosecutes or commences proceedings against or gives notice of an intention to prosecute or commence proceedings against the Company;
 - (vii) any person (other than the Lead Manager) who has previously consented to the inclusion of their name in the Prospectus withdraws that consent; or
 - (viii) any person gives notice under section 730 of the Corporations Act in relation to any offer materials;
- (i) **(no misleading or deceptive conduct)** the Company engages in conduct that is misleading or deceptive or which is likely to mislead or deceive in connection with the making of the Offer;

- (j) (**Certificate**) a certificate which is required to be provided by the Company under the Underwriting Agreement is not provided when required;
- (k) (**delay**) any event specified in this document (including in the Timetable) is delayed by 1 Business Day or more, without the prior written consent of the Company;
- (l) (**prosecution**) any of the following occurs:
 - (i) legal proceedings are commenced against the Company or the Directors;
 - (ii) a director or proposed director of the Company is charged with an indictable offence in relation to any financial or corporate matter;
 - (iii) any government agency commences any public proceedings against the Company or any director in their capacity as a director of the Issuer, or announces that it intends to take such action;
 - (iv) an application, submission, investigation or other communication is made to or received by a Government Agency (including the Takeovers Panel) in relation to the Entitlement Offer or the Company; or
 - (v) any director or proposed director of the Company is disqualified from managing a corporation under any applicable law;
- (m) (**ASX Waivers and ASIC Modifications**) approval for any ASX Waivers or ASIC Modifications is withdrawn or is varied in a way that, in the reasonable opinion of the Lead Manager, would have a material adverse effect on the success of the Offer;
- (n) (**Insolvency of the Issuer**) an Insolvency Event occurs in respect of the Company or there is an act which has occurred or any omission made which would result in an Insolvency Event occurring in respect of the Company;
- (o) (**market fall**) either the ASX/S&P Small Ordinaries Index or the ASX/S&P 300 Metals and Mining Index closes:
 - (i) at any time on 2 consecutive Business Days prior to the settlement date at a level that is 10% or more below its level at the close of trading on the Business Day before the date of the Offer Management and Underwriting Agreement;
 - (ii) on the Business Day immediately prior to the settlement date of the Placement at a level that is 10% or more below its level as at the close of trading on the Business Day before the date of the Offer Management and Underwriting Agreement;
 - (iii) on the Business Day immediately prior to the settlement date at a level that is 10% or more below its level as at the close of trading on the Business Day before the date of the Offer Management and Underwriting Agreement; or
- (p) (**withdrawal**) the Company withdraws the Offer.

3.2 Lead Manager

MST has been appointed as the lead manager of the Offer pursuant to a lead manager mandate dated 29 August 2022 (**Lead Manager Mandate**). Under the terms of the Lead Manager Mandate, the Lead Manager has agreed to use its best endeavours to place any Shortfall. In addition, as outlined in section 3.1 above, the Company has also entered into the

Offer Management and Underwriting Agreement with MST, pursuant to which MST has agreed to subscribe for shortfall securities up to the Underwritten Amount.

For details of the fees payable under the Lead Manager Mandate please refer to section 3.1 above. For the avoidance of doubt, MST is entitled to the fees detailed in section 3.1 for its services as Lead Manager and Underwriter to the Offer.

Under the terms of the Lead Manager Mandate, the Company has also agreed to pay the following termination fee to the Lead Manager:

- (a) if the Lead Manager Mandate is terminated by the Company after 20 business days of the date of the agreement and the Company undertakes a capital raising within 6 months of terminating for which MST is not engaged as lead manager, MST will be entitled to receive a fee of 6% of the total amount raised from investors who were introduced to the Company by MST and who had held meetings with either MST or the Company in relation to the Placement (excluding all existing shareholders of the Company).

In addition, unless the Lead Manager Mandate is terminated by MST, the Company has agreed to grant MST a right of first refusal with respect to any future capital raising undertaken by the Company within a period of 6 months from the date of expiry or termination of the Lead Manager Mandate.

3.3 Shortfall/Allocation Policy

Any New Shares under the Rights Issue that are not applied for will form the Shortfall. Information on how to apply for Shortfall is set out in Section 5.7.

The Shortfall will be allocated at the discretion of the Directors in consultation with the Lead Manager (as Lead Manager and Underwriter).

3.4 Potential effect on control

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

The Lead Manager is presently not a Shareholder and is not a related party of the Company for the purposes of the Corporations Act. The issue of Shares under this Prospectus to the Lead Manager may increase its interest in the Company and dilute the Shareholding of other Shareholders to the extent they elect not to participate in the Offer or are ineligible to participate in the Offer.

In accordance with the terms of the Offer Management and Underwriting Agreement, the Lead Manager will allocate the Shortfall to its sub-underwriters and/or clients and people who have otherwise agreed to assist with the completion of the Offer such that neither the Lead Manager, the sub-underwriters nor any of the Lead Manager's clients, individually, will have a voting power in the Company in excess of 19.9% after the issue of the Shortfall.

The Company, in consultation with the Lead Manager, will ensure that the Offer (including the equitable dispersion of any Shortfall Securities) complies with the provisions of Chapter 6 of the Corporations Act 2001 (Cth) and is otherwise consistent with the policy guidelines contained in ASIC Regulatory Guide 6 and Takeovers Panel Guidance Note 17.

3.5 Firm Commitment Letters

The Company has entered into binding commitment letters with the following Shareholders pursuant to which each Shareholder has agreed to subscribe for the following amounts pursuant to their Entitlements under the Offer (**Firm Commitments**).

- (a) **Gold Road Resources:** Gold Road has agreed to subscribe for 4,166,667 Shares under the Offer, representing approximately 92% of its full entitlement. The maximum voting power of Gold Road on completion of the Offer, assuming the Minimum Subscription and amount pursuant to the Firm Commitments is raised is 17.42%.
- (b) **Au Xingao Investment Pty Ltd:** Au Xingao has agreed to subscribe for 3,454,753 Shares under the Offer, representing 100% of its full entitlement. The maximum voting power of Au Xingao on completion of the Offer, assuming the Minimum Subscription and amount pursuant to the Firm Commitments is raised is 13.44%.
- (c) **Kenneth Hall:** Ken Hall has agreed to subscribe for an aggregate of 2,000,000 Shares under the Offer, representing 100% of his full entitlement and an additional 593,592 Shares under the Shortfall. The maximum voting power of Kenneth Hall on completion of the Offer, assuming the Minimum Subscription and amount pursuant to the Firm Commitments is raised is 5.85%.
- (d) **Bill Brooks Pty Ltd:** Bill Brooks has agreed to subscribe for 368, 870 Shares under the Offer, representing 100% of its full entitlement. The maximum voting power of Bill Brooks on completion of the Offer, assuming the Minimum Subscription and amount pursuant to the Firm Commitments is raised will be less than 5%.

3.6 Voting power of Gold Road and the future intentions of Gold Road under the Offer

At the date of this Prospectus, Gold Road has a voting power of 20.12% (23,362,809 Shares) and on Completion of the Placement, Gold Roads voting power will be diluted to approximately 17.27%.

Pursuant to the Firm Commitment Letter outlined in section 3.5 above, Gold Road has confirmed that it will subscribe for 4,166,667 Shares under the Offer, which is equal to approximately 92% of its full Entitlement. Gold Road's intention to take up 92% of its Entitlement is a strong vote of support for the Company's Projects, management team and current operations.

The Offer is partially underwritten by the Lead Manager to extent of the Underwritten Amount and in addition, the Company has received firm commitments from existing Shareholders (other than Gold Road) for an aggregate of \$1,198,835. Accordingly, the maximum voting power of Gold Road on completion of the Offer and assuming the dilutionary effect of the Placement, will be 17.42%.

4. RISK FACTORS

4.1 Introduction

An investment in the New Securities the subject of this Prospectus is highly speculative as the Company is a resource exploration and development company seeking to explore and develop its Projects in Western Australia which are primarily prospective for gold. The Company has a large portfolio of tenements.

Careful consideration should be given to all matters raised in this Prospectus and the relative risk factors prior to applying for New Securities offered for subscription under this Prospectus. Some of these risks can be mitigated by the use of appropriate safeguards and actions, but some are outside the Company's control and cannot be mitigated. You should also consider consulting with your professional advisers before deciding whether or not to apply for New Securities.

The following is a list of the material risks that may affect the financial position of the Company, the value of an investment in the Company, as well as the Company's operations. The list is set out under "Company and Industry Risks" and "General Investment Risks". The list is not an exhaustive list of risks.

4.2 Company and Industry Risks

Exploration and Development

Mineral exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves, among other things:

- discovery and proving-up, or acquiring, an economically recoverable resource or reserve;
- access to adequate capital throughout the acquisition/discovery and project development phases;
- securing and maintaining title to mineral exploration projects;
- obtaining required development consents and approvals necessary for the acquisition, mineral exploration, development and production phases; and
- accessing the necessary experienced operational staff, the applicable financial management and recruiting skilled contractors, consultants and employees.

The Company is a resource exploration and development company. There can be no assurance that exploration on the Projects will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.

The future exploration and development activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and other factors beyond the control of the Company.

Tenure and access

The Company has a large portfolio of tenements in Western Australia. Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of leases and licences by the State. The Company is subject to the Mining Act and the Company has an obligation to meet conditions that apply to the granted tenements including the payment of rent and prescribed annual expenditure commitments.

The granted tenements are subject to annual review and periodic renewal. While it is the Company's intention to satisfy the conditions that apply to the tenements, there can be no guarantees made that, in the future, the tenements that are subject to renewal will be renewed or that minimum expenditure and other conditions that apply to the tenements will be satisfied.

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Negotiations with both Native Title and land owners/occupiers are generally required before the Company can access land for exploration of mining activities. Further, activities can be restricted by the Aboriginal heritage sites that may be present. In the north of the Mt McClure Project there are a number of heritage sites that could restrict exploration activities.

Inability to access, or delays experienced in accessing the land, may adversely impact on the Company's activities.

Future funding

The funds raised by the Offer will be primarily used to accelerate exploration upon the Company's Projects as set out in Section 2.2.

The Company is a resource exploration and development company with Projects in Western Australia primarily prospective for gold. The Company will depend upon the availability of further investor funds. No assurance can be given that future investor funds as required will be made available on acceptable terms (if at all). If the Company is unable to obtain additional financing (whether equity or debt) as needed, it may be required to reduce the scope of its operations and scale back its expansion programs.

Gold Price and Exchange Rates

The Company Projects are primarily prospective for gold. Gold and other commodity prices can fluctuate significantly and the gold price is exposed to numerous factors beyond the control of the Company such as world demand for gold and other metals, forward selling by producers, and production cost levels in major metal producing regions. Other factors include expectations regarding inflation, the financial impact of movements in interest rates, commodity price forward curves, global economic trends and domestic and international fiscal, monetary and regulatory policy settings.

A significant decrease in the gold price is likely to adversely affect sentiment and market support towards a gold exploration company.

If the Company achieves gold mining production, the Company's financial performance will be dependent in part on the gold price as well as the Australian dollar and US dollar exchange rate. International prices of gold and other commodities are generally denominated in US dollars. The income and expenditure of the Company will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

Dependence on key personnel

The Company's success depends in part on the core competencies of the Directors and management and the ability of the Company to retain these key executives. Loss of key personnel (such as the Managing Director) may have an adverse impact on the Company's performance.

Grant of tenement applications

Some of the Project tenements are in application. There can be no guarantee that the tenement applications will be granted, or if they are granted, that they will be granted in their entirety. If the tenement applications are not granted, the Company will not acquire an interest in these tenements and the Projects will be limited to the granted tenements.

COVID-19 pandemic risk

The COVID-19 pandemic has had a significant adverse impact on world economic conditions. Companies in Australia have not been isolated from this impact and these unstable economic conditions may continue for the foreseeable future.

Various national and state governments have imposed restrictions on the movement of people and goods in an attempt to slow down and contain the spread of the COVID-19 virus. Social distancing measures have been implemented in many places. Various other restrictions (such as lockdowns) have been and could continue to be implemented.

The Company's activities may be delayed or curtailed as a result of the COVID-19 pandemic or measures taken to contain it.

Resources and Reserve estimates

Mineral Resource and Ore Reserve estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Mineral Resource and Ore Reserve estimation is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate.

The actual quality and characteristics of ore deposits cannot be known until mining takes place and will almost always differ from the assumptions used to develop resources. Further, Ore Reserves are valued based on future costs and future prices and, consequently, the actual Mineral Resources and Ore Reserves may differ from those estimated, which may result in either a positive or negative effect on operations.

Native title

The Native Title Act 1993 (Cth) recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is a significant uncertainty associated with native title in Australia and this may impact upon the Company's operations and future plans.

Native title can be extinguished by valid grants of land or waters to people other than the native title holders or by valid use of land or waters. It can also be extinguished if the indigenous group has lost their connection with the relevant land or waters. Native title is not necessarily extinguished by the grant of mining licences, although a valid mining lease prevails over native title to the extent of any inconsistency for the duration of the title.

It is important to note that the existence of a native title claim is not an indication that native

title in fact exists to the land covered by the claim, as this is a matter ultimately determined by the Federal Court. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining the consent of any relevant landowner) or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

The Company must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of infrastructure, development or mining operations.

Results of Studies

Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in respect to the Projects. These studies may include scoping, pre-feasibility, definitive feasibility and bankable feasibility studies.

These studies will be completed within parameters designed to determine the economic feasibility of the Projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Projects or the results of other studies undertaken by the Company (eg the results of a feasibility study may materially differ to the results of a scoping study).

Even if a study confirms the economic viability of the Projects, there can be no guarantee that the Project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (eg operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.

Acquisitions

The Company may make acquisitions of, or investments in, companies or assets that are complementary to its business. Any such future transactions are accompanied by the risks commonly encountered in making acquisition of companies or assets, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving mineral exploration success and retaining key staff.

Environmental risk

The Company's Projects are subject to State and Federal laws and regulations regarding environmental matters. The Governments and other authorities that administer and enforce environmental laws and regulations determine these requirements. As with all exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly, if the Company's activities result in mine development. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Further, the Company may require additional approvals from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

Insurance

The Company may maintain insurance within ranges of coverage that it believes to be consistent with industry practice and having regard to the nature of activities being conducted. However, it is not always possible to cost-effectively insure against all risks associated with such activities. The Company may decide not to take out insurance against certain risks as a result of high premiums or for other reasons. Should liabilities arise on uninsured risks, the Company's business, financial condition and results of operations and the market price of the Shares may be materially adversely affected.

Legal Proceedings

Legal proceedings may arise from time to time in the course of the business of the Company. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

Royalties

The Company's Projects are subject to State royalties upon any production of gold. In the event that State royalties are increased in the future, the profitability and commercial viability of the Company's Projects may be negatively impacted.

Some of the Company's tenements are subject to a contractual royalty or royalties.

Climate Change Regulation

Mining of mineral resources is relatively energy intensive and is dependent on the consumption of fossil fuels. Increased regulation and government policy designed to mitigate climate change may adversely affect the Company's cost of operations and adversely impact the financial performance of the Company.

4.3 General Investment Risks

Securities investments and share market conditions

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, securities markets (such as the ASX) may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of a company such as a resource exploration and development company. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

Liquidity risk

There is no guarantee that the Shares will trade at a particular price or a particular volume after the Company's listing on the ASX. There is no guarantee that there will be an ongoing liquid market for Shares. Accordingly, there is a risk that, should the market for Shares become illiquid, Shareholders will be unable to realise their investment in the Company.

Legislative

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

Economic risk

Changes in both Australian and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

5. DETAILS OF THE OFFER

5.1 The Offer

(a) Overview

All Eligible Shareholders (being all Shareholders at the Record Date) are entitled to participate in the Rights Issue. The Record Date is 7:00pm AEDT, 18 October 2022.

As an Eligible Shareholder you are entitled to subscribe for 1 New Share for every 5.15 Shares held on the Record Date at the Issue Price of 12 cents per New Share. You are also entitled to 1 free attaching New Option for every 2 New Shares subscribed for. When calculating your Entitlement, we will round fractions up to the nearest whole number.

We must receive your Entitlement and Acceptance Form by the Closing Date (being 5:00pm AEDT on 4 November 2022).

The Offer is non-renounceable. Accordingly, you are not entitled to sell or transfer all or part of your Rights.

(b) Minimum Subscription

The Minimum Subscription is \$1,533,066, being the Underwritten Amount.

By this Offer the Company is seeking to raise funds to primarily be used to accelerate exploration upon the Company's Projects.

No New Shares or New Options will be issued until the Minimum Subscription is reached. If the Minimum Subscription is not reached within 4 months after the date of this Prospectus, the Company will refund all application moneys without interest in accordance with the Corporations Act.

(c) Underwriting and Lead Manager arrangements

The Underwriter and Lead Manager arrangements are set out in Section 3.2. The Offer is partly underwritten to the Underwritten Amount and the Lead Manager has been engaged to seek to place the Shortfall.

(d) Rights attaching to New Shares and terms of New Options

A summary of the rights attaching to the New Shares and the terms of the New Options are set out in Sections 6.1 and 6.2. Quotation will be sought for the New Shares within 7 days of the date of this Prospectus.

5.2 Cleansing Offer

As detailed in the timetable, Shares are proposed to be issued to participants in the Placement on Thursday, 20 October 2022, prior to the Opening Date of the Offer. These Shares will be issued without an accompanying disclosure document to professional and sophisticated investors, under the applicable exemptions in section 708(8) and 708(11) of the Corporations Act.

The Corporations Act provides a general prohibition against the on-sale of Shares issued without disclosure within 12 months of their date of issue, subject to certain exceptions.

Section 708A(11) of the Corporations Act provides that a sale offer can be made without the need for further disclosure if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body;
and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

To enable the Shares issued under the Placement to be freely tradable on issue, the Company is also undertaking a “cleansing offer” under this Prospectus, pursuant to which it invites investors identified by the Directors to apply for up to 100 Shares at an issue price of \$0.12 per Share to raise a nominal amount of \$12 (**Cleansing Offer**).

The Cleansing Offer is a compliance mechanism only and the Company does not currently intend to issue any Shares or raise any funds under the Cleansing Offer. As such, no application form will be provided for the Cleansing Offer.

The Cleansing Offer is included for the purpose of section 708A(11) of the Corporations Act, to ensure that no trading restrictions attach to the Shares to be issued by the Company under the Placement.

The Cleansing Offer will otherwise have no impact on the Company.

5.3 What Eligible Shareholders may do

(a) Alternatives

The number of Shares to which Eligible Shareholders are entitled (your Entitlement or Rights) is shown on the accompanying Entitlement and Acceptance Form.

Any Rights not taken up by Eligible Shareholders will form the Shortfall. Allocation of additional Shares from the Shortfall is at the discretion of the Directors in consultation with the Underwriter.

If you do not take up your Rights, then your percentage holding in the Company will be diluted.

As an Eligible Shareholder, you may:

- take up all of your Rights (refer Section 5.3(b));
- take up all of your Rights and apply for Shortfall Securities (refer Section 5.3(c));

- take up part of your Rights and allow the balance to lapse (refer Section 5.3(d)); or
- allow all or part of your Rights to lapse (refer Section 5.3(e)).

(b) Taking up all of your Rights

If you wish to take up all of your Rights, complete the accompanying Entitlement and Acceptance Form for New Shares and New Options in accordance with the instructions set out in that form.

(c) Taking up all your Rights and applying for Shortfall Securities

Eligible Shareholders may, in addition to taking up all their Rights, apply for Shortfall Securities as described in Section 5.8.

A single payment should be used for the application moneys for your Rights and the number of Shares under the Shortfall you wish to apply for as stated on the Entitlement and Acceptance Form.

(d) Taking up part of your Rights and allowing the balance to lapse

If you wish to take up part of your Rights and allow the balance to lapse, complete the accompanying Entitlement and Acceptance Form for the number of New Shares and New Options you wish to take up and follow the steps required in accordance with Section 5.2(b). If you take no further action, the balance of your Rights will lapse and you will have forfeited any potential benefit to be gained from taking up that part of your Rights.

(e) Allow all or part of your Rights to lapse

If you take no action, your Rights will lapse and you will have forfeited any potential benefit to be gained from taking up your Rights.

5.4 Payment

You may pay by BPAY in accordance with the instructions on the Entitlement and Acceptance Form. Given COVID-19, payments in cash will not be accepted.

If you pay by BPAY, please follow the procedure set out in the Entitlement and Acceptance Form. You do not have to send us a completed Entitlement and Acceptance Form if you pay by BPAY, however you are taken to have made the declarations on that Entitlement and Acceptance Form. It is your responsibility to ensure that we receive your payment by the Closing Date. We do not accept any responsibility for incorrectly completed BPAY payments.

We must receive your payment by 5:00pm (AEDT) on the Closing Date. If we receive your payment after 5:00pm (AEDT) on the Closing Date, we may, at our discretion, accept or reject your Application. If we reject your Application, you will receive a refund in full of any payment of Application Money without interest.

If you make a payment, you will be deemed to have accepted the Offer to subscribe, on the terms set out in this Prospectus and in the Entitlement and Acceptance Form, for the number of New Shares and New Options represented by the payment.

We will hold your Application Money on trust until we issue the New Shares and New Options in accordance with the Corporations Act. We will retain any interest earned on the Application Money, whether or not the New Shares and New Options are issued to you.

If you are in any doubt as to how to complete or deal with your Entitlement and Acceptance Form, you should contact your professional adviser for assistance.

5.5 Overseas Shareholders

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

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

Information about the offer restrictions in New Zealand is set out below.

New Zealand offer restrictions

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

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

Nominees and custodians

Eligible Shareholders holding Shares as a nominee, custodian or trustee are responsible for ensuring that any dealing with their Entitlement and any New Shares and New Options issued do not breach the laws and regulations in the relevant jurisdiction, and should seek independent professional advice and observe any applicable restrictions relating to the taking up of Entitlement or the distribution of this Prospectus or the Entitlement and Acceptance Form.

The making of an Application (whether by the making of a BPAY payment or otherwise) will constitute a representation that there has been no breach of such laws or regulations. Shareholders who are nominees, custodians or trustees are therefore advised to seek independent advice as to how they should proceed.

5.6 Taxation

There may be taxation implications in relation to the Rights Issue and subscribing for New Shares and New Options. These taxation implications vary depending on your individual circumstances. You should seek and rely on your own taxation advice regarding an investment in the Company. Neither the Company nor any of its officers, employees, agents and advisers accepts any liability or responsibility with respect to the taxation consequences connected with the Rights Issue or the New Shares and New Options.

5.7 Issue and quotation

(a) Issue of New Shares and New Options

The New Shares and New Options under the Rights Issue will be issued as soon as practicable after the Closing Date. We will issue the New Shares and New Options on the basis of your Entitlement.

Pending the issue of New Shares and New Options or payment of refunds under this Prospectus, we will hold all Application Money on trust for you in a separate bank account. We will, however, be entitled to retain all interest that accrues on any Application Money we hold.

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

(b) Quotation of New Shares by ASX

We intend to apply to ASX for quotation of the New Shares within 7 days of the date of this Prospectus. If the ASX accepts our application, quotation of the New Shares will commence after the issue of the New Shares and New Options.

If any New Shares are not granted quotation on ASX within 3 months after the date of this Prospectus, or such longer period as is permitted by the Corporations Act, we will not issue those New Shares and New Options and the Application Money in respect of those New Shares will be refunded to you without interest within the time prescribed by the Corporations Act.

(c) Holding Statements

We participate in the security transfer system known as CHESS. CHESS is operated by ASX Settlement Pty Ltd (ACN 008 504 532) (a wholly owned subsidiary of ASX) in accordance with the Listing Rules and the ASX Settlement Operating Rules. Under CHESS you will not receive a share certificate. You will receive a holding statement setting out the number of New Shares and New Options issued to you under this Prospectus. If you are broker sponsored, ASX Settlement will send you a CHESS statement.

5.8 Shortfall

Any New Shares and New Options under the Rights Issue that are not subscribed for will form the Shortfall. The Offer to issue Shortfall is a separate offer under the Prospectus.

Eligible Shareholders who are not related parties and who have subscribed for their full Entitlement may apply for any Shortfall by following the instructions in the Shortfall section in the Entitlement and Acceptance Form and making payment by BPAY on the same terms as in Section 5.2. Gold Road will not participate in any Shortfall.

The Shortfall will be allocated at the discretion of the Directors in consultation with the Lead Manager (as Lead Manager and Underwriter). The Lead Manager is obliged to take up and subscribe for Shares under the Shortfall up to the Underwritten Amount in accordance with the Offer Management and Underwriting Agreement.

Application for Shortfall by Eligible Shareholders with moneys does not guarantee any allotment of any Shortfall. All application moneys in relation to which Shortfall are not allocated will be returned without interest.

The Company will not issue Shortfall so that any party's voting power in the Company will exceed 20% or increase from a start point that is above 20%.

Any Shortfall will be issued within 3 months of the Closing Date. Any issue of Shortfall will be at the same price as the offer under the Rights Issue.

Directors cannot be issued Shortfall without prior Shareholder approval.

6. ADDITIONAL INFORMATION

6.1 Rights attaching to New Shares

The rights attaching to ownership of Shares in the Company (including the New Shares) are:

- (a) set out in the Company's Constitution; and
- (b) in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

A summary of the more significant rights attaching to Shares is set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of our Shareholders.

Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. The person who holds a share which is not fully paid shall be entitled to a fraction of a vote equal to that proportion of a vote that the amount paid on the relevant share bears to the total issue price of the share. Voting may be in person or by proxy, attorney or representative.

Dividends

Subject to the rights of holders of shares issued with any special rights (at present there are none), the profits of the Company which the Board may from time to time determine to distribute by way of dividend are divisible to each share of a class on which the Board resolves to pay a dividend in proportion to the amount for the time being paid on a share bears to the total issue price of the share. All Shares currently on issue and the shares to be issued under this Prospectus are fully paid Shares.

Future Issues of Securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

Transfer of Shares

A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

Meetings and Notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.

Election of Directors

There must be a minimum of 3 Directors. At every annual general meeting one third of the Directors (rounded to the nearest whole number) must retire from office. If the Company has less than 3 Directors, one Director must retire from office together with any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting. These retirement rules do not apply to certain appointments including the managing director.

Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

Winding Up

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the shareholders:

- divide the assets of the Company among the members in kind;
- for that purpose fix the value of assets and decide how the division is to be carried out as between the members and different class of members; and
- vest assets of the Company in trustees on any trusts for the benefit of the members as the liquidator thinks appropriate.

Shareholder Liability

As the Shares under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

Alteration to the Constitution

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

Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

6.2 Terms of New Options

The terms of the issue of the New Options are:

- (a) Each Option entitles the holder to one Share.
- (b) The exercise price of the Options is 24 cents each.
- (c) The Options may be exercised at any time prior to 5:00pm Western Standard Time on 31 October 2024 ("Expiry Date").
- (d) The Options will be freely tradeable subject to any restrictions under the ASX Listing Rules.
- (e) The Company will provide to each Option holder a notice that is to be completed when exercising the Options ("Notice of Exercise"). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the secretary of the Company to be received prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
- (f) Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be issued a Share ranking equally with the then issued Shares.
- (g) There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in the exercise price of the Option or a change to the number of underlying securities over which the Option can be exercised except in the event of a bonus issue. The Company will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
- (h) If on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company, then upon exercise of his or her Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that bonus issue if the Options had been exercised before the record date for the bonus issue.
- (i) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the issued capital of the Company, all rights of the Option holder are to be changed in a manner consistent with the Listing Rules.

6.3 Transaction specific prospectus and continuous disclosure obligations

We are a disclosing entity under the Corporations Act and therefore are subject to regular reporting and disclosure obligations. Under those obligations, we are required to comply with all applicable continuous disclosure and reporting requirements in the Corporations Act and the Listing Rules. In particular, we must comply with the requirement to disclose to ASX any information held by us which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

As this Prospectus is a transaction specific prospectus issued under section 713 of the Corporations Act, it is only required to contain information in relation to the effect of the Offer

on the Company and the rights and liabilities attaching to the securities offered. This Prospectus is not required to provide information regarding our assets and liabilities, financial position and performance, profits and losses or prospects.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with 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 ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request:
 - (i) the annual financial report most recently lodged by the Company with ASIC;
 - (ii) any half-year financial report lodged with ASIC after lodgement of the annual financial report and before lodgement of this Prospectus with ASIC; and
 - (iii) any continuous disclosure notices given by the Company after the lodgement of the annual financial report and before the lodgement of this Prospectus with ASIC.

The Company officially listed on ASX on 14 December 2018. We lodged our latest annual report (being the annual report for the year ended 30 June 2022) with ASX on 16 September 2022. Since then, the following announcements have been made to ASX, shown in the table below.

Date	Description of Announcement
20/09/2022	Resource Update boosts Yandal's gold inventory to 404,000oz
21/09/2022	Investor Update Presentation
27/09/2022	Trading Halt
29/09/2022	Suspension from Official Quotation
4/10/2022	Cleansing Notice – 20 October 2020
4/10/2022	Cleansing Notice – 23 November 2020
4/10/2022	Cleansing Notice – 27 January 2021
4/10/2022	Cleansing Notice – 31 December 2021
4/10/2022	Cleansing Notice – 23 November 2021
4/10/2022	Cleansing Notice – 29 April 2021
4/10/2022	Cleansing Notice – 21 December 2021

Date	Description of Announcement
5/10/2022	High Resolution Aeromagnetic Survey Underway at Barwidgee
7/10/2022	Court Order Granted and Update on Proposed Capital Raising
7/10/2022	Notice Required Under ASX Listing Rule 3.13.1

6.4 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 and lowest market price of the Company's quoted Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales and the last sale on the day prior to lodgement of this Prospectus with ASIC were:

	Price	Date
Highest	22.5 cents	1 June 2022
Lowest	13 cents	13 July 2022
Latest	15 cents	26 September 2022

6.5 Directors' Interests

(a) Interests of Directors

Other than as disclosed in this Prospectus, no Director or proposed Director holds, or has held at any time during the last two years, any interest in:

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

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person to a Director or proposed Director to induce him or her to become, or to qualify as, a Director or for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or the Offer.

(b) Interests in Securities as at the date of this Prospectus

The Directors (and their respective associates) have relevant interests in the securities of the Company as set out in the table below. Interests include those held directly and indirectly.

Each Director who is an Eligible Shareholder will be entitled to participate in the Rights Issue. The table below does not include the New Shares and New Options that the Directors may subscribe for under the Offer.

Director	Number of Shares	Number of Options	Number of Performance Rights
Greg Evans	60,000	600,000 ¹	0
Tim Kennedy	116,667	2,003,334 ²	300,000 ³
Katina Law	1,627,500	0	300,000 ³

Notes:

1. 300,000 of the Options have an exercise price of 50 cents and an expiry date of 4 April 2025 and 300,000 of the Options have an exercise price of \$1.00 and an expiry date of 4 April 2026.
2. 3,334 of the Options have an exercise price of 65 cents and an expiry date of 31 December 2022, 1,000,000 of the Options have an exercise price of 50 cents and an expiry date of 4 April 2025 and 1,000,000 of the Options have an exercise price of \$1.00 and an expiry date of 4 April 2026.
3. The terms of the Performance Rights are set out in the ASX announcement of 15 October 2021 (notice of annual general meeting). In the event of conversion, the Performance Rights convert into Shares on the basis of one Share for each one Performance Right.

(c) **Remuneration of Directors**

Mr Greg Evans is paid a Director's fee of \$65,000 per annum plus statutory superannuation as non-executive Chair. In the 2 years prior to the date of this Prospectus, Mr Evans has received cash remuneration totalling approximately \$32,250 plus statutory superannuation. Mr Evans was appointed as non-executive Chair on 4 April 2022.

Mr Tim Kennedy as managing director is paid cash remuneration of \$260,000 per annum plus statutory superannuation. In the 2 years prior to the date of this Prospectus, Mr Kennedy has received cash remuneration totalling approximately \$197,384 plus statutory superannuation.

Ms Katina Law is paid a Director's fee of \$55,000 per annum plus statutory superannuation. In the 2 years prior to the date of this Prospectus, Ms Law has received cash remuneration totalling \$105,050 plus statutory superannuation.

A Director may also be paid fees or other amounts as the Directors determine if a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

6.6 Interests of Experts and Advisers

Other than as disclosed in this Prospectus, no expert, promoter or any other 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, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Other than as disclosed in this Prospectus, no amounts of any kind (whether in cash, securities or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Offer.

Steinepreis Paganin has acted as lawyers to the Company in relation to the Offer. We estimate that we will pay approximately \$20,000 (plus GST) for these services. In the past two years, Steinepreis Paganin has not been paid any fees by the Company.

MST Financial Services Pty Ltd is the Lead Manager and Underwriter to the Offer. We will pay a management fee of 6% of the amount raised under the Placement, an underwriting fee of 6% of the Underwritten Amount, a management fee of 4% of the Non-Underwritten Amount and issue MST with 2,000,000 New Options subject to no less than \$4,500,000 being raised under the Placement and the Offer. See Section 3.1 for further details of the fees payable to MST under the Placement and the Offer. In the past two years, MST Financial Services Pty Ltd has been paid fees (excluding GST) of approximately \$302,000 by the Company.

6.7 Costs of the Offer

The cash costs of the Rights Issue payable by the Company are estimated at approximately \$271,905 exclusive of GST at Minimum Subscription and \$345,756 exclusive of GST at Full Subscription. These expenses are expected to be applied to the items set out in the table below.

Item of Expenditure	Minimum Subscription	Full Subscription
Legal fees	\$20,000	\$20,000
Underwriter and Lead Manager fees	\$240,744	\$311,052
ASIC lodgement fee for Prospectus	\$3,206	\$3,206
ASX fee for New Shares	\$6,955	\$10,498
Printing, share registry, miscellaneous	\$1,000	\$1,000
Total	\$271,905	\$345,756

6.8 Consents

The following parties has given their written consent to be named in this Prospectus and for the inclusion of statements made by that party (as described below in the form and context in which they are included), and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

Steinepreis Paganin has consented to being named as the Solicitors to the Offer.

MST Financial Services Pty Ltd has consented to being named as the Lead Manager and Underwriter to the Offer and the inclusion in the Prospectus of all statements referring to it. To the maximum extent permitted by law, the Lead Manager and each of its affiliates, officers, employees, and advisers expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to their name and make no representation or warranty as to the currency, accuracy, reliability, or completeness of this Prospectus. The Lead Manager disclaims all liability, whether in negligence or otherwise, to persons who trade New Shares or New Options before receiving their holding statement.

HLB Mann Judd has consented to being named auditor to the Company.

Gold Road Resources Limited has consented to the inclusion in the Prospectus of all statements referring to it.

The parties referred to above in this Section:

- do not make, or purport to make any statement in this Prospectus, or on which a statement made in this Prospectus is based other than as specified in this Section;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in the Prospectus with the consent of that party as specified in this Section; and
- has not caused or authorised the issue of this Prospectus.

7. DIRECTORS' AUTHORISATION AND CONSENT

This Prospectus is authorised by the Company and lodged with the ASIC pursuant to section 718 of the Corporations Act.

Each Director has consented to lodgement of this Prospectus with ASIC in accordance with the terms of section 720 of the Corporations Act and has not withdrawn that consent.

Dated: 13 October 2022



.....
Signed for and on behalf of Yandal Resources Limited
By Mr Tim Kennedy
Managing Director

8. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

Applicant	A person who submits and Entitlement and Acceptance Form.
Application	An application for New Shares and New Options under the Rights Issue.
Application Money	The Issue Price multiplied by the total number of New Shares applied for by an Applicant under an Entitlement and Acceptance Form.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited (ACN 008 624 691) and the Australian Securities Exchange it operates.
Board	The Board of Directors.
Cleansing Offer	Means the offer as described in Section 5.2.
Closing Date	The time and date at which the Offer expires, being 5.00pm AEST, 4 November 2022, subject to the Company varying this date in accordance with the Listing Rules.
Company or Resources	Yandal Resources Limited (ACN 108 753 608).
Constitution	The constitution of the Company.
Corporations Act	Corporations Act 2001 (Cth).
Director	A director of the Company for the time being.
Eligible Shareholders	All Shareholders at the Record Date with a registered address in Australia and New Zealand.
Entitlement	The entitlement to subscribe for New Shares and New Options under the Rights Issue.
Entitlement Acceptance Form	and The entitlement and acceptance form attached to or accompanying this Prospectus, personalised for each Eligible Shareholder, which allows each Eligible Shareholder to accept the Offer.
Full Subscription	The maximum amount to be raised under the Offer being \$2,705,046.
Gold Road	Gold Road Resources Limited (ACN 109 289 527).

JORC Code	2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' prepared by the Joint Ore Reserves Committee of Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.
Issue Price	12 cents per New Share, being the price payable to subscribe for each New Share.
Lead Manager or MST	MST Financial Services Pty Ltd (ACN 617 475 180) (AFSL 500557).
Lead Manager Mandate	Means the lead manager mandate between the Company and the Lead Manager dated 29 August 2022 in relation to the Placement and the Offer.
Listing Rules	The listing rules of ASX.
Minimum Subscription	The minimum amount to be raised under the Offer being \$1,533,066.
New Options	The Options offered under the Offer.
New Securities	The New Shares and New Options.
New Shares	The Shares offered under the Rights Issue.
Non-Underwritten Amount	Means \$1,171,980.
Offer	The non-renounceable entitlement issue the subject of this Prospectus.
Option	An option to acquire a Share.
Performance Rights	A right which entitles the holder to be issued with one Share subject to the satisfaction of any service and performance conditions.
Placement	Means the placement undertaken by the Company as announced by the Company on 13 October 2022.
Project	A project of the Company.
Prospectus	This Prospectus dated 13 October 2022.
Record Date	The time and date for determining a Shareholder's entitlement to participate in the Rights Issue, being 7:00pm AEST, 18 October 2022.
Rights	The right to subscribe for New Shares and New Options under this Prospectus.

Rights Issue	The pro-rata non-renounceable offer to Eligible Shareholders of 1 New Share for every 5.15 Shares held by Eligible Shareholders on the Record Date with 1 free New Option for every 2 New Shares subscribed for.
Share	A fully paid ordinary share in the issued capital of the Company.
Shareholder	Registered holder of Shares.
Shortfall	New Shares and New Options not subscribed for under the Offer before the Closing Date.
Underwritten Amount	Means the amount the MST has agreed to underwrite pursuant to the Offer Management and Underwriting Agreement, being \$1,533,066.
\$	Australian dollars unless otherwise stated.