



Xantippe Resources Ltd

ACN 123 102 974

PROSPECTUS

This Prospectus is being issued for a non-renounceable pro rata offer to Eligible Shareholders of up to 1,018,641,101 New Shares on the basis of 1 New Share for every 4 Shares held on the Record Date, at an issue price of \$0.002 per New Share, together with 1 free attaching Quoted Option for every 3 New Shares subscribed for (**Entitlement Offer**).

The Entitlement Offer is fully underwritten by Pulse Markets Pty Ltd (ACN 081 505 268) (**Underwriter**). Refer to Section 5.4 for a summary of the terms and conditions of the Underwriting Agreement.

This Prospectus is also being issued for the Secondary Offers, as detailed in Section 1.2.

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

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

The Securities offered in connection with this Prospectus are of a speculative nature.

The Company reserves the right, subject to the Corporations Act, Listing Rules and other applicable laws to extend the Closing Date without prior notice.

Important information

This Prospectus is dated 1 September 2021 and was lodged with the ASIC on that date with the consent of all Directors and the Proposed Director. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

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

A copy of this Prospectus is available for inspection at the registered office of the Company at Ground Floor West, 20 Kings Park Road, West Perth WA 6005, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.7).

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

The Prospectus will also be made available in electronic form on the Company's website at <https://xantippe.com.au/> and the ASX markets platform. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's registered office by contacting the Company.

The Company will apply for official quotation by ASX of the Securities offered by this Prospectus within 7 days of the date of this Prospectus.

Applications for Securities will only be accepted on an Application Form attached to or provided by the Company with a copy of this Prospectus either in paper or electronic form. If the application is by BPAY® there is no need to return the original Application Form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

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

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

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

This document is important and should be read in its entirety before deciding to participate in the Offers. This does not take into account the investment objectives, financial or taxation, or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to their particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult their stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 4.

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

Corporate Directory

Directors

Richard Henning
Phillip Jackson
Young Yu
Gregory Cunnold

Managing Director
Non-Executive Chairman
Non-Executive Director
Non-Executive Director

Proposed Director

Imants Gustavs Kins

Company Secretary

Matthew Foy

Registered and Principal Office

Ground Floor West
20 Kings Park Road
West Perth WA 6005

Phone: +61 8 6143 1840

Website: www.xantippe.com.au

ASX Code:

Shares: XTC

Share Registry*

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth WA 6009

Telephone (within Australia): +61 8 9323 2000

Telephone (international): +61 8 9323 2033

Auditor*

RSM Australia Partners
Level 32, 2 The Esplanade
Perth WA 6000

Lead Manager and Underwriter

Pulse Markets Pty Ltd
Level 24, 1 Farrer Place
Sydney NSW 2000

Solicitors

HWL Ebsworth Lawyers
Level 20, 240 St Georges Terrace
Perth WA 6000

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

Proposed timetable

Lodgement of Prospectus with ASIC and ASX	1 September 2021
Shares quoted on an "EX" basis	3 September 2021
Record Date for determining Entitlements under the Entitlement Offer	6 September 2021
Prospectus and Application Form dispatched to Eligible Shareholders and Company announces that this has occurred	9 September 2021
Last day to extend Closing Date	21 September 2021
Closing Date (5:00pm AWST)*	24 September 2021
Securities quoted on a deferred settlement basis	27 September 2021
Announcement of results of Offers	28 September 2021
Anticipated date for issue of the Securities under the Offers Company lodges an Appendix 2A with ASX applying for quotation of the new Securities (before 10:00am Sydney time)	30 September 2021
Anticipated date for commencement of new Securities trading on a normal settlement basis	1 October 2021

* The Directors may extend the Closing Date by giving at least three Business Days' notice to ASX prior to the Closing Date. As such, the date the Securities offered under this Prospectus are expected to be issued and commence trading on ASX may vary.

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Letter from the Chairman

Dear Shareholder,

Overview of the Offers

On behalf of the Directors, I am pleased to invite you to participate in this non-renounceable pro rata Entitlement Offer.

Eligible Shareholders who hold Shares on the Record Date are offered the opportunity to subscribe for 1 New Share for every 4 Shares held on the Record Date, together with 1 free attaching Quoted Option for every 3 New Shares subscribed for under the Entitlement Offer.

The Secondary Offers under this Prospectus are summarised in Section 1.2.

The New Shares are offered at an issue price of \$0.002 each, to raise up to \$2,037,282 (before costs). No funds will be raised from the issue of the Quoted Options, as:

- (a) the Quoted Options to be issued under the Entitlement Offer and Shortfall Offer are offered on a free-attaching basis to the New Shares issued under the Entitlement Offer; and
- (b) the Lead Manager Options are being offered as part consideration for the provision of lead manager and underwriting services in connection with the Entitlement Offer.

A summary of the rights and liabilities attaching to the New Shares and Quoted Options offered under this Prospectus is in Sections 5.1 and 5.2. All Shares issued upon the exercise of the Quoted Options will rank equally in all respects with the Company's existing Shares.

The funds raised by the Offers under this Prospectus are intended to be used towards:

- (a) Southern Cross tenement exploration expenditure including geophysical studies and tenure costs;
- (b) exploration field studies and business development costs in line with the Company's existing strategy;
- (c) project generation and assessment;
- (d) working capital; and
- (e) meeting the costs of the Offers.

For further details on the proposed use of funds to be raised under the Offers, please see Section 1.3 of this Prospectus.

The Offers are scheduled to close at **5:00pm (AWST) on 24 September 2021**. Eligible Shareholders wishing to participate in the Entitlement Offer must apply for new Securities before this time in accordance with the instructions set out in Section 2 and on the Application Form accompanying this Prospectus. Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer. Subject to the allocation policy in Section 1.2(b), Eligible Shareholders may apply for Shortfall under the Shortfall Offer.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX or otherwise transferable.

The Board recommends that you take up your full Entitlement after reading this Prospectus in its entirety including the risk factors outlined in Section 4.

Proposed Director

It is intended that with effect from the close of the Offers, Imants Gustavs Kins will become a Non-Executive Director of the Company.

Mr Kins has worked in the private sector as a consulting economist in the natural resources sector since 1986 and has extensive expertise as a senior manager, corporate economist and director of various ASX listed companies.


Mr Kins is currently an alternate director of Atlas Iron Limited and a director of Pela Global Limited. He was previously a director of ABM Resources and Tungsten Metals Group. Mr Kins has a Bachelor of Economics from The University of Western Australia and Master of Arts (Futures Studies) from Curtin University.

Important information

This is an important document and should be read in its entirety. If you have any doubts or questions in relation to the Prospectus you should consult your stockbroker, accountant, solicitor or other independent professional advisor to evaluate whether or not to participate in the Offers.

On behalf of the Board, I look forward to your continued support and on updating you on the Company's progress.

Yours faithfully



Phillip Jackson

Non-Executive Chairman

Investment overview

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

Key Information	Further Information
<p>Transaction specific prospectus</p> <p>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. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	<p>Section 5.5</p>
<p>Risk factors</p> <p>Potential investors should be aware that subscribing for Securities involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <p>(a) Additional requirements for capital: The Board considers that the proceeds raised by the Offers will be sufficient to support its activities for up to 12 - 18 months. Additional funding will be required by the Company to support its ongoing activities and operations beyond this time and to meet the medium to long term working capital costs of the Company. There can be no assurance that such funding will be available on acceptable terms or at all.</p> <p>(b) Exploration and development risk: Exploration and development risk: Mineral exploration and development is a high risk undertaking. There can be no assurance that further exploration on the Company's projects will result in the discovery of an economic ore deposit or that it can be economically exploited.</p> <p>(c) Acquisition and disposal of projects: The Company intends to investigate potential acquisition opportunities with part of the proceeds from the Offers. The Company may acquire new projects or divest existing projects in the future. There can be no guarantee that any new project acquisition will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders. Such acquisitions may result in use of the Company's cash resources and issuances of equity securities, which might involve a dilution to Shareholders.</p> <p>(d) Coronavirus disease: The outbreak of coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets and share prices. The Company's Share price may be adversely affected by the economic</p>	<p>Section 4</p>

Key Information	Further Information
<p>uncertainty caused by COVID-19. Further, any measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations. In particular, the restrictions on accessing remote Aboriginal communities may materially impact the timeline for negotiations in relation to native title access agreements and heritage clearances required by the Company.</p> <p>(e) General market risks: Share market conditions may affect the value of the Company's Securities regardless of the Company's operating performance. The Company is exposed to general market and economic condition risks including adverse changes in levels of economic activity, exchange rates, interest rates, commodity prices, government policies, employment rates and industrial disruption.</p>	
<p>Entitlement Offer</p> <p>This Prospectus is for a non-renounceable entitlement offer of 1 New Share for every 4 Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.002 per New Share to raise up to approximately \$2,037,282 (before costs), together with 1 free attaching Quoted Option for every 3 New Shares subscribed for.</p>	Section 1.1
<p>Secondary Offers</p> <p>The Company is also undertaking the Secondary Offers under this Prospectus.</p> <p>The Secondary Offers are being made under this Prospectus to:</p> <p>(a) ensure that the offers of the Securities under the Secondary Offers are made in accordance with the disclosure requirements of Part 6D.2 of the Corporations Act; and</p> <p>(b) remove the need for an additional disclosure document to be issued upon the sale of any Options (or any Shares issued on exercise of any Options) that are issued under the Secondary Offers.</p>	Section 1.2
<p>Shortfall Offer</p> <p>Any Securities not taken up pursuant to the Entitlement Offer will form the Shortfall Offer.</p> <p>Eligible Shareholders may apply for Securities under the Shortfall Offer subject to such Applications being received by the Closing Date.</p> <p>The allocation policy for the Shortfall Offer is outlined in Section 1.2(b). There is no guarantee that Eligible Shareholders will receive new Securities applied for under the Shortfall Offer.</p>	Section 1.2(b)

Key Information	Further Information
<p>Lead Manager Offer</p> <p>The Company is undertaking a Lead Manager Offer under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale of any Quoted Options issued under the Lead Manager Offer.</p> <p>The Company has agreed to offer a total of 275,000,000 Quoted Options to the Lead Manager (or its nominees), exercisable at \$0.0035 each and expiring 3 years from the date of issue.</p>	Section 1.2(c)
<p>Eligible Shareholders</p> <p>The Entitlement Offer is made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who:</p> <ul style="list-style-type: none"> (a) are the registered holder of Shares as the Record Date; and (b) have a registered address in Australia or New Zealand. 	Sections 1.15 and 1.16
<p>Underwriting</p> <p>The Entitlement Offer is fully underwritten by Pulse Markets Pty Ltd.</p> <p>Refer to Section 5.4 for a summary of the material terms and conditions of the Underwriting Agreement.</p>	Section 5.4
<p>Use of funds</p> <p>Funds raised under the Offers will be used towards:</p> <ul style="list-style-type: none"> (a) Southern Cross tenement exploration expenditure including geophysical studies and tenure costs; (b) exploration field studies and business development costs in line with the Company's existing strategy; (c) project generation and assessment; (d) working capital; and (e) meeting the costs of the Offers. 	Section 1.4
<p>Effect on control of the Company</p> <p>The Company is of the view that the Offers will not affect the control of the Company.</p> <p>No investor or existing Shareholder will hold a voting power greater than 20% as a result of the Offers.</p> <p>Shareholders should note that if they do not participate in the Offers, their holdings will be diluted. Examples of how the dilution may impact Shareholders are set out in Section 1.8.</p>	Section 1.7

Key Information				Further Information																										
<p>Indicative capital structure and pro-forma balance sheet</p> <p>The indicative capital structure upon completion of the Offers is set out below:</p> <table border="1"> <thead> <tr> <th></th> <th>Shares</th> <th>Unquoted Options</th> <th>Quoted Options</th> </tr> </thead> <tbody> <tr> <td>Balance at the date of this Prospectus</td> <td>4,074,564,402</td> <td>539,999,998</td> <td>Nil</td> </tr> <tr> <td>Maximum to be issued under the Entitlement Offer and Shortfall Offer</td> <td>1,018,641,101</td> <td>Nil</td> <td>339,547,034</td> </tr> <tr> <td>Maximum to be issued under the Lead Manager Offer</td> <td>Nil</td> <td>Nil</td> <td>275,000,000</td> </tr> <tr> <td>Total</td> <td>5,093,205,503</td> <td>539,999,998</td> <td>614,547,034</td> </tr> </tbody> </table> <p>The above table assumes that the Offers are fully subscribed and that no other Shares are issued or Options converted into Shares prior to the Record Date.</p> <p>The indicative pro-forma balance sheet showing the effect of the Offers is in Section 3.2.</p>					Shares	Unquoted Options	Quoted Options	Balance at the date of this Prospectus	4,074,564,402	539,999,998	Nil	Maximum to be issued under the Entitlement Offer and Shortfall Offer	1,018,641,101	Nil	339,547,034	Maximum to be issued under the Lead Manager Offer	Nil	Nil	275,000,000	Total	5,093,205,503	539,999,998	614,547,034	Section 3						
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<p>Directors' and Proposed Directors' interests in Shares and Entitlements</p> <p>The relevant interest of each of the Directors and Proposed Director in Shares as at the date of this Prospectus, together with their respective Entitlement is set out in the table below:</p> <table border="1"> <thead> <tr> <th rowspan="2">Name</th> <th colspan="2">Existing Securities</th> <th rowspan="2">Entitlement</th> </tr> <tr> <th>Shares</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>Richard Henning</td> <td>43,119,689</td> <td>26,944,445</td> <td>10,779,922</td> </tr> <tr> <td>Phillip Jackson</td> <td>28,707,566</td> <td>14,944,445</td> <td>7,176,892</td> </tr> <tr> <td>Young Yu</td> <td>47,119,689</td> <td>14,944,445</td> <td>11,779,922</td> </tr> <tr> <td>Gregory Cunnold</td> <td>398,504,723</td> <td>6,944,445</td> <td>99,626,181</td> </tr> <tr> <td>Imants Gustavs Kins</td> <td>Nil</td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table> <p>Messers Henning, Jackson and Yu intend to take up all of their Entitlement under the Entitlement Offer.</p>				Name	Existing Securities		Entitlement	Shares	Options	Richard Henning	43,119,689	26,944,445	10,779,922	Phillip Jackson	28,707,566	14,944,445	7,176,892	Young Yu	47,119,689	14,944,445	11,779,922	Gregory Cunnold	398,504,723	6,944,445	99,626,181	Imants Gustavs Kins	Nil	Nil	Nil	Section 5.11
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Imants Gustavs Kins	Nil	Nil	Nil																											

Key Information	Further Information
<p>Forward looking statements</p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p> <p>These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.</p>	<p>Key Information and Section 4</p>

1. Details of the Offers

1.1 Entitlement Offer

The Company is making a non-renounceable pro rata offer to Eligible Shareholders of up to 1,018,641,101 New Shares on the basis of 1 New Share for every 4 Shares held on the Record Date, at an issue price of \$0.002 per New Share, together with 1 free attaching Quoted Option for every 3 New Shares subscribed for (**Entitlement Offer**). Each Quoted Option will have an exercise price of \$0.0035 and expire 3 years from the date of issue.

The market price of Shares as at the date of this Prospectus is such that it is unlikely that any of the existing Options will be exercised before the Record Date.

Assuming no unquoted Options are exercised into Shares prior to the Record Date, the Entitlement Offer is for a maximum of 1,018,641,101 New Shares and 339,547,034 Quoted Options to raise up to approximately \$2,037,282 (before costs).

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Share or Quoted Option, such fraction will be rounded up to the nearest whole New Share or Quoted Option.

New Shares issued under the Entitlement Offer will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to the New Shares offered under the Entitlement Offer is in Section 5.1.

A summary of the rights and liabilities attaching to the free attaching Quoted Options offered under the Entitlement Offer is in Section 5.2. All Shares issued upon the exercise of the free attaching Quoted Options will rank equally with the Shares on issue at the date of the Prospectus, as summarised in Section 5.1.

1.2 Secondary Offers

(a) Overview

The Company is also undertaking the following offers under this Prospectus:

- (i) an additional offer of New Shares and free attaching Quoted Options for any Shortfall under the Entitlement Offer (**Shortfall Offer**); and
- (ii) an offer of 275,000,000 Quoted Options to be issued to the Lead Manager (or its nominees) as part consideration for lead manager and underwriting services provided to the Company (**Lead Manager Offer**),

(together, the **Secondary Offers**).

The Secondary Offers are being made under this Prospectus to:

- (i) ensure that the offers of the Securities under the Secondary Offers are made in accordance with the disclosure requirements of Part 6D.2 of the Corporations Act; and

- (ii) remove the need for an additional disclosure document to be issued upon the sale of any Quoted Options (or any Shares issued on exercise of any Quoted Options) that are issued under the Secondary Offers.

(b) **Shortfall Offer**

Any Entitlement not taken up pursuant to the Entitlement Offer (if any) (**Shortfall**) will form the Shortfall Offer.

The Shortfall is to be allocated in the following priority (and in each case where required the Underwriter will consult with and take under consideration any comments provided by the Company):

- (i) Firstly, each Eligible Shareholder who has validly applied for their full Entitlement and has also validly applied for Shortfall in excess of their Entitlement before the Closing Date will be allocated their proportionate share of the Shortfall in proportion to their shareholding as at the Record Date. If an Eligible Shareholder has made a valid application for Shortfall but has applied for a lower number of Shortfall than the amount of Shortfall which that Eligible Shareholder would otherwise be allocated under this process, that Eligible Shareholder will be allocated the lower amount.
- (ii) If, following the allocation of Shortfall in accordance with subsection 1.2(b)(i), there remains Shortfall, the above allocation process will be repeated until either all the Shortfall have been allocated or all valid applications for Shortfall by Eligible Shareholders before the Closing Date have been satisfied in full.
- (iii) If, following the allocation of Shortfall in accordance with subsection 1.2(b)(ii), there remains Shortfall, the allocation of all remaining Shortfall will be to the Underwriter (or its nominees).

Directors and related parties of the Company will not be eligible to participate in the Shortfall Offer.

No New Shares will be issued under the Shortfall Offer if their issue would contravene the takeover prohibition in section 606 of the Corporations Act.

It is a term of the Shortfall Offer that, should the Company scale back applications for Shortfall, the Applicant will be bound to accept such lesser number allocated to them. Excess Application Monies will be refunded (without interest).

The issue price of any New Shares issued under the Shortfall Offer will be \$0.002 each, being the same price at which New Shares are offered under the Entitlement Offer. Free attaching Quoted Options will also be issued under the Shortfall Offer on the basis of 1 free attaching Quoted Option for every 3 New Shares issued.

New Shares issued under the Shortfall Offer will be issued as fully paid ordinary shares and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to the New Shares offered under the Shortfall Offer is in Section 5.1.

A summary of the rights and liabilities attaching to the free attaching Quoted Options offered under the Shortfall Offer is in Section 5.2. All Shares issued upon the exercise of the free attaching Quoted Options will rank equally with the Shares on issue at the date of the Prospectus, as summarised in Section 5.1.

(c) **Lead Manager Offer**

The Company has agreed to issue to the Lead Manager (or its nominees) a maximum of 275,000,000 Quoted Options (**Lead Manager Options**) as part consideration for the provision of lead manager and underwriting services provided in connection with the Offers (**Lead Manager Offer**).

A summary of the rights and liabilities attaching to the Lead Manager Options is in Section 5.2. The Shares issued upon exercise of the Lead Manager Options will rank equally in all respects with the existing Shares in the Company.

Refer to Section 5.3 for a summary of the Lead Manager Mandate and Section 5.4 for a summary of the Underwriting Agreement.

Quoted Options under the Lead Manager Offer will be issued utilising the Company's Placement Capacity under Listing Rule 7.1.

1.3 Underwriting

The Entitlement Offer is fully underwritten by Pulse Markets Pty Ltd (ACN 081 505 268) (**Underwriter**). Refer to Section 5.4 for a summary of the terms and conditions of the Underwriting Agreement.

Subject to Section 1.2(b) above, Shortfall will be placed to the Underwriter (or its nominees) in accordance with the terms of the Underwriting Agreement (refer to Section 5.4 for further details), subject to any restrictions imposed by the Corporations Act and the Listing Rules.

1.4 Use of funds

The Company anticipates that it will raise approximately \$2,037,282 (before costs) under the Offers, on the assumption that the Offers are fully subscribed and that no other Shares are issued prior to the Record Date.

The following indicative table sets out the proposed use of funds raised under the Offers:

Proposed use	\$	%
Southern Cross tenements exploration expenditure including geophysical studies and tenure costs	468,000	23%
Exploration field studies and business development costs in line with the Company's existing strategy	527,365	26%
Project generation and assessment	400,000	20%
Working Capital ⁽¹⁾	448,000	22%
Costs of the Offers ⁽³⁾	193,917	10%
Total	2,037,282	100%

Notes:

1. Working capital includes but is not limited to corporate office, administration, staff and operating costs, directors' fees, executive fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs.
2. The above table assumes the Offers are fully subscribed and that the Company has 4,074,564,402 Shares on issue at the Record Date. In the event that a lesser amount is raised, the Company intends to reduce the funds attributed to working capital accordingly and would be required to draw on existing cash balances to fund the Company's working capital requirements.
3. Refer to Section 5.14 for details regarding the expenses of the Offers.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

The amounts and timing of the actual expenditures and investments may vary significantly and will depend on numerous factors including the success of exploration activities, access conditions, weather and any changes in the business and economic environment.

1.5 Opening and Closing Dates

The Company will accept Application Forms from the date it dispatches the Prospectus until 5:00pm (AWST) on 24 September 2021 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules, the Corporations Act and the Underwriting Agreement (**Closing Date**).

1.6 Minimum subscription

There is no minimum subscription for the Offers.

1.7 Effect on control of the Company

Section 606(1) of the Corporations Act prohibits a person, unless an exception applies, from increasing their voting power in the Company:

- (a) from 20% or below to above 20%; or
- (b) from a starting point of above 20% and below 90%.

One of the exceptions to section 606(1) is where that increase occurs as a result of an issue under a disclosure document to an underwriter or sub-underwriter to the issue. Notwithstanding this exception, the Company notes that no investor or existing Shareholder is anticipated to hold a voting power of 20% or more as a result of the Offers.

The Underwriter presently has no Shares in the Company, and it has indicated that it has no intention of acquiring Shares in the Company prior to the Record Date. Pulse has agreed to fully underwrite the Entitlement Offer for up to \$2,037,282.

The Underwriter's maximum potential relevant interest and voting power in the Company under several scenarios are set out in the table below and are based on the assumption that no Shares other than those offered under the Offers are issued.

	Underwriter Shares	Underwriter voting power
As at the date of the Prospectus	Nil	Nil
100% subscribed by Shareholders	Nil	Nil
75% subscribed by Shareholders	254,660,275	5.00%
50% subscribed by Shareholders	509,320,551	10.00%
25% subscribed by Shareholders	763,980,826	15.00%
0% subscribed by Shareholders	1,018,641,101	20.00%

In the unlikely event that no Shareholders participate in the Entitlement Offer, the Underwriter subscribes for all of the New Shares, the Underwriter exercises all of the free attaching Quoted Options and Lead Manager Options, and no other Shares are issued, the Underwriter's voting power could theoretically increase from 0% to above 20%.

However, the Underwriter has undertaken to the Company not to lodge applications or enter into any-sub-underwriting agreement if such applications or sub-underwriting agreement would result in the applicant being issued New Shares and free attaching Quoted Options that, would result in the applicant (assuming the Quoted Options are exercised):

- (a) being in breach of section 606(1) of the Corporations Act;
- (b) having a relevant interest in the Company of 20% or greater; or
- (c) both of the above.

Accordingly, neither the Offers nor the underwriting are considered likely to have a material effect on the control of the Company.

1.8 Potential dilution

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlement to Shares	% holding if Entitlement taken up	% holding if Entitlement not taken up
Shareholder 1	100,000,000	2.45%	25,000,000	2.45%	1.96%

Holder	Holding as at Record Date	% at Record Date	Entitlement to Shares	% holding if Entitlement taken up	% holding if Entitlement not taken up
Shareholder 2	50,000,000	1.23%	12,500,000	1.23%	0.98%
Shareholder 3	25,000,000	0.61%	6,250,000	0.61%	0.49%
Shareholder 4	10,000,000	0.25%	2,500,000	0.25%	0.20%
Shareholder 5	5,000,000	0.12%	1,250,000	0.12%	0.10%

The dilution effect shown in the table above is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall is not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

The above table also assumes that no other Shares are issued or equity securities converted into Shares prior to the Record Date and that the Quoted Options issued pursuant to this Prospectus have not converted into Shares.

1.9 Substantial Shareholders

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

Substantial Shareholder	Number of Shares	Voting power
Gregory Cunnold & Lara Cheryl Groves <Stratford A/C> ⁽¹⁾	398,504,723	9.78%

Note:

1. Shares held on behalf of Non-Executive Director Gregory Cunnold.

1.10 No rights trading

The rights to Securities under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your Entitlement to any other party. If you do not take up your Entitlement by the Closing Date, your Entitlement will lapse.

1.11 Issue Date and dispatch

All Securities under the Offers are expected to be issued on or before the date specified in the proposed timetable in this Prospectus.

Any remaining issues of Shortfall will occur within three months after the Closing Date.

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

Security holder statements will be dispatched at the end of the calendar month following the issue of the Securities under the Offers.

1.12 **Application Monies held on trust**

All Application Monies received for the Securities under the Offers will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Securities are issued. All Application Monies will be returned (without interest) if the Securities are not issued.

1.13 **ASX quotation**

Application has been or will be made for the official quotation of the Securities offered by this Prospectus. If permission is not granted by ASX for the official quotation of the Securities offered by this Prospectus within three months after the date of this Prospectus, the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

The Quoted Options offered under this Prospectus will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the Listing Rules)).

The fact that ASX may agree to grant official quotation of the Quoted Options is not to be taken in any way as an indication of the merits of the Company or the Quoted Options. ASX takes no responsibility for the contents of this Prospectus.

1.14 **CHESS**

The Company participates in the Clearing House Electronic Sub-Register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement.

The CHESS statement will specify the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares.

If you are registered on the Issuer Sponsored sub-register, your statement will be dispatched by the Company's share registry and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

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

1.15 **Ineligible Foreign Shareholders**

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of Securities 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 or the Securities under the Offers.

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

The Company believes that it is unreasonable to extend the Entitlement Offer to Ineligible Foreign Shareholders. The Company has formed this view having considered:

- (a) the number and value of the Securities that would be offered to those Shareholders; and
- (b) the cost of complying with the legal requirements and the requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, Ineligible Foreign Shareholders will not be entitled to participate in the Entitlement Offer.

1.16 Notice to nominees and custodians

Nominees and custodians that hold Shares should note that the Entitlement Offer and the Shortfall Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws.

1.17 Risk factors

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

1.18 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Securities under this Prospectus.

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

1.19 Major activities and financial information

A summary of the major activities and financial information relating to the Company, for the financial year ended 30 June 2020, can be found in the Company's Annual Report announced on ASX on 1 September 2020 and, for the half-year ended 31 December 2020, the Half Year Report announced on ASX on 15 March 2021. The Company's continuous disclosure notices (i.e. ASX announcements) since 1 September 2020 are listed in Section 5.7. Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

1.20 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the application and, if the application is successful, to administer the Applicant's holding of Securities in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

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

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.21 Enquiries concerning Prospectus

For enquiries concerning the Application Forms and the Prospectus, please contact the Company Secretary on matt.foy@xantippe.com.au.

For general Shareholder enquiries, please contact the Company on (08) 6143 1840 (within Australia) and +61 8 6143 1840 (International).

2. Action required by Eligible Shareholders

2.1 Action in relation to the Offers

The Company will send this Prospectus, together with a personalised Application Form, to all Eligible Shareholders.

Should you wish to acquire New Shares as part of the Entitlement Offer, you may either take up all of your Entitlement (refer to Section 2.2) or part of your Entitlement (refer to Section **Error! Reference source not found.**) as shown on the accompanying personalised Application Form.

If you do not wish to take up any of your Entitlement, you may allow your Entitlement to lapse (refer to Section 2.3).

2.2 Acceptance of part or all of your Entitlement and Shortfall Offer

If you wish to take up all or part of your Entitlement you need to make payment by BPAY®. Your payment by BPAY® should be for the full amount you wish to apply for under the Entitlement Offer, including under the Shortfall Offer (being \$0.002 multiplied by the number of New Shares you wish to subscribe for (being all or part of your Entitlement) plus the value of any New Shares you wish to subscribe for under the Shortfall Offer).

You can only apply for New Shares under the Shortfall Offer if you apply for all of your Entitlement under the Entitlement Offer.

It is your responsibility to ensure that your BPAY® payment is received by the Company by no later than 5:00pm (WST) on 24 September 2021. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

Cash will not be accepted and no receipts will be issued.

To pay via BPAY® you will need to:

- (a) be an account holder with an Australian financial institution;
- (b) use the personalised reference number shown on your Application Form which is required to identify your shareholding; and
- (c) ensure that your payment is received by the Share Registry before 5:00pm (WST) on 24 September 2021.

If you are paying via BPAY® there is no need to return the Application Form but you will be taken to have made the statements and certifications that are set out in the Application Form.

When making payment via BPAY®, please ensure that you enter the correct Biller Code and Reference Number information that is shown on your personalised Application Form. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Application Form when paying for any New Shares that you wish to apply for in respect of that holding. If you enter your BPAY® details incorrectly, the Company will not be able to issue you your New Shares.

Amounts received by the Company in excess of your Entitlement (Excess Amount) may be treated as an Application to apply for as many New Shares under the Shortfall Offer as the Excess Amount in full.

New Zealand Shareholders

If you are a New Zealand Shareholder, and you are unable to pay by BPAY®, please contact Matthew Foy, Company Secretary (matt.foy@xantippe.com.au) and the relevant account details and reference numbers for an EFT payment will be e-mailed to you.

2.3 Entitlements not taken up

If you do not wish to accept any of your Entitlement under the Entitlement Offer, you are not obliged to do anything. The number of Securities you hold and the rights attached to those Securities will not be affected should you choose not to accept any of your Entitlement.

2.4 Shortfall Offer

If you are an Eligible Shareholder and you wish to apply for New Shares in excess of your Entitlement under the Entitlement Offer by applying for Shortfall, you may do so by completing the relevant section of the Application Form relating to the Shortfall Offer and which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Application Form. Any New Shares applied for in excess of your Entitlement will be applied for under the Shortfall Offer and will be issued in accordance with the allocation policy described in Section 1.2(b).

If you wish to subscribe for New Shares in addition to your Entitlement then you should nominate the maximum number of New Shares you wish to subscribe for on the Application Form and make corresponding payment for your full Entitlement plus the additional New Shares.

The Directors, in conjunction with the Underwriter, reserve their right to allot and issue New Shares under the Shortfall Offer at their discretion within three months of the Closing Date, having regard to the circumstances as at the close of the Entitlement Offer. Any scale back of applications for New Shares under the Shortfall Offer will be at the Company's discretion, in conjunction with the Underwriter, and their decision on the number of New Shares to be allocated to Eligible Shareholders will be final. No New Shares will be issued under the Shortfall Offer to a Shareholder which will result in them increasing their voting power in the Company above 20%. The Company, the Underwriter and their respective advisers disclaim any duty or liability (including for negligence) in respect of the exercise of that discretion to the maximum extent permitted by law.

It is an express term of the Entitlement Offer that Applicants who apply for additional New Shares under the Shortfall Offer will be bound to accept a lesser number of additional New Shares allocated to them than applied for, if so allocated.

If paying via BPAY®, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Application Form and you will not need to return the Application Form.

Persons who are unsuccessful in their Application for New Shares under the Shortfall Offer or whose Application is only part accepted will have their excess Application Monies (without interest) returned by cheque within five days of the Closing Date. Please note it is not practical to

refund amounts of less than \$2.00 and any refunds owing for this amount will be retained by the Company.

Any New Shares remaining following allocation under the Shortfall Offer will then be allocated to the Underwriter in accordance with the Underwriting Agreement.

2.5 **Lead Manager Offer**

Separate Application Forms will be provided with a copy of this Prospectus to the Lead Manager for completion and return in accordance with the instructions set out in the relevant Application Form and this Prospectus in respect of the Lead Manager Options under the Lead Manager Offer.

2.6 **Application Form**

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

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

By completing and returning your Application Form with the requisite Application Monies (if applicable), or making a payment via BPAY®, you will be deemed to have:

- (a) represented and warranted that you are an Eligible Shareholder, if your Application Form is in respect of the Entitlement Offer and Shortfall Offer;
- (b) represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus;
- (c) agreed to be bound by the terms of the relevant Offer;
- (d) declared that all details and statements in the Application Form are complete and accurate;
- (e) declared that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (f) authorised the Company and its respective officers or agents, to do anything on your behalf necessary for the Securities to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Application Form;
- (g) acknowledged that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that the Securities are suitable for you given your investment objectives, financial situation or particular needs; and
- (h) acknowledged that the Securities offered under this Prospectus have not, and will not be, registered under the securities laws in any jurisdictions outside Australia and New Zealand.

3. Effect of the Offers

3.1 Capital structure on completion of the Offers

	Shares	Unquoted Options	Quoted Options
Balance at the date of this Prospectus	4,074,564,402	539,999,998	Nil
Maximum to be issued under the Entitlement Offer and Shortfall Offer ⁽¹⁾	1,018,641,101	Nil	339,547,034
Maximum to be issued under the Lead Manager Offer	Nil	Nil	275,000,000
Total	5,093,205,503	539,999,998⁽¹⁾	614,547,034

Notes:

1. Assuming no other Shares are issued or Options converted into Shares prior to the Record Date.
2. 539,999,998 Options, comprising:
 - (a) 17,000,000 Options exercisable at \$0.024 each and expiring on 9 November 2021;
 - (b) 3,000,000 Options exercisable at \$0.01 each and expiring on 13 June 2022;
 - (c) 3,000,000 Options exercisable at \$0.015 each and expiring on 13 June 2023;
 - (d) 3,000,000 Options exercisable at \$0.00778 each and expiring on 13 June 2022;
 - (e) 3,000,000 Options exercisable at \$0.01167 each and expiring on 13 June 2023;
 - (f) 36,000,000 Options exercisable at \$0.004 each and expiring on 11 August 2023;
 - (g) 374,999,998 Options exercisable at \$0.005 each and expiring on 11 August 2022; and
 - (h) 100,000,000 Options exercisable at \$0.0026 each and expiring on 30 January 2023.

3.2 Pro forma consolidated statement of financial position

Set out below is:

- (a) the reviewed consolidated statement of financial position of the Company as at 31 December 2020 (**Balance Date**);

- (b) the unaudited significant changes since the Balance Date;
- (c) the unaudited effects of the Offers; and
- (d) the unaudited pro forma statement of financial position of the Company at the Balance Date adjusted to reflect paragraphs (b) and (c).

The statements of financial position have been prepared to provide Shareholders with information on the assets and liabilities of the Company and the pro forma assets and liabilities of the Company as noted below. The historical and pro forma information is presented in abbreviated form and does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

	Reviewed Balance Sheet as at 31/12/20	Significant changes since 31/12/20	Effect of Offers	Unaudited Pro Forma Balance Sheet Post Offers
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Current Assets				
Cash & cash equivalents	966,996.00	-695,956.00	1,843,365.20	2,114,405.20
Trade and Other receivables	49,248.00	-17,515.00	-	31,733.00
Other current assets	4,500.00	-4,500.00	-	-
Total current assets	1,020,744.00	-717,971.00	1,843,365.20	2,146,138.20
Non Current Assets				
Plant & equipment	30,403.00	-16,227.00	-	14,176.00
Total non-current assets	30,403.00	-16,227.00	-	14,176.00
Current Liabilities				
Trade & other payables	118,923.00	-53,473.00	-	65,450.00
Employee benefits	44,695.00	-21,716.00	-	22,979.00
Total current liabilities	163,618.00	-75,189.00	-	88,429.00
Net Assets	887,529.00	-659,009.00	1,843,365.20	2,071,885.20
Equity				
Issued capital	26,612,661.00	-	1,843,365.20	28,456,026.20
Reserves	5,170,978.00	3,357.00		5,174,335.00

	Reviewed Balance Sheet as at 31/12/20 (\$'000)	Significant changes since 31/12/20 (\$'000)	Effect of Offers (\$'000)	Unaudited Pro Forma Balance Sheet Post Offers (\$'000)
Accumulated Losses	-30,896,110.00	-662,366.00		-31,558,476.00
TOTAL EQUITY	887,529.00	-659,009.00	1,843,365.20	2,071,885.20

The pro forma statement of financial position has been prepared on the basis that the assets and liabilities of the Company have not been subject to any material change between 31 December 2020 and the completion of the Offers except for movements in working capital from transactions and expenditures incurred in the normal course of business including corporate costs and exploration activities.

The pro forma statement of financial position is based on the reviewed financial position as 31 December 2020 and is adjusted to reflect the following assumptions:

- (a) the Offers are fully subscribed and \$2,037,282 (before costs) is raised by the issue of 1,018,641,101 New Shares at \$0.002 per Share; and
- (b) the costs of the Offers are approximately \$202,443 (see Section 5.14). Other than as specified above and in the ordinary course of business, there have been no other material transactions between 31 December 2020 and the date of this Prospectus.

4. Risk Factors

Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks; however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Shareholders should carefully consider the following factors in addition to the other information presented in this Prospectus.

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

4.1 Risks specific to the Company

(a) Additional requirements for capital

The Board considers that its existing cash, proceeds raised by the Offers will be sufficient to support its activities for up to 12 - 18 months. Additional funding will be required by the Company to support its ongoing activities and operations beyond this time and to meet the medium to long term working capital costs of the Company.

The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary accordingly to a number of factors, including prospectivity of the Company's projects (existing and future), feasibility studies, stock market and industry conditions and the price of relevant commodities and exchange rates.

The Company may seek to raise further funds through equity or debt financing, joint ventures or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's projects or even loss of a project interests. There can be no assurance that additional finance will be available when needed or, if available, the term of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) Acquisition and disposal of projects

The Company may acquire new projects or divest existing projects in the future. There can be no guarantee that any new project acquisition will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders. Such acquisitions may result in use of the Company's cash resources and issuances of equity securities, which might involve a dilution to Shareholders.

The Directors will use their expertise and experience in the resources sector to assess the value of potential projects that have characteristics that are likely to provide returns to Shareholders.

(c) Grant and renewal of permits

The Company's exploration activities are dependent upon the maintenance (including renewal) of the tenements in which the Company has or acquires an interest. Maintenance of the Company's tenements is dependent on, among other things, the Company's ability to meet the licence conditions imposed by relevant authorities including

minimum annual expenditure requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. Although the Company has no reason to think that the tenements in which it currently has an interest will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.

The Company also has tenement applications. There can be no guarantee that the tenement applications will be granted, or if they are granted, that they will be granted in their entirety. If the tenement applications are not granted, the Company will not acquire an interest in these tenements. The tenement applications therefore should not be considered as assets or projects of the Company.

(d) **Land access**

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. The Company currently has a focus on various exploration tenements located in Western Australia.

Western Australia has implemented restrictions affecting land access in areas deemed to be subject to certain protective overlays and zoning classifications, including areas containing sites of indigenous cultural heritage significance and areas of urban development. In some instances the protective overlays and zoning classifications may restrict mining and exploration activities completely. However, more commonly they will affect the procedure required for access and may impose obligations in respect of compensation, land rehabilitation and/or land impact management. This may, for example, necessitate the completion of impact assessment studies and/or require the negotiation of access or compensation arrangements with landowners and indigenous groups. Inability to access, or delays experienced in accessing, the land and unforeseen expenses associated therewith may impact on the Company's activities. Any future changes in legislation and regulations, whether in response to this increased political and media attention or otherwise, may impose significant obligations or restrictions on the Company which cannot be predicted.

(e) **Operational risks**

The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

(f) **Minimum expenditure requirements**

In order to maintain an interest in the exploration licences in which the Company is involved, the Company is committed to meet the conditions under which the licences were granted and the obligations of the Company are subject to minimum expenditure commitments required by Australian mining legislation. The extent of work performed on

each exploration licence may vary depending upon the results of the exploration programme which will determine the prospectivity of the relevant area of interest. As at the date of this Prospectus, the Company is not in breach of its minimum expenditure commitments. There is a risk that if the Company fails to satisfy these minimum expenditure requirements at the time of expiry, the Company may be required to relinquish part or all of its interests in these licences. Accordingly, whilst there is no guarantee that the Australian authorities will grant the Company an extension of the licences, the Company is not aware of any reason why the licences would not be renewed upon expiry.

(g) **Sovereign risk**

Some of the Company's assets are located in South Korea and are subject to the risks associated in operating in South Korea. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

Any future material adverse changes in government policies or legislation in South Korea, may affect the viability and profitability of the Company.

(h) **Payment obligations**

Under the licences and certain other contractual agreements to which the Company is or may in the future become party, the Company is or may become subject to payment and other obligations. In particular, mineral licence holders are required to expend the funds necessary to meet the minimum work commitments attaching to the licences. Failure to meet these work commitments will render the licence liable to be cancelled.

(i) **Title**

All of the licences in which the Company has or may earn an interest in will be subject to applications for renewal or grant (as the case may be). The renewal or grant of the term of each tenement or licence is at the discretion of the relevant government authorities in Australia.

If a licence is not granted or received, the Company may suffer significant damage through the loss of the opportunity to develop and discover mineral deposits on that licence.

(j) **Exploration costs**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(k) **Native title risk**

Access to land for exploration purposes can be adversely affected by land ownership, including private (freehold) land, pastoral lease and native title land or claims under the *Native Title Act 1993* (Cth) (**NTA**) (or similar legislation in the jurisdiction where the Company operates). The effect of the NTA is that existing and new tenements held by the Company may be affected by native title claims and procedures.

There is a risk that a determination could be made that native title exists in relation to land the subject of a tenement held or to be held by the Company which may affect the operation of the Company's business and development activities. In the event that it is determined that native title does exist or a native title claim has been registered, the Company may need to comply with procedures under the NTA in order to carry out its operations or to be granted any additional rights required. Such procedures may take considerable time, involve the negotiation of significant agreements, may involve access rights, and require the payment of compensation to those persons holding or claiming native title in the land the subject of a tenement. The involvement in the administration and determination of native title issues may have a material adverse impact on the position of the Company in terms of cash flows, financial performance, business development, and the Share price.

(l) **Third party risks**

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

Whilst the Company does not presently consider this to be a material risk to its planned exploration, there is a risk that any delays in respect of conflicting third-party rights, obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas.

(m) **Heritage and sociological risk**

Some of the tenements which the Company proposes to mine may be of significance from a heritage or sociological perspective, including Native Title issues. Some sites of significance may be identified within the tenements and the Company may be hindered by legal and cultural restrictions on mining those tenements. The NTA recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with Native Title in Australia and this may impact on the Company's operations and future plans.

(n) **Option risk and dilution**

Options are, by their nature, only of value at times when the exercise price is lower than the price of the underlying Shares. There is no guarantee that the Quoted Options offered under this Prospectus will, at any particular time, have an exercise price which is lower than the price of the Shares.

On completion of the Offers, assuming maximum subscription, there will be a maximum of 614,547,034 Quoted Options on issue. If exercised, these Quoted Options will be converted into Shares, thereby causing the shareholdings of Shareholders to be diluted by up to 10.77% (on the basis that the Offers are fully subscribed, no other Shares are issued and no existing Options on issue at the date of this Prospectus are exercised).

However, each Quoted Option have an exercise price of \$0.0035 which means that the Company will receive additional funds of up to approximately \$2,150,915 (before costs) upon exercise of the Quoted Options, if all Quoted Options the subject of the Offers are issued and subsequently exercised.

(o) **Joint venture risk**

On 16 November 2020, the Company announced that it had entered into farm-in agreement whereby the Company will transfer 77.5% of its interest in wholly owned subsidiary Korean Resources Pty Ltd (**Korean Resources**) to MGM O'Connor Corporate Advisory Pty Ltd (**MGM O'Connor**). The Company will retain a 22.5% free carried interest in Korean Resources, the holder of the flake graphite and base metal projects in South Korea (**South Korean Assets**) until the occurrences of certain events (refer to ASX announcement of 16 November 2020).

There is a risk that the financial failure or default of MGM O'Connor may adversely affect the operations and performance of the Company or its interest in the South Korean Assets. As is the case in all joint venture arrangements, there is a risk that joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture, which in either case would likely have an adverse effect on the interests and prospects of the Company.

4.2 Risks relating to the industry generally

(a) **Exploration**

The mineral tenements of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

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, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, a reduction in the case reserves of the Company and possible relinquishment of the Tenements.

(b) **Development risk**

If the Company does locate commercially viable reserves of minerals, then the future development of a mining operation at any of the Company's projects will be subject to a number of risks, including:

- (i) geological and weather conditions causing delays and interference to operations;

- (ii) obtaining all necessary and requisite approvals from relevant authorities and third parties;
- (iii) technical and operational difficulties associated with mining of minerals and production activities;
- (iv) access to necessary funding;
- (v) mechanical failure of plant and equipment;
- (vi) shortage or increases in price of consumables, and plant and equipment;
- (vii) environmental hazards, fires, explosions and other accidents;
- (viii) transportation facilities;
- (ix) costs overruns; and
- (x) the costs of extraction being higher than expected.

There is no guarantee that the Company will achieve commercial viability through the development of its projects. If the Company locates commercial reserves of minerals, it may seek to apply for a mining lease over the area. The lease is subject to approval being obtained from the Minister and may be subject to any terms and conditions imposed by the Minister (or other interested parties).

(c) **Operations**

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

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

(d) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as:

- (i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (ii) developing an economic process route to produce a metal and/or concentrate; and
- (iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

(e) **Environmental risk**

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

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

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(f) **Competition risk**

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.

(g) **Metals and currency price volatility**

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

The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for metals that may be mined commercially in the future from the Company's project areas, technological advancements, forward selling activities and production cost levels in major mineral-producing regions. Mineral prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be

taken into account in Australian currency. As a result, the Company is exposed to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets, which could have a material effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.

(h) **Commodity and currency price risk**

It is anticipated that any future revenues derived from mining will primarily be derived from the sale of gold, lithium and other minerals. Consequently, any future earnings are likely to be closely related to the price of gold and lithium.

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for base metals, forward selling by producers, and production cost levels in major metal-producing regions.

Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the commodity as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(i) **Regulatory risks**

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time consuming process and there is a risk that the Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Company's tenements.

4.3 **General risks**

(a) **Securities investments**

There are risks associated with any securities investment. The prices at which the securities of the Company trade may fluctuate in response to a number of factors. Furthermore, the stock market, and in particular the market for mining and exploration companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the securities of the Company regardless of its operational performance.

(b) **Share market conditions**

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:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

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.

(c) **Force majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, subversive activities or sabotage, fires, floods, explosions or other catastrophes.

(d) **Government and legal risk**

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

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

(e) **Litigation risks**

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.

(f) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(g) **General economic and political risks**

Changes in the general economic and political climate in Australia and on a global basis may impact on economic growth, interest rates, the rate of inflation, taxation and tariff laws, domestic security which may affect the value and viability of any activities that may be conducted by the Company.

(h) **Reliance on key personnel**

The Company is reliant on technical consultants and other resource industry specialists engaged on a consultancy basis to provide analyses and recommendations on, and carry out, exploration activities in respect of its projects. The availability of suitable technical consultants and resource industry specialists may be limited and there may be delays in securing equipment and personnel required to carry out the Company's planned activities. This may result in cost and time overruns which may have a material adverse effect on the Company.

(i) **Insurance**

Insurance against all risks associated with the Company's business is not always available or affordable. The Company maintains insurance where it is considered appropriate for its needs however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

(j) **Unforeseen expenditure risks**

Expenditure may need to be incurred which has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, however if such expenditure is subsequently required or incurred, this may adversely impact budgeted expenditure proposals by the Company.

(k) **Coronavirus disease**

The outbreak of coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets and share prices.

The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19. Further, any measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations. In particular, the restrictions on accessing remote Aboriginal communities may materially impact the timeline for negotiations in relation to native title access agreements and heritage clearances required by the Company.

(l) **Climate change risks**

Climate change is a risk the Company has considered, particularly related to its operations in the mining industry. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

4.4 **Investment speculative**

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

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

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

5. Additional information

5.1 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares in the Company is provided below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) General meetings

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

(b) Voting rights

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

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held.

(c) Dividend rights

Subject to the Corporations Act, the Constitution and the terms of issue or rights of any shares with special rights to dividends, the Directors may determine or declare that a dividend is payable, fix the amount and the time for payment and authorise the payment or crediting by the Company to, or at the direction of, each Member entitled to that dividend. The Directors may rescind or alter any such determination or declaration before payment is made.

No dividend shall carry interest as against the Company.

(d) Winding-up

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

(e) **Shareholder liability**

As the Shares under the Prospectus are fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture. If a Shareholder fails to pay any call or instalment on a partly paid share, the share may be forfeited by a resolution of the Directors.

(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 or the Listing Rules. A share in the Company is transferable:

- (i) as provided by the Operating Rules of an applicable CS Facility; or
- (ii) by any other method of transfer which is required or permitted by the Corporations Act and any relevant Stock Exchange.

If permitted by the Listing Rules, the Directors may:

- (i) request any applicable CS Facility Operator to apply a holding lock to prevent a transfer of shares in the Company from being registered on the CS Facility's subregister; or
- (ii) refuse to register a transfer of shares in the Company to which paragraph (a) does not apply.

If the Directors request application of a holding lock to prevent a transfer of shares in the Company or refuse to register a transfer of shares they must give written notice of the request or refusal to the holder of the shares, the transferee and any broker lodging the transfer.

(g) **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) may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Indemnity**

Subject to the provisions of the Corporations Act, the Company must indemnify each officer of the Company against all losses and liabilities incurred by the person as an officer of the Company, including defending any proceedings whether civil or criminal or of an administrative or investigatory nature, in which the person becomes involved because of that capacity.

(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 votes validly cast for Shares at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5.2 Rights and liabilities attaching to the Quoted Options

The rights attaching to the Quoted Options are regulated by the Constitution, the Corporations Act, the Listing Rules and the general law. The following is a summary of the key terms of the Quoted Options:

- (a) **(Entitlement)**: Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **(Exercise Price)**: The amount payable upon exercise of each Option will be \$0.0035 **(Exercise Price)**.
- (c) **(Expiry Date)**: Each Option will expire three years from the date of issue at 5.00pm (WST) **(Expiry Date)**. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **(Exercise Period)**: The Options are exercisable at any time on or prior to the Expiry Date **(Exercise Period)**.
- (e) **(Notice of Exercise)**: The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate and payment of the Exercise Price for each 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 Option being exercised in cleared funds.
- (g) **(Quotation)**: The Company intends to apply for quotation of the Quoted Options on ASX.
- (h) **(Quotation of Shares issued on exercise)**: Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (i) **(Timing of issue of Shares on exercise)**: Within 5 Business Days after the Exercise Date, the Company will:
 - (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of 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, subject to any restriction or escrow arrangements imposed by ASX, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under 6.2(i)(i) 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.

- (j) **(Shares issued on exercise):** Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (k) **(Reconstruction of capital):** In the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the expiry date of the Options, all rights of the Option holder will be varied in accordance with the Listing Rules.
- (l) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options. However, the Company will give the holders of Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.
- (m) **(Change in exercise price):** There will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).
- (n) **(Adjustment for bonus issues):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the holder would have received if the holder of the Options had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Option exercise price.
- (o) **(Transferability):** The Options are transferable.

5.3 Lead Manager Mandate

The Company entered into a mandate with the Lead Manager for the provision of lead manager, bookrunner and underwriting services in connection with the Offers (**Lead Manager Mandate**).

Under the Lead Manager Mandate, the Company agreed to pay the Lead Manager:

- (a) a 2% underwriting fee (plus GST) of any Shortfall taken up by the Underwriter;
- (b) a management fee equal to 6% of the total funds raised under the Offers;
- (c) the Lead Manager Options; and

- (d) a \$5,000 monthly retainer fee (plus GST) for an initial period of 6 months.

The Lead Manager shall be entitled to reimbursement of reasonable expenses as required to perform their role, provided that approval of the Company is obtained prior to incurring expenses above \$5,000. In addition, the Lead Manager is entitled to legal fees up to a maximum of \$20,000 in aggregate (plus GST).

The Lead Manager Mandate contains additional provisions, including warranties and indemnities in respect of the Company, which are considered standard for agreements of this nature.

5.4 Underwriting Agreement

(a) Underwriting and Committed Amount

By an agreement between the Underwriter and the Company (**Underwriting Agreement**), the Underwriter has agreed to fully underwrite the Entitlement Offer.

The Underwriter may, at its costs (in consultation with the Company), at any time appoint sub-underwriters to sub-underwrite the Entitlement Offer.

(b) Fees

The Company has agreed to pay the Underwriter on completion of the Offers the fees described in Section 5.3 above.

(c) Expenses and indemnity

The Company must pay and will indemnify and keep indemnified the Underwriter against all losses, liabilities, claims, damages, costs, charges and expenses whatsoever (including reasonable legal costs on a full indemnity basis) reasonably incurred or suffered directly or indirectly in connection with the Offers or the Underwriting Agreement. The Underwriter must obtain the Company's consent before incurring expenses greater than \$5,000. In addition, the Underwriter is entitled to legal fees up to a maximum of \$20,000 in aggregate (plus GST).

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

(d) Termination events

The Underwriter may terminate its obligations under the Underwriting Agreement if:

- (i) **(Delisting)** ASX advises the Company that it will be removed from the Official List or that its Shares will be delisted or suspended from Official Quotation by ASX for any reason (excluding any suspensions in place in connection with the Offers);
- (ii) **(Quotation)** ASX does not, or states that it will not, agree to grant Official Quotation to any or all of the New Shares on an unconditional basis (or on a conditional basis provided such condition would not, in the opinion of the Underwriter (acting reasonably) have a material adverse effect on the Offers) by the Settlement Date or if permission for the Official Quotation of the New Shares is granted before the date of allotment and issue of those New Shares, the approval is subsequently withdrawn, qualified (other than by way of customary conditions) or withheld;

- (iii) **(Index fall)** the S&P/ASX 200 Index published by ASX is at any time more than 10% below its level as at 5pm on the Business Day immediately preceding the date of the Underwriting Agreement;
- (iv) **(Material Adverse Effect)** there is a Material Adverse Effect, or any development that could reasonably be expected to have a Material Adverse Effect, on any Group Member as compared to its financial and operational position in the Prospectus;
- (v) **(ASIC action)** ASIC:
 - (A) makes an order or interim order under section 739 concerning the Prospectus;
 - (B) applies for an order under Part 9.5 in relation to the Offers or any Offer Document; or
 - (C) holds, or gives notice of intention to hold, a hearing or investigation in relation to the Offers or any Offer Document under the Corporations Act or the *Australian Securities and Investments Commission Act 2001* (Cth); or
 - (D) prosecutes or gives notice of an intention to prosecute or commences proceedings against, or gives notice of an intention to commence proceedings against the Company or any of its officers, employees or agents in relation to the Offers or any Offer Document;
- (vi) **(Takeovers Panel)** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Part 6.10, or an application for such a declaration is made to the Takeovers Panel and the Takeovers Panel decides to conduct proceedings;
- (vii) **(Withdrawal of consent):**
 - (A) any person whose consent to the issue of the Prospectus or any supplementary prospectus is required by section 720 and who has previously consented to the issue of the Prospectus or any supplementary prospectus withdraws such consent;
 - (B) any person gives a notice under section 733(3); or
 - (C) any person (other than the Underwriter) who has previously consented to the inclusion of their name or any statement in the Prospectus or any supplementary prospectus withdraws that consent;
- (viii) **(Withdrawal of Prospectus)** the Company withdraws the Prospectus or the Offers;
- (ix) **(Offer of refund to investors)** any circumstance arises after lodgement of the Prospectus that results in the Company either repaying the money received from persons who have applied for Offer Securities or offering persons who have applied for Offer Securities an opportunity to withdraw their application for Offer Securities and be repaid their application money;
- (x) **(Offer Documents)** the Underwriter forms the view (acting reasonably) that:

- (A) there is a material omission from the Prospectus or any supplementary prospectus of material required by the Corporations Act to be included;
 - (B) an Offer Document contains a statement which is untrue, inaccurate, misleading or deceptive or likely to mislead or deceive (whether by inclusion or omission); or
 - (C) an Offer Document does not contain all information required to comply with all applicable laws;
- (xi) **(Section 730 notice)** a person gives a notice to the Company under section 730;
 - (xii) **(Insolvency)** any Group Member becomes Insolvent, or an act occurs or an omission is made which may result in a Group Member becoming Insolvent;
 - (xiii) **(Authorisation)** any Authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;
 - (xiv) **(Timetable)** any event specified in the Timetable is delayed for more than 2 Business Days without the prior written approval of the Underwriter;
 - (xv) **(Directors and senior management)**
 - (A) a Director or any member of the senior management of the Company is charged with a criminal offence relating to any financial or corporate matter;
 - (B) any Government Agency commences any public action against the Company, any of the Directors or any member of the senior management of the Company, or announces that it intends to take any such action; or
 - (C) any Director or the Chief Executive Officer of the Company is disqualified under the Corporations Act from managing a corporation;
 - (xvi) **(Supplementary prospectus)** the Company lodges a supplementary prospectus without the consent of the Underwriter;
 - (xvii) **(Breach)** the Company fails to comply with any of its obligations under the Underwriting Agreement, or any representation or warranty by the Company in the Underwriting Agreement is or becomes incorrect;
 - (xviii) **(Hostilities)** in respect of any one or more of Australia, New Zealand, Russia, the United Kingdom, the Democratic People's Republic of Korea, the United States of America, Japan, the People's Republic of China or the Republic of India:
 - (A) hostilities not presently existing commence (whether or not war has been declared);
 - (B) a major escalation in existing hostilities occurs (whether or not war has been declared);
 - (C) a declaration is made of a national emergency or war; or
 - (D) a terrorist act is perpetrated in any of those countries or a diplomatic, military, commercial or political establishment of any of those countries elsewhere in the world;

- (xix) **(Change in law)** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a new law, or the Government of Australia, or any State or Territory of Australia, the Reserve Bank of Australia, or any Minister or other Government Agency of Australia or any State or Territory of Australia, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement), any of which prohibits the Offers;
- (xx) **(Material adverse change in financial markets)** any of the following occurs:
 - (A) any material adverse change or disruption to the political conditions or financial markets of Australia, Japan, the United Kingdom, the United States of America or the international financial markets or any change or development involving a prospective change in national or international political, financial or economic conditions;
 - (B) a general moratorium on commercial banking activities in Australia, the United States of America, Japan or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or
 - (C) trading in all securities quoted or listed on ASX, the London Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for one day on which that exchange is open for trading;
- (xxi) **(Directors and senior management)** a change in the Directors or senior management of the Company or the Directors occurs (other than in a manner described in the Prospectus), or a Director or any member of the senior management of the Company dies or becomes permanently incapacitated;
- (xxii) **(Error in due diligence results)** it transpires that any of the due diligence results or any part of the verification materials was materially false, misleading or deceptive or that there was a material omission from them, notwithstanding the fact that the Underwriter (or a representative of the Underwriter) signed off on the due diligence report;
- (xxiii) **(Contravention of constitution or applicable law)** a contravention by a Group Member of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (xxiv) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings of a material nature are after the date of the Underwriting Agreement commenced against any Group Member, other than any claims foreshadowed in the Prospectus (or any vexatious or frivolous claims);
- (xxv) **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of a Group Member;
- (xxvi) **(Material contracts)** any contract, deed or other agreement which is material to the making of an informed investment decision in relation to the Offer Securities is:

- (A) terminated, rescinded, altered or amended without the prior written consent of the Underwriter (such consent not to be unreasonably withheld); or
 - (B) found to be void or voidable; or
- (xxvii) **(unauthorised alterations)** without the prior written consent of the Underwriter (such consent not to be unreasonably withheld), the Company alters its share capital or the Constitution.

The Underwriter may only terminate its obligations under the Underwriting Agreement in the event of any termination events described in Section 5.4(d)(xvi) to 5.4(d)(xxvii) above (inclusive), if in the reasonable opinion of the Underwriter, the event:

- (i) has had or is likely to have a Material Adverse Effect; or
- (ii) has given or is likely to give rise to:
 - (A) a contravention by the Underwriter of, or the Underwriter being involved in a contravention of, the Corporations Act or any other applicable law; or
 - (B) a liability for the Underwriter.

5.5 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.7 below). Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office.

5.6 Dividend policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

5.7 Copies of documents

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

- (a) the Annual Report for the period ending 30 June 2020 lodged with ASX on 1 September 2020 (**Annual Financial Report**);

- (b) the Half Yearly Report for the period ending 31 December 2020 lodged with ASX on 15 March 2021; and
- (c) the continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Financial Report lodged with ASX on 1 September 2020, until the date of this Prospectus:

Date lodged	Subject of Announcement
24/08/2021	Update - Proposed issue of securities - XTC
23/08/2021	Proposed issue of securities - XTC
23/08/2021	Rights Entitlement Issue
13/08/2021	Response to Appendix 5B Query
28/07/2021	Quarterly Activities Report June 2021
28/07/2021	Quarterly Cash Flow Report June 2021
15/06/2021	Lapse of Options
20/05/2021	Southern Cross Assay Results Update
10/05/2021	Southern Cross Exploration Licences Granted
29/04/2021	Quarterly Activities Report
29/04/2021	Quarterly Cashflow Report
14/04/2021	Encouraging Drill Results from Southern Cross Gold Project
15/03/2021	Half Yearly Report and Accounts
9/02/2021	Completion of Korean Resources Sale
2/02/2021	Preliminary Drill Results Return Broad Mineralised Zones
29/01/2021	Quarterly Activities Report
29/01/2021	Quarterly Cashflow Report
14/01/2021	Drilling to Re-Commence at Southern Cross Gold Project
29/12/2020	Appendix 3G
9/12/2020	Exercise of Southern Cross Gold Project Option
7/12/2020	Drilling Underway at Southern Cross Gold Project
30/11/2020	Lapse of Options
19/11/2020	Change of Principal Place of Business and Registered Office

Date lodged	Subject of Announcement
16/11/2020	Korea Graphite Farm-in Agreement and Sale
10/11/2020	Lapse of Options
28/10/2020	Shallow Gold Confirmed at Southern Cross Gold Project
26/10/2020	Quarterly Activities Report
26/10/2020	Quarterly Cashflow Report
14/10/2020	Results of Meeting
25/09/2020	Ceasing to be a substantial holder
23/09/2020	Response to ASX Price Query
23/09/2020	Interim Drilling Update for Southern Cross Gold Project
21/09/2020	Trading Halt
21/09/2020	Pause in Trading
8/09/2020	Letter to Shareholders - Notice of AGM and Proxy Form
8/09/2020	Notice of Annual General Meeting/Proxy Form

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

- (d) this Prospectus;
- (e) the Constitution; and
- (f) the consents referred to in Section 5.15 and the consents provided by the Directors to the issue of this Prospectus.

5.8 Information excluded from continuous disclosure notices

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

5.9 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in offering and issuing the Shares under this Prospectus.

5.10 Market price of Shares

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

Highest: \$0.003 on 10 June 2021

Lowest: \$0.0010 on 29 June 2021

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.002 per Share on 31 August 2021.

5.11 Interests of Directors and Proposed Director

(a) Information disclosed in this Prospectus

Other than as set out in this Prospectus, no Director or Proposed Director holds or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

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

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

(b) Security holdings

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

Director	Shares	Voting power (%)	Options	Entitlement ⁽¹⁾
Richard Henning ⁽²⁾	43,119,689	1.06	26,944,445	10,779,922
Phillip Jackson ⁽³⁾	28,707,566	0.70	14,944,445	7,176,892
Young Yu ⁽⁴⁾	47,119,689	1.16	14,944,445	11,779,922
Gregory Cunnold ⁽⁵⁾	398,504,723	9.78	6,944,445	99,626,181
Imants Gustavs Kins	Nil	Nil	Nil	Nil

Notes:

1. As at the date of this Prospectus, Messers Henning, Jackson and Yu have indicated that they (or their respective nominees) intend to take up all of their Entitlement. Mr Cunnold has indicated he will not take up his entitlement.
2. Securities are held indirectly by Rathmore Superannuation Fund, an entity associated with Richard Henning.

3. Securities are held indirectly by Holihox Pty Ltd <PSR Superannuation Fund A/C>, an entity associated with Phillip Jackson.
4. Securities are held as follows:
 - (a) 6,000,000 Options are held indirectly by JLC Corporation Pty Ltd AFT <the Yu Family Trust>, an entity associated with Young Yu;
 - (b) 17,692,308 Shares are held indirectly by JLC Corporation Pty Ltd ATF <the YCY Super Fund>, an entity associated with Young Yu; and
 - (c) 29,427,381 Shares and 14,944,445 Options are held indirectly by JLC Corporation Pty Ltd, an entity associated with Young Yu.
5. Securities are held indirectly by Gregory Cunnold & Lara Groves <Startford A/C>, an entity associated with Gregory Cunnold.

(c) **Remuneration**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The aggregate amount fixed is \$200,000. This aggregate amount is to be allocated among the non-executive directors equally, having regard to the proportion of the relevant year for which each director held office, or as otherwise decided by the Board. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The Constitution also provides that:

- (i) the Directors shall be entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors; and
- (ii) if any of the Directors being willing are called upon to perform extra services or make any special exertions on behalf of the Company or its business, the Directors may remunerate this Director in accordance with such services or exertions, and this remuneration may be either in addition to or in substitution for his or her share in the fee-pool described above.

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

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

Director	FY ended 30 June 2021 (\$)	FY ended 30 June 2020 (\$)
Richard Henning	288,283	236,520
Phillip Jackson	38,573	30,000
Young Yu	38,800	70,000
Gregory Cunnold	89,995	34,224

5.12 Related party transactions

Except as disclosed in this Prospectus, there are no related party transactions involved in the Offers.

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting, unless it is resolved by the Board of Directors that the Director can be present at the meeting but does not vote on the matter.

5.13 Interests of other persons

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

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

5.14 Expenses of Offers

The estimated expenses of the Offers are as follows:

Estimated expense	\$
ASIC lodgement fees	3,206
ASX quotation fees	17,000
Underwriting fee	122,237
Legal and preparation expenses	30,000
Printing, mailing and other expenses	30,000
TOTAL	202,443

5.15 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the

Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

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

HWL Ebsworth Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus. HWL Ebsworth Lawyers has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

Computershare Investor Services Pty Limited has given its written consent to being named as the share registry to the Company in this Prospectus. Computershare Investor Services Pty Limited has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

Pulse Markets Pty Ltd has given its written consent to being named as the underwriter and lead manager to the Company in this Prospectus. Pulse Markets Pty Ltd has not withdrawn its consent prior to the lodgment of this Prospectus with ASIC.

6. Directors' Statement and Consent

The issue of this Prospectus has been authorised by each of the Directors and Proposed Director of the Company.

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

A handwritten signature in black ink, appearing to read 'P Jackson', with a long horizontal flourish extending to the right.

Phillip Jackson
Non-Executive Chairman

Dated: 1 September 2021

7. Glossary

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

\$	means Australian dollars.
Applicant	means a person who submits an Application Form.
Application Form	means an application form attached to or accompanying this Prospectus.
Application	means a valid application for Securities made on an Application Form.
Application Monies	means application monies for Securities received by the Company.
Authorisation	means: <ul style="list-style-type: none">(a) an authorisation, consent, concession, licence, permit, declaration, approval, exemption, notarisation or waiver, however it is described; and(b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited (ACN 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited.
AWST	means Australian Western Standard Time.
Board	means the Directors meeting as a board.
Business Day	means Monday to Friday inclusive, other than a day that ASX declares is not a business day.
CHESS	means ASX Clearing House Electronic Subregistry System.
Closing Date	has the meaning given to it in Section 1.5.
Company	means Xantippe Resources Limited (ACN 123 102 974).
Constitution	means the constitution of the Company as at the date of this Prospectus.
Corporations Act	means <i>Corporations Act 2001</i> (Cth), as amended.
Directors	mean the directors of the Company.

Eligible Shareholder	means a person registered as the holder of Shares on the Record Date whose registered address is in Australia or New Zealand.
Entitlement	means the number of New Shares and free attaching Quoted Options for which an Eligible Shareholder is entitled to subscribe for under the Entitlement Offer, being 1 New Share for every 4 Shares held on the Record Date and 1 free attaching Quoted Option for every 3 New Shares subscribed for.
Entitlement Offer	means the offer under this Prospectus of up to approximately 1,018,641,101 New Shares and 339,547,034 free attaching Quoted Options to Eligible Shareholders, on the basis of 1 New Share for every 4 Shares held on the Record Date and 1 free attaching Quoted Option for every 3 New Shares subscribed for.
Group	means the Company and its Related Bodies Corporate and each of them is a Group Member .
Ineligible Foreign Shareholder	means a person registered as the holder of Shares on the Record Date whose registered address is not in Australia or New Zealand.
Insolvent	a person is Insolvent if: <ul style="list-style-type: none"> (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); (b) it has had a controller (as defined in the Corporations Act) appointed or is in liquidation or provisional liquidation, under administration or wound up or has had a receiver or receiver and manager appointed to any part of its property; (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to the Underwriting Agreement); (d) an application or order has been made (and, in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any event or circumstance referred to in paragraph (a), (b) or (c) of this definition occurring; (e) it is taken (under section 459F(1)) to have failed to comply with a statutory demand; (f) it is the subject of an event described in section 459C(2)(b) or 585 (or it makes a statement from which

	another party to the Underwriting Agreement reasonably deduces it is so subject);
	(g) it is otherwise unable to pay its debts as and when they fall due; or
	(h) something having a substantially similar effect to any event or circumstance referred to in paragraphs (a) to (g) of this definition happens in connection with that person under the law of any jurisdiction.
Issuer Sponsored	means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.
Korean Resources	means Korean Resources Pty Ltd.
Lead Manager	means Pulse Markets Pty Ltd (ACN 081 505 268).
Lead Manager Mandate	means the mandate entered into between the Lead Manager and the Company for the provision of lead manager and bookrunner services in connection with the Offers.
Lead Manager Offer	means the offer of 275,000,000 Quoted Options to the Lead Manager (or its nominees) in accordance with the Lead Manager Mandate and Underwriting Agreement.
Lead Manager Options	means the 275,000,000 Quoted Options to be offered to the Lead Manager (or its nominees).
Listing Rules	means the listing rules of ASX.
Material Adverse Effect	means a material adverse change or effect in or affecting: <ul style="list-style-type: none"> (a) business, operations, assets, liabilities, financial position or performance, profits, losses, prospects, earnings position, shareholder's equity, or results of operations of the Company or otherwise (taken as a whole) from the position fairly disclosed by the Company to ASX before the date of the Underwriting Agreement; or (b) the success, marketing or settlement of the Offers.
New Shares	means the 1,018,641,101 Shares offered under the Entitlement Offer and the Shortfall Offer.
Offers	means the offers under this Prospectus to subscribe for Securities, namely, the Entitlement Offer and the Secondary Offers, and Offer means any one of those offers, as applicable.
Offer Document	means any documents issued or published by or on behalf of the Company in respect of the Offers, including: <ul style="list-style-type: none"> (a) the Prospectus; (b) the Application Forms;

	(c) any supplementary prospectus;
	(d) any written materials that are presented or provided to prospective investors (including any roadshow presentations); and
	(e) any advertising or publicity documents, notices or reports.
Offer Securities	means the 1,018,641,101 New Shares and 339,547,034 Quoted Options which are offered by the Company pursuant to this Prospectus.
Official List	means the official list of ASX.
Option	means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.
Proposed Director	means Imants Gustavs Kins.
Prospectus	means this prospectus dated 1 September 2021.
Quoted Options	means (as applicable) the: <ul style="list-style-type: none"> (a) free-attaching options offered under the Entitlement Offer and Shortfall Offer, on the basis of 1 free-attaching Quoted Option for every 3 New Shares subscribed for under the Entitlement Offer or Shortfall Offer (as applicable); or (b) 275,000,000 options to be offered under the Lead Manager Offer.
Record Date	means 5:00pm on the date identified in the Timetable as the record date.
Secondary Offers	means the Shortfall Offer and the Lead Manager Offer.
Section	means a section of this Prospectus.
Securities	mean any securities including Shares or Options issued or granted by the Company.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of Shares.
Shortfall	means any Entitlement not taken up pursuant to the Entitlement Offer.
Shortfall Offer	means the offer of New Shares and free attaching Quoted Options for any Shortfall under the Entitlement Offer, subject to the allocation policy in Section 1.2(b).
South Korean Assets	has the meaning in Section 4.1(o).

Timetable	means the timetable on page iv.
Underwriter	means Pulse Markets Pty Ltd (ACN 081 505 268).
Underwriting Agreement	means the agreement entered into between the Underwriter and the Company pursuant to which the Underwriter has agreed to fully underwrite the Entitlement Offer.