

ACDC METALS LTD
ACN 654 049 699

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata non-renounceable entitlement offer of one (1) Share for every three (3) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.05 per Share together with one (1) free New Option for every two (2) Shares applied for and issued to raise up to \$1,561,013 (based on the number of Shares on issue as at the date of this Prospectus) (**Entitlement Offer**).

This Prospectus also contains the following secondary offers:

- (a) up to 9,365,000 New Options to the Placement Participants (**Placement Offer**); and
- (b) up to 7,500,000 New Options to the Lead Manager (**Lead Manager Offer**).

IMPORTANT NOTICE

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

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

IMPORTANT NOTICE

This Prospectus is dated 11 May 2026 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

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

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

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

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

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

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

Such forward-looking statements are not guarantees of future performance and involve known and

unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

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

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

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

Overseas shareholders

The Offers do not, and are 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 Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

For further information on overseas Shareholders please refer to Section 2.10.

Continuous disclosure obligations

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

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

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

that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of New Options issued under the Entitlement Offer set out in this Prospectus. The Company and the Lead Manager will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (acdcmetals.com.au).

By making an application under the Entitlement Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

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

The Corporations Act prohibits any person passing on to another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 3 8548 7880 during office hours or by emailing the Company at info@acdcmetals.com.au.

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

Company Website

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

Financial forecasts

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

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

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

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead,

investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The statement will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

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

Photographs and Diagrams

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

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

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

Privacy statement

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

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

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

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

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offer please call the Company Secretary on +61 3 9614 0600.

CORPORATE DIRECTORY

Directors

Andrew Shearer
Non-Executive Chair

Mark Saxon
Executive Director

Richard Boyce
Non-Executive Director

Company Secretary

Adrien Wing

Registered Office

Level 2
480 Collins Street
MELBOURNE VIC 3000

Telephone: +61 3 8548 7880

Email: info@acdcmetals.com.au

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

Auditor

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

Share Registry*

Automic Pty Ltd
Suite 5
Level 12
530 Collins Street
MELBOURNE VIC 3000

Telephone (with Australia): 1300 288 664
Telephone (international): +61 2 9698 5414
Email: corporate.actions@automicgroup.com.au

Legal Advisers

Steinepreis Paganin
Level 6
99 William Street
MELBOURNE VIC 3000

Lead Manager

Cygnets Capital Pty Ltd
Capital Square Tower 3
Level 25, 1 Spring Street
PERTH WA 6000

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

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1. KEY OFFER INFORMATION

1.1 Timetable

Lodgement of Prospectus with the ASIC	Monday, 11 May 2026
Lodgement of Prospectus and Appendix 3B with ASX	Monday, 11 May 2026
Ex date	Thursday, 14 May 2026
Record Date for determining Entitlements	Friday, 15 May 2026
Opening date of the Offers, Prospectus sent out to Shareholders and Company announces this has been completed	Wednesday, 20 May 2026
Last day to extend the Closing Date of the Entitlement Offer	Wednesday, 3 June 2026
Closing Date of the Offers as at 5:00pm (AEST)*	Tuesday, 9 June 2026
Entitlement Offer Securities quoted on a deferred settlement basis	Wednesday, 10 June 2026
ASX notified of undersubscriptions	Wednesday, 10 June 2026
Issue date of Securities under the Entitlement Offer and lodgement of Appendix 2A with ASX applying for quotation of the Shares and Appendix 3G notifying ASX of the issue of New Options under the Entitlement Offer	Tuesday, 16 June 2026
Quotation of Shares issued under the Entitlement Offer*	Tuesday, 16 June 2026
General Meeting	On or around 26 June 2026
Issue date and lodgement of Appendix 3G with ASX for issue of the New Options under the Placement Offer and Lead Manager Offer	30 June 2026

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Securities are expected to commence trading on ASX may vary.

1.2 Summary of Placement and Entitlement Offer

Placement

On 30 April 2026, the Company announced a placement of Securities to raise an aggregate of \$936,500 (**Placement**) as follows:

- (a) 11,239,613 Shares at an issue price of \$0.05 per Share, issued on 7 May 2026 under the Company's existing placement capacity under Listing Rule 7.1; and
- (b) 7,490,387 Shares at an issue price of \$0.05 per Share, issued on 7 May 2026 under the Company's existing placement capacity under Listing Rule 7.1A.

Subject to Shareholder approval at the General Meeting, participants in the Placement (**Placement Participants**) will also receive one free attaching New Option for every two Shares subscribed for and issued under the Placement.

The Company has engaged Cygnet Capital Pty Ltd (ACN 103 488 606) (**Cygnet**) to act as lead manager to the Placement and Entitlement Offer. Subject to Shareholder approval at the General Meeting, in part consideration for its services, the Company has agreed to issue the Lead Manager (or its nominee(s)) up to 7,500,000 New Options.

Further details with respect to the Placement and Entitlement Offer are set out in the ASX announcement released by the Company on 30 April 2026.

Entitlement Offer

The Entitlement Offer is being made as a pro-rata non-renounceable entitlement offer of one Share for every three Shares held by those Shareholders registered at the Record Date at an issue price of \$0.05 per Share together with one free New Option for every two Shares applied for and issued to raise up to \$1,561,013 (based on the number of Shares on issue as at the date of this Prospectus).

1.3 Key statistics of the Offers

Shares

	FULL SUBSCRIPTION (\$1,561,013)¹
Entitlement Offer Price per Share	\$0.05
Entitlement Ratio (based on existing Shares)	1:3
Shares on issue prior to the Placement	74,930,755
Shares issued pursuant to the Placement	18,730,000
Shares to be issued under the Entitlement Offer	31,220,252
Shares on issue Post-Offers	124,881,007

Notes:

1. Assuming the Full Subscription of \$1,561,013 is achieved under the Entitlement Offer. Refer to Section 4.1 for the terms of the Shares.

Options

	FULL SUBSCRIPTION (\$1,561,013)¹
Offer Price per New Option	nil
Option Entitlement Ratio (based on Shares subscribed for)	1:2
Options currently on issue	5,100,000
New Options to be issued under the Entitlement Offer ³	15,610,126
New Options to be issued under the Placement Offer ^{2, 3}	9,365,000
New Options to be issued under the Lead Manager Offer ^{2, 3}	7,500,000
Options on issue Post-Offers	37,575,126

Notes:

1. Assuming the Full Subscription of \$1,561,013 is achieved under the Entitlement Offer.
2. The issue of these New Options is subject to Shareholder approval at the General Meeting.
3. Refer to Section 4.2 for the terms of the New Options.

1.4 Key Risk Factors

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

1.5 Directors' Interests in Securities

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

DIRECTOR	SHARES	OPTIONS	SHARE ENTITLEMENT	NEW OPTION ENTITLEMENT	\$	PERCENTAGE (%) FULL SUBSCRIPTION, UNDILUTED
Andrew Shearer	3,094,141 ¹	2,000,000 ¹	1,031,381	515,691	\$51,569	3.30%
Mark Saxon	4,028,230 ²	750,000 ³	1,342,744	671,372	\$67,137	4.30%
Richard Boyce	1,201,727 ⁴	500,000 ⁵	400,576	200,288	\$20,028	1.28%

Notes:

- Indirectly held by Valas Investments Pty Ltd <Valas Investment A/C>.
- Comprising:
 - 3,928,230 Shares indirectly held by Mark Stephen Saxon & Paula Saxon <Ridley Super Fund A/C>; and
 - 100,000 Shares indirectly held by Sierra Peru Pty Ltd.
- 750,000 unquoted Options exercisable at \$0.12 each on or before 4 December 2027 held directly by Mark Saxon.
- 350,000 Shares indirectly held by Bonica Pty Ltd <Bonica Family Trust>, 706,021 Shares indirectly held by Badgeworth Super Pty Ltd <Boyce Family Super>, 87,000 Shares held by Westwood KBE Pty Ltd <Westwood KBE Investment> and 58,706 Shares held by Lea Caroline Boyce & Richard Allen Boyce <Sophie Angelina Boyce A/C>.
- 500,000 unquoted Options exercisable at \$0.12 each on or before 4 December 2027 indirectly held by Badgeworth KBE Pty Ltd <Richard Boyce Family>.

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

1.6 Details of Substantial Holders

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

SHAREHOLDER	SHARES	%
Thomas John Burrowes	7,796,991	8.32%
Michael Robert Hudson	6,518,139	6.96%

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

1.7 Lead Manager

Cygnit has been appointed as the lead manager and book runner to the Entitlement Offer and the Placement. Terms of the Lead Manager Mandate and total fees payable are set out in Section 6.4.1 below.

1.8 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 Entitlement Offer, no Shareholder will increase their holding, to an amount in excess of 19.9% through applying for their Entitlements.

Further, as set out in Section 2.7, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Entitlement Offer.

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

1.9 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 25% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However, subsequent exercise of any or all of New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offers, are likely to be diluted by an aggregate of approximately 40% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

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

HOLDER	HOLDING AS AT RECORD DATE	% AT RECORD DATE	ENTITLEMENTS UNDER THE ENTITLEMENT OFFER	HOLDINGS IF ENTITLEMENT OFFER NOT TAKEN UP	% POST ENTITLEMENT OFFER
Shareholder 1	10,000,000	10.68%	3,333,333	10,000,000	8.01%
Shareholder 2	5,000,000	5.34%	1,666,667	5,000,000	4.00%
Shareholder 3	1,500,000	1.60%	500,000	1,500,000	1.20%
Shareholder 4	400,000	0.43%	133,333	400,000	0.32%
Shareholder 5	50,000	0.05%	16,667	50,000	0.04%

Notes:

1. This is based on a share capital of 93,660,755 Shares as at the date of the Prospectus and assumes no Options currently on issue are exercised, and no other Shares are issued (including upon exercise of any New Options or Performance Rights).
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2. DETAILS OF THE OFFERS

2.1 The Offers

(a) Entitlement Offer

The Entitlement Offer is being made as a pro-rata non-renounceable entitlement issue of one (1) Share for every three (3) Shares held by Shareholders registered at the Record Date at an issue price of \$0.05 per Share together with one (1) New Option for every two (2) Shares subscribed for and issued. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus (and assuming no Shares are issued prior to the Record Date including on exercise or conversion of securities on issue), approximately 31,220,252 Shares and 15,610,126 New Options may be issued under the Entitlement Offer to raise up to \$1,561,013. No funds will be raised from the issue of the New Options.

As at the date of this Prospectus, the Company has 5,100,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Entitlement Offer. Please refer to Section 3.3 for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares. The New Options will be exercisable at \$0.075 on or before the date that is 24 months from the date of issue and otherwise on the terms set out in Section 4.2.

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

(b) Placement Offer

The Placement Offer is an offer of one New Option for every two Shares subscribed for and issued under the Placement. The issue of the New Options are subject to Shareholder approval at the General Meeting. If Shareholder approval is not obtained for the issue of the New Options, then the Placement Offer will not proceed.

The New Options will be offered for nil consideration as they are free attaching to the Shares offered under the Placement. Accordingly, no funds will be raised from the Placement Offer.

The New Options will only be offered to the Placement Participants. Application forms in respect of the Placement Offer will only be provided by the Company to the Placement Participants.

The New Options will be exercisable at \$0.075 each on or before the date that is two years from their issue and otherwise on the terms and conditions set out in Section 4.2. Shares issued upon exercise of the New Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

(c) Lead Manager Offer

The Lead Manager Offer is an offer of up to 7,500,000 New Options to the Lead Manager (or its nominee(s)) in part consideration for lead manager services provided to the Company. The issue of New Options under the Lead Manager Offer is subject to the Company obtaining Shareholder approval for the issue at the General Meeting. If Shareholder approval is not obtained for the issue of the New Options under the Lead Manager Offer, then the Lead Manager Offer will not proceed.

The 7,500,000 New Options will be issued for an issue price of \$0.00001 per New Option to raise up to \$75. Only the Lead Manager (or its nominee(s)) may accept the Lead Manager Offer. Personalised application forms in relation to

the Lead Manager Offer will be issued to the Lead Manager (or its nominees), together with a copy of this Prospectus.

The New Options offered under the Lead Manager Offer will be issued on the terms and conditions set out in Section 4.2. All of the Shares issued upon the future exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

2.2 On-sale relief

The New Options are being offered under this Prospectus to ensure that secondary trading restrictions do not apply to the New Options should they be granted quotation on ASX (refer to Section 2.8 for further details on quotation).

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors 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.

2.3 Entitlement Offer – What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which can be accessed at <https://portal.automic.com.au/investor/home>. Eligible Shareholders may choose any of the options set out in the table below.

OPTION	KEY CONSIDERATIONS	FOR MORE INFORMATION
Take up all of your Entitlement	(a) Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which can be accessed at https://portal.automic.com.au/investor/home . Please read the instructions carefully. (b) Payment can be made by the methods set out in Section 2.4. As set out in Section 2.4, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.	Section 2.4 and Section 2.5.

OPTION	KEY CONSIDERATIONS	FOR MORE INFORMATION
<p>Take up all of your Entitlement and also apply for Shortfall Securities</p>	<p>(a) Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which can be accessed at https://portal.automic.com.au/investor/home. Please read the instructions carefully.</p> <p>(b) Payment can be made by the methods set out in Section 2.4. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying.</p> <p>(c) If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company's absolute discretion as per the allocation policy set out in Section 2.7. Accordingly, your application for additional Shortfall Securities may be scaled-back.</p> <p>(d) The Company's decision on the number of Shortfall Securities to be allocated to you will be final.</p>	<p>Sections 2.4, 2.5 and 2.7.</p>
<p>Take up a proportion of your Entitlement and allow the balance to lapse</p>	<p>If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which can be accessed at https://portal.automic.com.au/investor/home for the number of Securities you wish to take up and making payment using the methods set out in Section 2.4 below. As set out in Section 2.4, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.</p>	<p>Section 2.4 and Section 2.5</p>
<p>Allow all or part of your Entitlement to lapse</p>	<p>If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Entitlement Offer to you will lapse.</p>	<p>N/A</p>

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

2.4 Payment options

(a) By BPAY®

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

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

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

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

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

(b) By Electronic Funds Transfer (overseas applicants)

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

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

(c) By Cheque

Payment by cheque or cash will not be accepted.

2.5 Implications of an acceptance

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

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;

- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

2.6 Minimum subscription

There is no minimum subscription in respect of the Entitlement Offer.

2.7 Shortfall Offer

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.05, being the price at which Shares have been offered under the Entitlement Offer.

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

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Securities in accordance with Section 2.4.

The Board presently intends to allocate Shortfall Securities as follows:

- (a) first, to Eligible Shareholders who apply for an excess of their full Entitlement, so long as the issue of Shortfall Securities to that Eligible Shareholder would not take their voting power to in excess of 19.9%; and then
- (b) second, to other parties identified by the Directors or Lead Manager, which may include parties who are not currently Shareholders.

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.9%.

The Company reserves the right to issue an Eligible Shareholder a lesser number of Shortfall Securities than applied for or no Shortfall Securities at all. However, the Directors do not intend to refuse an application for Shortfall Securities from Eligible Shareholders other than in circumstances of oversubscription or where acceptance may result in a breach of the Corporations Act. If the number of Shortfall Securities applied for by Eligible Shareholders exceeds the total Shortfall, the Shortfall Securities will be allocated among applying Eligible Shareholders proportionate to their existing holdings.

All decisions regarding the allocation of Shortfall Securities will be made by the Directors and will be final and binding on all applicants under the Shortfall Offer; as such there is no guarantee that any Shortfall Securities applied for will be issued to Eligible Shareholders.

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

2.8 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

Application for Official Quotation of the New Options offered pursuant to this Prospectus is also intended to be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the New Options offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any of the Securities offered under this Prospectus and all application monies will be returned.

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

2.9 Issue of Securities

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

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for, or where no issue is made surplus Application monies will be refunded without any interest to the applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

Holding statements for Securities issued under the Offers will be mailed as soon as practicable after the issue of Securities and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

2.10 Overseas shareholders

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

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

Nominees and custodians

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

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers

The purpose of the Entitlement Offer is to raise up to \$1,561,013 before costs.

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

ITEM	PROCEEDS OF THE OFFERS	FULL SUBSCRIPTION (\$)	%
1.	Existing project portfolio	531,013	34%
2.	New project	700,000	45%
3.	Working capital	300,000	19%
4.	Expenses of the Offers ¹	30,000	2%
	Total	\$1,561,013	100%

Notes:

1. Refer to Section 6.8 for further details relating to the estimated expenses of the Offers.

On completion of the Offers, the Board believes the Company will have sufficient working capital to achieve its stated objectives. In the event the Entitlement Offer is not fully subscribed, operational objectives are likely to be modified, which may result in delay or substantial changes to the Company's future plans. In this event (and after accounting for associated costs of the Offers) it is likely that the Company will appropriately scale back funds available for the new project (Item 2) and working capital (Item 3).

In addition, it should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations.

The above table is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

3.2 Effect of the Offers

The principal effect of the Offers, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by \$1,531,013 (after deducting the estimated expenses of the Offers) immediately after completion of the Offers;
- (b) increase the number of Shares on issue from 93,660,755 as at the date of this Prospectus to 124,881,007 Shares; and
- (c) increase the number of Options on issue from 5,100,000 as at the date of this Prospectus to 37,575,126 Options.

3.3 Effect on capital structure

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

Shares

	NUMBER
Shares on issue prior to Placement	74,930,755
Shares issued under Placement	18,730,000
Shares offered pursuant to the Entitlement Offer	31,220,252
Total Shares on issue after completion of the Offers	124,881,007

Options

	NUMBER
Options currently on issue ¹	5,100,000
New Options to be issued pursuant to the Entitlement Offer	15,610,126
New Options to be issued pursuant to the Placement Offer	9,365,000
New Options to be issued pursuant to the Lead Manager Offer	7,500,000
Total Options on issue after completion of the Offers	37,575,126

Notes:

1. Comprising:
 - (a) 3,600,000 unquoted Options exercisable at \$0.12 on or before 4 December 2027; and
 - (b) 1,500,000 unquoted Options exercisable at \$0.0675 on or before 7 April 2027.

Performance Rights

	NUMBER
Performance Rights currently on issue	6,794,375
Performance Rights to be issued pursuant to the Offers	Nil
Performance Rights on issue Post-Offers	6,794,375

The capital structure on a fully diluted basis as at the date of this Prospectus would be 105,555,130 Shares and on completion of the Offers (assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 169,250,508 Shares.

No Shares, Options or Performance Rights on issue are subject to escrow restrictions, either voluntary or ASX imposed.

3.4 Pro-forma balance sheet

The audit-reviewed balance sheet as at 31 December 2025 and the unaudited pro-forma balance sheet shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

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

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

	AUDIT-REVIEWED 31/12/25 \$	PRO-FORMA PLACEMENT \$	PRO-FORMA ENTITLEMENT OFFER \$
Current assets			
Cash	1,952,647	936,500	1,561,088
Other current assets	70,006	-	-
Total current assets	2,022,653	936,500	1,561,088¹
Non-current assets			
Plant and equipment	7,535,730	-	-

	AUDIT-REVIEWED 31/12/25 \$	PRO-FORMA PLACEMENT \$	PRO-FORMA ENTITLEMENT OFFER \$
Intangibles	71,476	-	-
Total non-current assets	7,607,206	-	-
Total assets	9,629,859	936,500	1,561,088
Current liabilities			
Creditors and borrowings	645,699	56,190	30,000
Total current liabilities	645,699	56,190	30,000
Total liabilities	645,699	56,190	30,000
Net assets (liabilities)	8,984,160	880,310	1,531,088
Equity			
Share capital	10,833,277	880,310	1,332,338
Options reserve	1,963,336	-	198,750 ²
Retained loss	(3,812,453)	-	-
Total equity	8,984,160	880,310	1,531,088

Notes:

1. Increase to total current assets due to funds raised under the Entitlement Offer (\$1,561,013) plus nominal funds raised due to nominal issue price of New Options issued to Lead Manager (\$75).
2. New Options issued to Lead Manager valued at \$198,750 using the Black Scholes valuation methodology.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

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

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. The Company's Constitution permits the use of technology at general meetings of Shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.

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

(b) Voting rights

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

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

(c) Dividend rights

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

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law

be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

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

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

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

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

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

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

(i) **Alteration of Constitution**

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

4.2 Terms of New Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.075 (**Exercise Price**).

(c) **Expiry Date**

Each New Option will expire at 5:00 pm (AEST) on the date that is 24 months from the date of issue (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

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

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

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

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

5. RISK FACTORS

5.1 Introduction

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

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

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

The risk factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Company specific

RISK CATEGORY	RISK
Potential for dilution	<p>In addition to potential control impacts set out in Section 1.8, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 25% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).</p> <p>No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However, subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Entitlement Offer are likely to be diluted by an aggregate of approximately 40% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Entitlement Offer being implemented and the Directors do not make any representation as to such matters.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.056 is not a reliable indicator as to the potential trading price of Shares after implementation of the Entitlement Offer.</p>
Completion Risk	<p>As noted in Section 6.4.2, the Company has entered into an exploration lease with an option to purchase in respect of the MJ Project with the Lessors, pursuant to which the Company's wholly-owned subsidiary, ACDC Metals LLC, has been granted the exclusive right to explore and develop minerals on the MJ Project and an option to purchase 100% of the Lessors' interest in the MJ Project.</p>

RISK CATEGORY	RISK
	<p>In order for the Company to be able to achieve its stated objectives in respect of the MJ Project, the Company is reliant on the Lessors to comply with their respective contractual obligations under the Mount Jackson Agreement, including maintaining the exclusivity and option rights granted to the Company throughout the term of the agreement.</p> <p>If either party defaults in the performance of their respective obligations under the Mount Jackson Agreement, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly. In particular, the Mount Jackson Agreement imposes ongoing financial obligations on the Company, including annual lease payments, minimum exploration expenditure commitments and milestone payments, and a failure by the Company to meet those obligations could entitle the Lessors to terminate the Mount Jackson Agreement.</p> <p>The Board has no reason to believe that the Lessors would fail to comply with their respective obligations under the Mount Jackson Agreement. Notwithstanding the above, there remains a risk that the Mount Jackson Agreement may be terminated prior to the Company exercising its option to purchase, or that the Company may be unable to satisfy its minimum expenditure or payment obligations, which could result in the loss of the Company's rights in respect of the MJ Project.</p>
<p>Foreign Jurisdiction Risk – United States</p>	<p>The Company's operating activities will be subject to laws and regulations governing exploration of property, health and worker safety, employment standards, waste disposal, protection of the environment, land and water use, prospecting, taxes, labour standards, occupational health standards, toxic wastes, the protection of endangered and protected species and other matters.</p> <p>While the Company understands that it is in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company, its subsidiary or its properties, which could have a material adverse impact on the Company's current operations or planned development projects.</p> <p>Where required, obtaining necessary permits and licences can be a complex, time-consuming process and the Company cannot be sure whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with any future exploration or development of its properties. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or other activities and could result in material fines, penalties or other liabilities.</p> <p>Adverse changes in US government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of</p>

RISK CATEGORY	RISK
	<p>exploration and mine permitting in the US may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.</p>
<p>Additional requirements for capital</p>	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
<p>Going Concern</p>	<p>The Company's Financial Report for the year ended 30 June 2025 (Financial Report) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' note included in the Financial Report, the Directors believe that upon the successful completion of the Offers, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements. However, it is likely that further funding will be required to meet the medium to long term working capital costs of the Company.</p> <p>In the event that the Offers are not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material adverse effect on the Company's activities.</p>
<p>Limited history</p>	<p>The Company has limited operating history and limited historical financial performance. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its Tenements or the development of the Rare Earth Processing Technology. Until the Company is able to realise value from its Projects or the Rare Earth Processing Technology, it is likely to incur ongoing operating losses.</p>
<p>Contractual Risk</p>	<p>The Company's interests in the Projects and the Rare Earth Processing Technology are subject to contracts with Providence, Oro Plata, Fish Hawk Resources and Gamma Resources Limited (formerly Medallion Resources Ltd). The ability of the Company to achieve its stated objectives will depend on performance by the parties of their obligations under these agreements.</p> <p>If the Company is unable to satisfy its undertakings under these agreements, the Company's interests in their subject matter may be jeopardised.</p> <p>If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.</p>

RISK CATEGORY	RISK
Related Party Risk	<p>The Company has a number of key contractual relationships with related parties. If these relationships breakdown and the related party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement.</p> <p>Further, the operations of the Company will require involvement of related parties and other third parties including suppliers, manufacturers and customers. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:</p> <ul style="list-style-type: none"> (a) financial failure or default by a participant in any agreement to which the Company may become a party; and/or (b) insolvency, default on performance or delivery by any operators, contractors or service providers. <p>There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor and impact the Company's position, performance and reputation.</p>
Rare Earth Processing Technology	<p>The Rare Earth Processing Technology has been tested to bench scale and is now in the pre-pilot stage and has not been proven at a commercial scale.</p> <p>The initial testing activities planned to be conducted will be of a confirmatory nature to establish the efficacy of the Rare Earth Processing Technology on resources originated from south-eastern Australian HMS, which will enable Rare Earth Processing Technology's operating parameters and conditions to be fine-tuned to the specific requirements of both the Company's Projects' monazite and potential feedstock from third parties seeking to utilise the technology. There is a possibility that the Rare Earth Processing Technology may not be suitable for monazite sourced from the Company's Projects and resources originated from south-eastern Australian HMS.</p> <p>Additionally, further laboratory and engineering studies are required to advance the Rare Earth Processing Technology to higher readiness levels, which are likely necessary to support the financing or successful commercial development of a Rare Earth Processing Technology plant. There is no certainty the results of such work will validate the results achieved to date. Any proposed development will be subject to risks usual with this type of development including but not limited to scale up risk, cost increases, commissioning risk, process variability, regulatory and environmental approvals and the ability to attract and retain personnel with the requisite technical expertise.</p>
Exploration and operations	<p>The Tenements comprising the Projects are at various stages of exploration, and prospective investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that future exploration of these exploration licences, or any other mineral licences that may be acquired or granted in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is</p>

RISK CATEGORY	RISK
	<p>identified, there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process and Aboriginal heritage factors, changing government regulations and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences forming the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences forming the Projects.</p>
<p>Access and third-party interests</p>	<p>A number of the Tenements respectively overlap certain third party interests that may limit the Company's ability to conduct, exploration and mining activities including Crown land, flora and fauna reserves, pastoral leases, private/freehold land and encroachment by other tenements and tenement applications.</p> <p>There is a substantial level of regulation and restriction on the ability of exploration and mining companies have access to land in Australia. Negotiations with both Native Title and landowners/occupiers are generally required before the Company can access land for exploration or mining activities. Inability to access, or delays experienced in accessing, the land may impact on the Company's activities.</p>
<p>Tenement Renewals</p>	<p>Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.</p> <p>The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Victoria and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted Tenement for reasons beyond the control of the Company could be significant.</p>
<p>Radioactivity Risk</p>	<p>Mineral sands naturally contain low levels of radioactive materials, being uranium and thorium, which are mostly contained within the minerals zircon and monazite. As the valuable heavy minerals are concentrated and the sand is</p>

RISK CATEGORY	RISK
	<p>removed, small amounts of uranium and thorium are also concentrated in the heavy mineral concentrate (HMC). As such, HMS found on the Projects are anticipated to be associated with levels of naturally occurring radiation material (NORM) above background levels, and production of saleable HMS concentrates and REE-bearing products will require handling, transport and disposal or sale of radioactive elements. In Victoria, for example, the framework for regulation is under the Radiation Act 2005 and it sets out limits for the amount of radiation to which a worker can be exposed and companies are required to monitor and report radiation levels throughout the life of the project. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits to handle, transport, dispose of or sell radioactive materials, should a viable economic resource be identified.</p>

5.3 General risks

RISK CATEGORY	RISK
<p>Operating and development risks</p>	<p>Even if the Company's exploration is successful, the Company's ability to achieve any production, development, operating cost and capital expenditure estimates in a timely basis cannot be assured. The business of minerals development and mining involves many risks and may be impacted by factors including ore tonnes, yield, input prices (some of which are unpredictable and beyond the Company's control), overall availability of free cash to fund continuing development activities, labour force disruptions, cost overruns, change in the regulatory environment and other unforeseen contingencies.</p> <p>The ongoing conflict between the United States and Iran and the associated disruption to the Strait of Hormuz has contributed to a global fuel supply crisis, resulting in increased fuel costs and potential fuel shortages. This may further impact the availability and operability of drilling and exploration equipment, and increase the overall cost of the Company's exploration activities.</p> <p>Other risks also exist such as environmental hazards (including discharge of pollutants or hazardous chemicals), industrial accidents and occupational and health hazards. Such occurrences could result in damage to, or destruction of, production facilities, personal injury or death, environmental damage, delays in mining, increased production costs and other monetary losses and possible legal liability to the owner or operator of a mine.</p> <p>The Company may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities in an area for which it was not responsible.</p> <p>The risks outlined above also mean that there can be no assurances as to the future development of a mining operation in relation to any of the Company's projects or which the Company may acquire in the future.</p>
<p>Economic</p>	<p>General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p>

RISK CATEGORY	RISK
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Litigation risks	<p>The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.</p>
Dividends	<p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.</p>
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.</p>
Reliance on key personnel	<p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p> <p>The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical</p>

RISK CATEGORY	RISK
	<p>personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.</p>
<p>Economic conditions and other global or national issues</p>	<p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p>
<p>Competition</p>	<p>The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.</p>
<p>Commodity price volatility and exchange rate</p>	<p>If the Company achieves success with the MMP Technology test work and/or exploration and development leading to production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p> <p>Furthermore, international prices of various commodities are typically denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.</p>
<p>Government policy changes</p>	<p>Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Victoria and Nevada may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.</p>
<p>Insurance</p>	<p>The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could</p>

RISK CATEGORY	RISK
	<p>have a material adverse effect on the business, financial condition and results of the Company.</p> <p>Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.</p>
Force Majeure	<p>The Company's existing Projects or projects acquired in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.</p>

5.4 Speculative investment

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

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

There is no guarantee that the Securities offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Securities.

Before deciding whether to subscribe for Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

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

Whilst not constituting litigation, the Company notes that, as set out in the Company's Half-Year Financial Report released to the ASX on 10 March 2026, an external service provider (not an employee of the Company or any of its subsidiaries) committed a fraud involving GST credits and the Australian Taxation Office (**ATO**) in connection with a subsidiary of the Company. The ATO has completed its investigation, resulting in a liability of \$550,140 as at 31 December 2025. The Company's insurers have reimbursed \$250,000 of that amount and the ATO together with the Company's insurers are pursuing the relevant third party for the balance. This matter does not constitute legal proceedings against the Company.

6.2 Continuous disclosure obligations

As set out in the Important Notices Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

DATE	DESCRIPTION OF ANNOUNCEMENT
11 May 2026	Final Director's Interest Notice
11 May 2026	Exploration Program at Mount Jackson Gold-Silver Project commences.
7 May 2026	Cleansing Notice
7 May 2026	Application for quotation of securities - ADC
6 May 2026	Corporate Presentation - May 2026

DATE	DESCRIPTION OF ANNOUNCEMENT
30 March 2026	Quarterly Activities/Appendix 5B Cashflow Report
30 March 2026	ACDC Metals Acquire Gold-Silver Project - Amended
30 March 2026	Proposed issue of securities - ADC
30 March 2026	Proposed issue of securities - ADC
30 March 2026	ACDC Metals acquires Gold-Silver Project Walker Lane Nevada
24 March 2026	Change of Registered Address
10 March 2026	Half Yearly Report and Accounts
17 February 2026	Change of Director's Interest Notice - M Saxon
11 February 2026	Change of Director's Interest Notice - M Saxon
30 January 2026	Quarterly Activities/Appendix 5B Cashflow Report
20 January 2026	Goschen Central Update & Gold Project Application
12 January 2026	Notification of cessation of securities - ADC
9 December 2025	Change in Directors Interest Notices x 4
5 December 2025	Notification regarding unquoted securities - ADC
26 November 2025	Corporate Presentation November 2025
25 November 2025	Results of Annual General Meeting
31 October 2025	Quarterly Activities/Appendix 5B Cashflow Report
24 October 2025	Letter to Shareholders - Annual General Meeting
24 October 2025	Notice of Annual General Meeting/Proxy Form
22 October 2025	New Mineralogy from Goschen Central REE Project
10 October 2025	Cleansing Notice
10 October 2025	Application for quotation of securities - ADC
26 September 2025	Proposed issue of securities - ADC
25 September 2025	Notification regarding unquoted securities - ADC
25 September 2025	Appendix 4G & Corporate Governance
25 September 2025	Annual Report to Shareholders

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

The announcements are also available through the Company's website.

6.3 Market price of Shares

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

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

	(\$)	DATE
Highest	\$0.065	30 April 2026
Lowest	\$0.048	18 March 2026

	(\$)	DATE
Last	\$0.056	8 May 2026

6.4 Material Contracts

6.4.1 Lead Manager Mandate

The Company has signed a lead manager mandate to engage Cygnet to act as lead manager of the Entitlement Offer and the Placement (**Lead Manager Mandate**), the material terms and conditions of which are summarised below:

Fees	<p>Under the terms of this engagement, the Company has agreed to pay the Lead Manager:</p> <p>(a) 6% (plus GST) of the total funds raised under the Placement;</p> <p>(b) 6% (plus GST) of the total shortfall funds placed by Cygnet under the Entitlement Offer; and</p> <p>(c) up to 7,500,000 New Options, pursuant to the Lead Manager Offer.</p> <p>The issue of up to 7,500,000 New Options (with a subscription price of \$0.00001 per New Option) is subject to Shareholder approval and will be varied on a pro-rata basis in the event there is a remaining shortfall in the Entitlement Offer, not placed by the Lead Manager.</p>
Corporate advisory	<p>The Company has agreed to engage the Lead Manager to provide general corporate advice, prepare investor presentations and marketing material, provide advice on capital raisings and assist with the assessment of acquisition opportunities and introduction to institutions and other investors.</p> <p>The Company has agreed to pay the Lead Manager an advisory service fee of \$7,000 (plus GST) per month for 6 months from the date of commencement of the Lead Manager Mandate.</p>
Expenses	<p>The Company agrees to reimburse the Lead Manager for all disbursements and expenses relating to or arising from the Lead Manager's involvement in the Entitlement Offer and the Placement. The Lead Manager will seek approval from the Company before incurring any expense greater than \$2,000.</p> <p>The Company will reimburse the Lead Manager for all settlement-related costs up to a maximum of \$5,000. The Lead Manager will seek approval from the Company before proceeding with settlement if the total settlement-related costs are expected to exceed \$5,000.</p>

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

6.4.2 Exploration Lease with Option to Purchase – Mount Jackson Project

On 29 April 2026 (**Lease Commencement Date**), the Company entered into an exploration lease with an option to purchase with Pyramid Lake LLC and Spire Exploration LLC (together, the **Lessors**), pursuant to which the Company's wholly-owned Nevada-based subsidiary, ACDC Metals LLC (**Lessee**), has been granted:

- (a) the exclusive right to enter, explore for and develop minerals on the mining claims comprising the Mount Jackson Project in Esmeralda County, Nevada (**MJ Project**); and
- (b) an exclusive right and option to purchase 100% of the Lessors' right, title, and interest in the MJ Project,

on the material terms and conditions summarised below (**Mount Jackson Agreement**).

Term	The Mount Jackson Agreement has an initial term of five (5) years from its commencement with a right to extend for a further period of ten (10) years provided that the Lessee is actively engaged in the exploration for or development of minerals on the MJ Project at the time of such extension.												
Exclusivity Agreement	On 5 March 2026, the Lessee and the Lessors entered into an exclusivity agreement, pursuant to which the Lessee agreed to pay the Lessors US\$20,000 (Exclusivity Agreement).												
Lease Payments	<p>(a) The Lessee has agreed to pay the Lessors (on a pro rata basis in proportion to their respective interests in the MJ Project):</p> <p>(i) US\$20,000 pursuant to the Exclusivity Agreement (which has been paid as at the date of this Prospectus);</p> <p>(ii) a cost reimbursement payment of US\$10,188 for costs incurred by the Lessors to maintain the MJ Project for the 2025/2026 assessment year;</p> <p>(iii) the following lease payments:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th style="background-color: #1a3d4d; color: white;">Due Date</th> <th style="background-color: #1a3d4d; color: white;">Payment Amount</th> </tr> </thead> <tbody> <tr> <td>1st Anniversary of Lease Commencement Date</td> <td>US\$40,000</td> </tr> <tr> <td>2nd Anniversary of Lease Commencement Date</td> <td>US\$60,000</td> </tr> <tr> <td>3rd Anniversary of Lease Commencement Date</td> <td>US\$80,000</td> </tr> <tr> <td>4th Anniversary of Lease Commencement Date</td> <td>US\$100,000</td> </tr> </tbody> </table> <p>(iv) if the Lessee exercises its right to extend the lease term for a fifth year, a payment of US\$70,000, payable on the fifth (5th) anniversary of the Lease Commencement Date and thereafter, on each following Lease Commencement Date anniversary, a payment equal to 110% of the payment made in the immediately preceding year.</p>	Due Date	Payment Amount	1st Anniversary of Lease Commencement Date	US\$40,000	2nd Anniversary of Lease Commencement Date	US\$60,000	3rd Anniversary of Lease Commencement Date	US\$80,000	4th Anniversary of Lease Commencement Date	US\$100,000		
Due Date	Payment Amount												
1st Anniversary of Lease Commencement Date	US\$40,000												
2nd Anniversary of Lease Commencement Date	US\$60,000												
3rd Anniversary of Lease Commencement Date	US\$80,000												
4th Anniversary of Lease Commencement Date	US\$100,000												
Milestone Payments	<p>The Company has agreed to pay/issue the Lessors the following milestone payments in cash or Shares (valued at the 30-day volume weighted average price of Shares), at the Company's election:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th style="background-color: #1a3d4d; color: white;">Milestone</th> <th style="background-color: #1a3d4d; color: white;">Due Date</th> <th style="background-color: #1a3d4d; color: white;">Payment Amount</th> </tr> </thead> <tbody> <tr> <td>Delivery to Lessors of a JORC 2012 or NI 43-101 compliant Indicated Mineral Resource estimate of not less than 500,000 ounces of gold (Au) at the MJ Project.</td> <td>Within thirty (30) days of the milestone.</td> <td>US\$2,000,000</td> </tr> <tr> <td>The MJ Project first reaching cumulative production of 50,000 ounces of gold (Au).</td> <td>Within thirty (30) days of the milestone.</td> <td>US\$1,000,000</td> </tr> <tr> <td>The MJ Project reaching cumulative production of</td> <td>Within thirty (30) days of the</td> <td>US\$3,000,000</td> </tr> </tbody> </table>	Milestone	Due Date	Payment Amount	Delivery to Lessors of a JORC 2012 or NI 43-101 compliant Indicated Mineral Resource estimate of not less than 500,000 ounces of gold (Au) at the MJ Project.	Within thirty (30) days of the milestone.	US\$2,000,000	The MJ Project first reaching cumulative production of 50,000 ounces of gold (Au).	Within thirty (30) days of the milestone.	US\$1,000,000	The MJ Project reaching cumulative production of	Within thirty (30) days of the	US\$3,000,000
Milestone	Due Date	Payment Amount											
Delivery to Lessors of a JORC 2012 or NI 43-101 compliant Indicated Mineral Resource estimate of not less than 500,000 ounces of gold (Au) at the MJ Project.	Within thirty (30) days of the milestone.	US\$2,000,000											
The MJ Project first reaching cumulative production of 50,000 ounces of gold (Au).	Within thirty (30) days of the milestone.	US\$1,000,000											
The MJ Project reaching cumulative production of	Within thirty (30) days of the	US\$3,000,000											

	250,000 ounces of gold (Au).	milestone.													
Option to Purchase	The Lessors also grant the Company an exclusive right and option to purchase 100% of the Lessors' right, title, and interest in the MJ Project for a purchase price of US\$800,000 (Option to Purchase).														
Royalty	On exercise of the Option to Purchase, the Lessors will retain a 3% net smelter returns royalty over the MJ Project which the Lessee will have the right to buy back 1% (reducing the net smelter returns royalty to 2%) under the terms of a royalty deed.														
Expenditure Commitments	The Lessee is required to incur the following minimum qualified exploration expenditures during the:														
	<table border="1"> <thead> <tr> <th>Work Commitment Time Period</th> <th>Payment Amount</th> </tr> </thead> <tbody> <tr> <td>First Year of the Exploration Lease</td> <td>US\$50,000</td> </tr> <tr> <td>Second Year of the Exploration Lease</td> <td>US\$150,000</td> </tr> <tr> <td>Third Year of the Exploration Lease</td> <td>US\$250,000</td> </tr> <tr> <td>Fourth Year of the Exploration Lease</td> <td>US\$350,000</td> </tr> <tr> <td>Fifth Year of the Exploration Lease</td> <td>US\$600,000</td> </tr> </tbody> </table>			Work Commitment Time Period	Payment Amount	First Year of the Exploration Lease	US\$50,000	Second Year of the Exploration Lease	US\$150,000	Third Year of the Exploration Lease	US\$250,000	Fourth Year of the Exploration Lease	US\$350,000	Fifth Year of the Exploration Lease	US\$600,000
Work Commitment Time Period	Payment Amount														
First Year of the Exploration Lease	US\$50,000														
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Third Year of the Exploration Lease	US\$250,000														
Fourth Year of the Exploration Lease	US\$350,000														
Fifth Year of the Exploration Lease	US\$600,000														
	Excess qualified exploration expenditures incurred in any Work Commitment Time Period may be carried forward and credited against the Lessee's expenditure obligations in subsequent periods. If the Lessee fails to meet the required expenditure in a given period, it may either pay the shortfall in cash or have the deficiency added to its obligations for the following period.														
Termination	<p>(a) <u>Termination by Lessors:</u> The Lessors may terminate the Mount Jackson Agreement for unremedied default:</p> <p>(i) 10 days after the Lessee's receipt of notice of default for payment defaults; or</p> <p>(ii) 30 days after the Lessee's receipt of notice of default for any other default.</p> <p>(b) <u>Termination by Lessee:</u> The Lessee may terminate the Mount Jackson Agreement at any time provided:</p> <p>(i) 60 days written notice is delivered to the Lessors; or</p> <p>(ii) all payments accrued up to the termination date (being not less than 60 days after written notice has been delivered), are paid by the Lessee.</p>														

The Mount Jackson Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, indemnity and insurance, governing law, assignment and confidentiality provisions).

6.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 24 months preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or

(c) the Offers,

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

(d) as an inducement to become, or to qualify as, a Director; or

(e) for services provided in connection with:

(i) the formation or promotion of the Company; or

(ii) the Offers.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set out in Section 1.5.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

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

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2025 annual report for the year ended 30 June 2025.

DIRECTOR	FY ENDING 30 JUNE 2026	FY ENDING 30 JUNE 2025
Andrew Shearer	\$72,475 ¹	\$72,475 ¹
Mark Saxon	\$76,500 ²	\$76,500 ²
Richard Boyce	\$50,732 ³	\$50,732 ³

Notes:

1. Comprising \$65,000 in salary and fees, and \$7,475 in superannuation fees.
2. Comprising \$76,500 in salary and fees.
3. Comprising \$45,500 in salary and fees, and \$5,232 in superannuation fees.

6.6 Interests of experts and advisers

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

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

holds, or has held within the 24 months preceding lodgement of this Prospectus with the ASIC, any interest in:

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

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

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

Cygnnet will be paid the fees as set out in Section 6.4.1 in respect of the Offers. During the 24 months preceding lodgement of this Prospectus with the ASIC, Cygnnet has received \$56,000 (excluding GST) in fees from the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services.

6.7 Consents

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

Each of the parties referred to in this Section:

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

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

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

Hall Chadwick WA Audit Pty Ltd (**Hall Chadwick**) has given its written consent to being named as auditor to the Company in this Prospectus and the inclusion of the 31 December 2025 audit-reviewed balance sheet of the Company in Section 3.4. Hall Chadwick has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

6.8 Expenses of the Offers

In the event that all Entitlements are accepted, the total expenses of the Offers are estimated to be approximately \$30,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

ITEM	\$
ASIC fees	3,206
ASX fees	7,256
Legal fees	15,000
Printing and distribution / Miscellaneous	4,538
Total	30,000

7. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

8. GLOSSARY

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

AEST means Australian Eastern Standard Time as observed in Melbourne, Victoria.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

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

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

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

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

Company means ACDC Metals Ltd (ACN 654 049 699).

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

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

CRN means Customer Reference Number in relation to BPAY@.

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

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

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

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

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

Exercise Price means the exercise price of the New Options.

Fish Hawk Resources means a vendor at IPO of Watchem Projects (EL7642 and EL7932 (since relinquished)).

General Meeting means the general meeting of Shareholders to be held on or around 26 June 2026.

Hall Chadwick means Hall Chadwick WA Audit Pty Ltd (ACN 655 473 206).

HMS means heavy mineral sands.

Lead Manager Mandate has the meaning given in Section 6.4.1

Lead Manager Offer means the offer of up to 7,500,000 New Options to the Lead Manager (or its nominee(s)) in part consideration for providing lead manager services in respect of the Entitlement Offer and the Placement.

Lead Manager or **Cygnat** means Cygnat Capital Pty Ltd (ACN 103 488 606) (Authorised Representative Number 000279068 of AFSL: 241095).

Lease Commencement Date has the meaning given in Section 6.4.2.

Lessee has the meaning given in Section 6.4.2.

Lessors has the meaning given in Section 6.4.2.

MJ Project has the meaning given in Section 6.4.2.

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

Mount Jackson Agreement has the meaning given in Section 6.4.2.

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

Offers means the Entitlement Offer, the Lead Manager Offer and the Placement Offer.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Option to Purchase has the meaning given in Section 6.4.2.

Optionholder means a holder of an Option.

Oro Plata means the vendor, at IPO of the Douglas Project (EL7544 and EL7545 (since relinquished)), and subsequent to IPO the Watchem North Project (EL8675 and EL8687).

Performance Rights means unlisted performance rights in the Company.

Placement has the meaning given in Section 1.2.

Placement Participants has the meaning given in Section 1.2.

Placement Offer means the offer of 9,365,000 New Options the subject of this Prospectus.

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

Prospectus means this prospectus.

Providence means Providence Gold & Minerals, vendor of Goschen Central Project (EL5278).

Rare Earth Processing Technology means a licensed technology for the extraction of rare earth oxide from the mineral monazite.

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

REE means rare earth elements.

Section means a section of this Prospectus.

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

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

Shareholder means a holder of a Share.

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

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

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

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

Tenements means EL5278, EL7642, EL7685, EL7687, EL7544, EL7908, EL8007 in which the Company has an interest, located in Victoria, Australia.