

Aura Energy Limited

(ACN 115 927 681)

Prospectus

Listed Option Entitlement Offer

For a non-renounceable entitlement offer of Listed Options on the basis of 1 Listed Option (exercisable at \$0.052 and an expiry of 30 June 2024) for every 3 Shares held on the Record Date, at an issue price of \$0.015 each to raise up to \$2,030,399 before costs ("**Entitlement Offer**").

The Entitlement Offer opens on 27 October 2021 and closes at 5:00pm (AEDT) on 8 November 2021. Valid acceptances must be received by the Entitlement Offer Closing Date.

Underwriting

The Entitlement Offer is fully underwritten by KTM Capital Pty Ltd.

Cleansing

In addition to the Entitlement Offer, this Prospectus has been prepared for the purposes of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Listed Options to be issued or quoted on the ASX by the Company prior to the Closing Date.

THE ENTITLEMENT OFFER CLOSSES AT 5.00PM (AEDT) ON 8 NOVEMBER 2021.

VALID ACCEPTANCES MUST BE RECEIVED BEFORE THAT TIME.

Please read the instructions in this Prospectus and on the accompanying Acceptance Form regarding the acceptance of your entitlement.

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IMPORTANT INFORMATION

GENERAL

This Prospectus is issued by Aura Energy Limited (ACN 115 927 681) (“**Company**”).

The Prospectus is dated 19 October 2021 and a copy of this Prospectus was lodged with ASIC on that date. Neither ASIC or ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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.

Within seven (7) days of the date of this Prospectus, the Company will make an application to ASX for the Listed Options offered pursuant to this Prospectus to be admitted for quotation on ASX. No securities will be issued pursuant to this Prospectus later than thirteen (13) months after the date of this Prospectus.

ELECTRONIC PROSPECTUS

In addition to issuing the Prospectus in printed form, a read-only version of the Prospectus is also available on the Company’s website at www.AuraEnergy.com.au. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia. The Corporations Act prohibits any person passing onto another person an Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered electronic version of this Prospectus.

APPLICATIONS FOR LISTED OPTIONS

Please read the instructions in Section 2 and on the accompanying Acceptance Forms regarding acceptance of the Offer.

By returning a completed Acceptance Form, making a payment for Listed Options by BPAY®, or otherwise applying for Listed Options in accordance

with the instructions on the Acceptance Form, the applicant acknowledges that it has received and read this Prospectus, has acted in accordance with the terms of the Offer, agrees to all of the terms and conditions set out in this Prospectus and makes the statements set out in the Acceptance Form.

RISK FACTORS

Before deciding to invest in the Company, Eligible Shareholders should read the entire Prospectus. In considering the prospects for the Company, Eligible Shareholders should consider the assumptions underlying the prospective financial information and the risk factors set out in Section 4 that could affect the performance of the Company. Eligible Shareholders should carefully consider these factors in light of personal circumstances (including financial and taxation issues) and seek professional advice from a stockbroker, accountant or other independent financial adviser before deciding to invest.

PUBLICLY AVAILABLE INFORMATION

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX’s website at www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offer. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Eligible Shareholders should therefore have regard to the other publicly available information in relation to the Company before making a decision on whether or not to invest in the Company.

OFFER RESTRICTIONS

The Offer of Listed Options made pursuant to this Prospectus are not made to persons to which, or in places in which, it would not be lawful to make such an offer of Listed Options. No action has been taken to register the Offer under this Prospectus or otherwise permit the Offer to be made in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws.

REPRESENTATIONS

No person is authorised to give any information or to make any representation in relation to the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as having been authorised by the Company or the Directors in relation to the Offer.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as assumptions regarding future events. These events, as at the date of this Prospectus, are expected to take place, but there is no guarantee that such will occur as anticipated or at all given that many of the events are outside the Company's control.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will

actually occur. Further, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

INTERPRETATION

A number of terms and abbreviations used in this Prospectus have defined meanings which are set out in Section 8.

All references in this Prospectus to **\$, AUD** or **dollars** are references to Australian currency, unless otherwise stated.

All references to time in this Prospectus relate to the time in Melbourne, Victoria.

CORPORATE DIRECTORY

DIRECTORS

Peter Reeve
Chief Executive Officer & Managing Director

Martin Rogers
Non-Executive Chairman

Peter Ward
Non-Executive Director

COMPANY SECRETARY

Phillip Hains

REGISTERED OFFICE

Level 3/62 Lygon St
CARLTON VIC 3053

Telephone: +61 3 9824 5254

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
PERTH WA 6000

Telephone: +61 1300 850 505

Facsimile: +61 8 9473 2500

LEGAL ADVISER

Price Sierakowski Corporate
Level 24, 44 St Georges Terrace
PERTH WA 6000

Telephone: +61 8 6211 5000

Facsimile: +61 8 6211 5055

UNDERWRITER

KTM Capital Pty Ltd
Level 2, 16 O'Connell Street
SYDNEY NSW 2000

AUDITOR

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

WEBSITE

www.AuraEnergy.com.au

ASX CODE

AEE

TIMETABLE

The timetable for the Offer is as follows:

Event	Date ²
Announcement of Offer	19 October 2021
Release of Prospectus and Appendix 3B with ASX (pre-market open)	19 October 2021
Ex date	21 October 2021
Record Date (date for determining Eligible Shareholders to participate in the Entitlement Offer)	22 October 2021
Opening Date Prospectus and personalised Entitlement and Acceptance Forms sent to Shareholders	27 October 2021
Last day to extend the Entitlement Offer Closing Date ¹	3 November 2021
Closing Date (Offer closes 5.00pm (AEDT))	8 November 2021
Listed Options quoted on a deferred settlement basis	9 November 2021
Announcement of results of issue	11 November 2021
Issue date of Listed Options and lodgement of Appendix 2A with ASX applying for quotation of the securities	15 November 2021
Quotation of Listed Options under the Entitlement Offer	16 November 2021

Notes:

1. Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the Listed Options.
2. These dates are indicative only and are subject to change.

1 DETAILS OF THE OFFER

1.1. STRUCTURE OF THE OFFER

1.1.1 ENTITLEMENT OFFER

The Company is making a non-renounceable pro-rata offer to Eligible Shareholders of one (1) Listed Option (exercisable at \$0.052 each and an expiry of 30 June 2024) (“**Listed Option**”) for every three (3) Shares held on the Record Date at an issue price of \$0.015 to raise up to \$2,030,399 before costs (“**Entitlement Offer**”).

The Entitlement Offer is fully underwritten by KTM Capital (“**Underwriter**”). Any Listed Options not taken up by Eligible Shareholders will be taken up by the Underwriter pursuant to the Underwriting Agreement (refer to section 5.1 for a summary of the terms of the Underwriting Agreement).

Entitlements under the Entitlement Offer will be rounded down to the nearest whole number. Entitlements of Shareholders that round down to zero will not have any entitlement under the Entitlement Offer.

Eligible Shareholders are being sent this Prospectus together with a personalised Acceptance Form and are invited to apply for Listed Options. The Entitlement Offer opens on 27 October 2021 and closes at 5.00pm (AEDT) on 8 November 2021.

Based on the current capital structure of the Company as at the date of this Prospectus, a maximum of 135,359,902 Listed Options will be issued pursuant to this Entitlement Offer to raise up to approximately \$2,030,399.

1.1.2 CLEANSING

This Prospectus has been prepared for the purposes of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Listed Options issued under the Entitlement Offer issued prior to the Closing Date.

1.2. PURPOSE OF THE OFFER

The purpose of the Entitlement Offer is to raise up to \$2,030,399 (before costs) to be used for mining working capital and production commencement .

The funds raised under the Offer are planned to be used in accordance with the table set out below:

Use of Funds	Amount
Tiris Project	\$1,200,000
Corporate costs (including capital raising cost)	\$217,000
Working capital	\$613,399
Total Use of Funds	\$2,030,399

Notes:

Working capital may include wages, payments to contractors, rent and outgoings, insurance, accounting, audit, legal and listing fees, payments to creditors, interest payments, other items of a general administrative nature and cash reserves which may be used in connection with the Company’s activities, as determined by the Board at the relevant time.

The above table is a statement of the Board’s current intention as at the date of this Prospectus. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

If Entitlements under the Entitlement Offer are not fully taken up by the Shareholders then this may have an effect on the rate at which any plans are undertaken by the Company, such as exploration programs. Additional funding through debt or equity may be considered by the Board where it is appropriate to accelerate a specific project or transaction.

If the Company decides to make any significant acquisitions of, or significant investments in, companies or other assets that are complimentary to its business, then it is possible that such acquisitions would be funded by additional financing through debt or equity (subject to any necessary Shareholder approvals).

1.3. ELIGIBLE SHAREHOLDERS

Eligible Shareholders for the purposes of the Entitlement Offer are those persons who:

- are registered as a holder of Shares as at 5.00pm (AEDT) on the Record Date; and
- have a registered address in Australia or New Zealand.

The Entitlements Offer made to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand)*.

Notwithstanding the above, the Company may (in its absolute discretion) extend the Entitlement to certain shareholders who have registered addresses outside the eligible countries in accordance with applicable law.

1.4. INELIGIBLE SHAREHOLDERS

Shareholders who are not Eligible Shareholders are **Ineligible Shareholders**.

The Company has determined, in reliance on ASX Listing Rule 7.7.1, that it would be unreasonable to extend the Entitlement Offer to Ineligible Shareholders, having regard to:

- the small number of Ineligible Shareholders;
- the small number and value of the Listed Options which would be offered to Ineligible Shareholders if they were Eligible Shareholders; and
- the cost of complying with the legal and regulatory requirements in the respective overseas jurisdictions.

Accordingly, this Entitlement Offer is not being extended to any Shareholders outside Australia and New Zealand. The Company will notify all Ineligible Shareholders of the Entitlement Offer and advise that the Company is not extending the Entitlement Offer to those Shareholders.

1.5. FOREIGN SHAREHOLDER RESTRICTIONS

The Prospectus does not constitute an offer in any jurisdiction where, or to any person to whom, it would not be lawful to issue this Prospectus or make such an offer. No action has been taken to register or qualify the Listed Options or the Entitlements Offer or otherwise to permit an offering of the Listed Options in any jurisdiction outside of Australia and New Zealand.

Where the Prospectus has been dispatched to Shareholders domiciled outside Australia or New Zealand and where that country's securities code or legislation prohibits or restricts in any way the making of the Entitlements Offer contemplated by this Prospectus, then the Prospectus and accompanying Acceptance Form are provided for information purposes only. It is the responsibility of any applicant to ensure compliance with any laws of a country relevant to their application. The return of a duly completed Acceptance Form will be taken by the Company as a representation and warranty by the Applicant that there has been no breach of such laws and that the Applicant is an Eligible Shareholder.

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Options or otherwise permit an offering of the Options the subject of this Prospectus in any jurisdiction outside Australia. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. If you are outside Australia it is your responsibility to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

1.6. NO RIGHTS TRADING

Entitlements under the Entitlement Offer are non-renounceable and accordingly cannot be traded on the ASX or any other stock exchange, or privately transferred.

1.7. MINIMUM SUBSCRIPTION

There is no minimum level of subscription for the Entitlement Offer.

1.8. RANKING OF SHARES

All of the Shares issued upon the future exercise of Listed Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus.

A summary of the rights and liabilities attaching to the Shares is set out in Section 6.3.

1.9. UNDERWRITING

The Entitlement Offer is fully underwritten by KTM Capital Pty Ltd. A summary of the terms and conditions of the Underwriting Agreement is set out in Section 5.1.

1.10. ISSUE OF LISTED OPTIONS

Listed Options issued pursuant to the Offer will be issued in accordance with the Listing Rules and timetable set out in this Prospectus.

Upon Listed Options being issued under the Offer, holding statements will be issued to applicants in accordance with the timetable set out in this Prospectus and otherwise in accordance with the Listing Rules.

1.11. ASX QUOTATION

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the Listed Options offered under this Prospectus. The Listed Options will only be admitted to official quotation if the quotation requirements under the Listing Rules are satisfied. If the quotation requirements are not satisfied or ASX otherwise does not grant official quotation of the Listed Option, the Listed Options will be issued on an unquoted basis.

The fact that ASX may grant official quotation to the Listed Options is not to be taken in any way as an indication of the merits of the Company or the Listed Options now offered under this Prospectus.

1.12. CHESS

The Company participates in the Clearing House Electronic Subregister System (“**CHESS**”). ASX Settlement Pty Ltd (“**ASX Settlement**”), a wholly-owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

ASX Settlement will send a CHESS statement to Shareholders who are broker sponsored following the completion of each Entitlement Offer. Each CHESS statement will set out the number of Listed Options issued to the Shareholder under this Prospectus, and provide details of the Shareholder’s holder identification number and the participant identification number of the sponsor. CHESS allotment advices will be sent by the Share Registry.

The Share Registry will send a statement to Shareholders who are registered on the Issuer Sponsored sub-register following the completion of each Entitlement Offer. Each statement will contain the number of Listed Options issued to the Shareholder under this Prospectus and the Shareholder’s 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.

1.13. PRIVACY DISCLOSURE

Persons who apply for Listed Options under this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications, to provide facilities and services to security holders and to carry out various administrative functions. Access to the information collected may be provided to the Company’s agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications may not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company or the Share Registry.

1.14. TAXATION

It is the responsibility of all Shareholders to satisfy themselves of the particular taxation treatment that applies to them in relation to the Entitlement Offer by consulting their own professional tax advisers. Neither the Company nor the Directors accept any liability or responsibility in respect of the taxation consequences for Shareholders as a result of the matters referred to in this Prospectus.

2 HOW TO APPLY

This Section 2 sets out the choices for an Eligible Shareholder with respect to applying for Listed Options under the Offer.

Please refer to Section 1.3 to determine who is an Eligible Shareholder.

2.1. CHOICES AVAILABLE

Eligible Shareholders may do any of the following:

- take up all or part of their entitlement under the Entitlement Offer (refer to Section 2.2); or
- do nothing (refer to Section 2.3).

The Entitlement Offer is a non-renounceable pro rata offer to Eligible Shareholders. The Entitlement Offer is fully underwritten. Eligible Shareholders who take up their entitlement in full will not have their percentage shareholding in the Company diluted by the Entitlement Offer. The percentage shareholdings of Eligible Shareholders who do not take up all of their entitlement will be diluted. For further details on the effects of the Entitlement Offer, please refer to Section 3.

2.2. TAKE UP ALL OR PART OF ENTITLEMENT

Eligible Shareholders who wish to take up all or part of their entitlement under the Entitlement Offer should complete the Acceptance Form in respect of the number of Listed Options they wish to subscribe for and arrange for payment of the Application Monies in accordance with Section 2.4.

2.3. ALLOW ALL OR PART OF ENTITLEMENT TO LAPSE

If Eligible Shareholders decide not to accept all or part of their entitlement to Listed Options, or fail to accept by the Entitlement Offer Closing Date, the part of their entitlement not accepted will lapse. The Listed Options not subscribed for will form part of the Shortfall.

2.4. MAKING AN APPLICATION UNDER THE ENTITLEMENT OFFER

Eligible Shareholders have two payment Listed Options in order to take up their entitlement under the Entitlement Offer.

Listed Option 1: Submit a completed Acceptance Form together with a cheque, bank draft or money order.

To follow Listed Option 1, applicants should:

- complete the personalised Acceptance Form accompanying this Prospectus in accordance with the instructions set out on that form, and indicate the number of Listed Options they wish to subscribe for; and
- return the form to the Share Registry (address details below) together with a cheque, bank draft or money order which must be:
 - in respect of the full Application Monies (being \$0.015 multiplied by the number of Listed Options they wish to subscribe for); and
 - in Australian currency drawn on an Australian branch of a financial institution; and
 - made payable to 'Aura Energy Limited' and crossed 'Not Negotiable'.

Applicants should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies. If the amount of the cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay for the number of Listed Options applied for in the Acceptance Form in full, the applicant will be taken to have applied for the lower number of

whole Listed Options as the cleared Application Monies will pay for (and to have specified that number of Listed Options in the Acceptance Form). Alternatively, the application will be rejected.

Cash payments will not be accepted. Receipts for payment will not be issued.

Applicants need to ensure that their completed Acceptance Form and cheque, bank draft or money order reaches the Share Registry at the address below by no later than 5:00pm (AEDT) on 22 April 2021.

Completed Acceptance Forms should be returned to the Share Registry at the following address:

Computershare Investor Services Pty Ltd
GPO Box 505
Melbourne VIC 3001
Australia

Listed Option 2: Pay via BPAY® payment

To follow Listed Option 2, applicants should pay the full Application Monies, being \$0.015 multiplied by the number of Listed Options comprising their entitlement, or, if subscribing for only part of their entitlement, the number of Listed Options the applicant wishes to subscribe for, via BPAY® payment in accordance with the instructions set out on the personalised Acceptance Form (which includes the biller code and the applicant's unique customer reference number). Applicants can only make a payment via BPAY® if they are the holder of an account with an Australian financial institution.

Please note that if payment is made by BPAY®:

- the applicant does not need to submit the personalised Acceptance Form but is taken to make the statements on that form; and
- if the applicant subscribes for less than its entitlement or does not pay for its full entitlement, the applicant is taken to have taken up its entitlement in respect of such whole number of Listed Options which is covered in full by the Application Monies.

Applicants need to ensure that their BPAY® payment is received by the Share Registry by no later than 5:00pm (AEDT) on 8 November 2021. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds are submitted through BPAY® by the date and time mentioned above.

2.5. EFFECT OF MAKING AN APPLICATION

Returning a completed Acceptance Form or making a BPAY® payment will be taken to constitute a representation by the applicant that it:

- has received a printed or electronic copy of this Prospectus accompanying the form and has read it in full;
- agrees to be bound by the terms of this Prospectus and the Constitution;
- makes the representations and warranties in this Section 2.5 and confirms its eligibility in respect of an offer of Listed Options under the Offer;
- declares that all details and statements in the Acceptance Form are complete and accurate;
- declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under the Acceptance Form;
- acknowledges that once the Acceptance Form is returned or a BPAY® payment is made its acceptance may not be withdrawn;

- agrees to being issued the number of Listed Options it applies for at the offer price (or a lower number issued in a way described in this Prospectus);
- authorises the Company to register it as the holder(s) of the Listed Options issued to it;
- acknowledges that the information contained in this Prospectus is not investment advice or a recommendation that the Listed Options are suitable for it, given its investment objectives, financial situation or particular needs; and
- authorises the Company and its officers or agents to do anything on its behalf necessary for Listed Options to be issued to it, including correcting any errors in its Acceptance Form or other form provided by it and acting on instructions received by the Share Registry using the contact details in the Acceptance Form.

2.6. ENQUIRIES

This Prospectus is important and should be read in its entirety. Shareholders who are in any doubt as to the course to follow should consult their stockbroker, lawyer, accountant or other professional adviser without delay.

Shareholders who:

- have questions relating to the calculation of their entitlement;
- have questions on how to complete an Acceptance Form or take up their entitlements; or
- have lost an Acceptance Form and would like a replacement form,

should call the Company Secretary on +61 3 9824 5254 between 9.00am to 5.00pm (AEDT) Monday to Friday during the Entitlement Offer period.

3 EFFECT OF THE OFFER

3.1. PRINCIPAL EFFECT OF THE ENTITLEMENT OFFER ON THE COMPANY

As the Entitlement Offer is fully underwritten, the potential effect of the Entitlement Offer will be that:

- cash reserves will increase by approximately \$2,030,399 (before costs); and
- the number of Options on issue will increase from 29,770,296 to approximately 165,130,198.

3.2. CAPITAL STRUCTURE

The table below provides a summary of the capital structure of the Company at the date of this Prospectus and upon completion of the Offer.

Capital structure	Existing	Completion of the Offer
AEE Existing Shares	383,965,096	383,965,096
AEE Restricted Shares ¹	22,114,611	22,114,611
Total Shares	406,079,707	406,079,707
AEEAQ Unlisted Options expiring 29/04/22 ²	4,807,692	4,807,692
AEEAAD Unlisted Options expiring 31/03/23 ³	3,424,143	3,424,143
AEEAAA Unlisted Options expiring 30/06/24 ⁴	21,153,845	21,153,845
AEEAAB Unlisted Options expiring 30/06/24 ⁵	384,616	384,616
Total Unlisted Options	29,770,296	29,770,296
Listed Options to be issued pursuant to the Offer ⁶	-	135,359,902
Total Options on issue	29,770,296	165,130,198
Fully Diluted Share Capital	435,850,003	571,209,905

Notes:

- 1 22,114,611 Shares subject to voluntary escrow, expiring on 17 March 2023.
- 2 4,807,962 Unlisted Options issued on 29 April 2019 to Exempt Investors with an exercise price of \$0.208 and an expiry of 29 April 2022.
- 3 3,424,143 Unlisted Options issued on 31 March 2020 to Exempt Investors with an exercise price of \$0.104 and an expiry of 31 March 2023.
- 4 21,153,845 Listed Options at an exercise price of \$0.052 each to the following Directors on the basis of:
 - (a) 5,769,230 Listed Options to Peter Ward; and
 - (b) 15,384,615 Listed Options to Martin Rogersto be exercised on or before 30 June 2024.
- 5 384,616 Listed Options at an exercise price of \$0.052 to Axel Saringen (or their nominees) to be exercised on or before 30 June 2024.
- 6 Listed Options issued pursuant to the Offer are exercisable at \$0.052 each and an expiry of 30 June 2024. Refer to Section 6.4 for a summary of the terms and conditions of the Listed Options issued pursuant to the Offer.

3.3. THE UNDERWRITER

The Entitlement Offer is fully underwritten by KTM Capital Pty Ltd (“**KTM Capital**” or “**Underwriter**”) (see Section 5.1 for further details). The extent to which Listed Options are issued to KTM Capital pursuant to the Underwriting Agreement and exercised, it will increase KTM Capital’s voting power in the Company.

If the scenario arises, the Underwriter intends to rely on the underwriting exception under item 13 of section 611 of the Corporations Act with respect to its voting power increasing from a shareholding position from under 20% to over 20%, noting that such an exception is available to be relied upon if the issue of securities is to a person as an underwriter and the disclosure document adequately discloses the effect that the acquisition would have on the person’s voting power in the entity.

The Underwriters Relevant Interest and voting power and changes under several scenarios are set out in the table below and assume that all of the Listed Options issued to the Underwriter are exercised. If no Listed Options issued to the Underwriter are exercised, no Shares will be issued to the Underwriter and there will be no effect on their Relevant Interest or Voting Power.

Subscription (%)	Shortfall	Underwriter	
		Relevant Interest	Voting Power
At the date of this Offer Document			
N/A	N/A	0	0%
At completion of the Offer			
100%	Nil	0	0%
75%	25%	33,839,975	6%
50%	50%	67,679,951	12%
40%	60%	81,215,941	14%
25%	75%	101,519,926	18%
0%	100%	135,359,902	24%

The number of Shares in which the Underwriters have a Relevant Interest in on conversion of its Listed Options in the table above shows the potential effect of the Underwriter’s underwriting of the Entitlement Offer. However, it is unlikely that no Shareholders will take up entitlements under the Entitlement Offer. The underwriting obligation and therefore voting power of the Underwriters will reduce by a corresponding amount for the amount of entitlements taken up under the Entitlement Offer by Eligible Shareholders.

The implementation of the Underwriter’s current intentions in relation to their ownership interest in the Company will be subject to the law including the Corporations Act, the Listing Rules and the Company’s Constitution.

3.4. PRO FORMA STATEMENT OF FINANCIAL POSITION

Set out on the following page is the audit reviewed statement of financial position for the Company at 30 June 2020, and pro forma statement of financial position at 30 June 2021. The unaudited pro forma statement of financial position has been prepared on the basis and assumption that there have

been no material movements in the assets and liabilities of the Company between 30 June 2021 and completion of the Offer other than:

- the issue of up to approximately 135,359,902 Listed Options (exercisable at \$0.052 and an expiry of 30 June 2024) at an issue price of \$0.015 each through the Entitlement Offer to raise up to approximately \$2,030,399 before costs; and
- the estimated expenses of the Offer are approximately \$217,000.

The significant accounting policies upon which the statement of financial position and the pro forma statement of financial position are based are contained in the audited Annual Report for the year ended 30 June 2021.

3.5. ACTUAL AND PROPOSED TRANSACTIONS TO ARRIVE AT THE PRO-FORMA FINANCIAL INFORMATION

The pro-forma financial information has been included for illustrative purposes to reflect the position of the Company on the assumption that the following transactions had occurred as at 30 June 2021:

	30 Jun 2021	Borrowings repaid Sep 2021	Options exercised Sep 2021	Options exercised Sep 2021	Post year-end material transactions	Options Entitlement Issue (net proceeds)	Post Options Entitlement Issue
	\$AUD DR / (CR)	\$AUD DR / (CR)	\$AUD DR / (CR)	\$AUD DR / (CR)	\$AUD DR / (CR)	\$AUD DR / (CR)	\$AUD DR / (CR)
ASSETS							
Current assets							
Cash	3,206,855	-312,500	265,556	430,800	3,590,711	1,813,399	5,404,110
Trade & other receivables	798				798		798
Financial assets	104,149				104,149		104,149
Total current assets	3,311,802				3,695,658		5,509,057
Non-current assets							
Plant & equipment	0				0		0
Exploration and evaluation	20,396,634				20,396,634		20,396,634
Total non-current assets	20,396,634				20,396,634		20,396,634
Total assets	23,708,436				24,092,292		25,905,691
LIABILITIES							
Current liabilities							
Trade & other payables	-1,171,601				-1,171,601		-1,171,601
Provisions	-198,421				-198,421		-198,421
Other current liabilities	-25,000				-25,000		-25,000
Vendor consideration	0				0		0
Borrowings	-312,500	312,500			0		0
Total current liabilities	-1,707,522				-1,395,022		-1,395,022
Total liabilities	-1,707,522				-1,395,022		-1,395,022
Net assets	22,000,914				22,697,270		24,510,669
EQUITY							
Share Capital	-56,227,736		-265,556	-430,800	-56,924,092	-1,813,399	-58,737,491
Other contributed equity	-314,346				-314,346		-314,346
Reserves	-2,065,843				-2,065,843		-2,065,843
Accumulated losses	36,607,011				36,607,011		36,607,011
Total equity	-22,000,914				-22,697,270		-58,737,491

3.6. DETAILS OF SUBSTANTIAL SHAREHOLDERS

The Company currently has the following substantial Shareholders, being a Shareholder with a relevant interest of 5% or more of the Shares on issue.

Shareholder Name	Number of Shares	Percentage
The Lind Partners LLC	73,646,035	18.1%
ASEAN Deep Value Fund	54,211,697	13.4%
Peter Proksa	20,200,549	5%

3.6.1 EFFECT OF THE ENTITLEMENT OFFER ON CONTROL

The Offer will not have a material impact on the control (as defined by section 50AA of the Corporations Act) of the Company.

3.7. EFFECTS OF THE OFFER ON ACTIVITIES OF THE COMPANY

The issue of Listed Options under the Offer will provide funds for the purposes set out in Section 1.2.

4 RISK FACTORS

As with any share investment, there are risks associated with an investment in the Company. The numerous risk factors are both of a specific and a general nature. Some can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated.

This Section 4 identifies the major areas of risk associated with an investment in the Company, but should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed. Potential investors should read the entire Prospectus and consult their stockbroker, lawyer, accountant or other professional adviser before deciding whether to apply for Listed Options.

4.1. SPECIFIC RISKS

4.1.1 EXPLORATION AND EVALUATION RISKS

The mineral tenements that the Company owns or has the right to exploit are located in Mauritanian and Sweden and are at various stages of exploration. Shareholders and potential investors should understand that mineral exploration and development are high-risk undertakings, and only occasionally provide high rewards.

There can be no assurance that exploration of the Company's projects, or any other projects that may be acquired in the future, will result in the discovery of an economic mineral deposit. In addition, there may be high average costs of discovery of an economic deposit, factors such as demand for commodities, stock market fluctuations affecting access to new capital, sovereign risk, environmental issues, labour disruption, project financing difficulties, foreign currency fluctuations and technical problems all affect the ability of a company to profit from any discovery. There is no assurance that exploration and development of the mineral interests owned by the Company, or any other projects that may be acquired in the future can be profitably exploited.

4.1.2 FUTURE CAPITAL REQUIREMENTS AND ADDITIONAL FUNDING

The future capital requirements of the Company will depend on many factors including the results of future exploration and business development activities. Should the Company require additional funding there can be no assurance that additional financing will be available on acceptable terms, or at all.

Any additional equity financing may be dilutive to Shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy. Any inability to obtain additional finance, if required, would have a material adverse effect on the Company's business and its financial condition and performance.

4.1.3 DEVELOPMENT RISKS AND COSTS

Possible future development of mining operations at any of the Company's projects is dependent on a number of factors and avoiding various risks, including, but not limited to, failure to acquire and/or delineate economically recoverable mineral bodies, unfavourable geological conditions, failing to receive the necessary approvals from all relevant authorities and parties, unseasonal weather patterns, excessive seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, unexpected shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, risk of access to the required level of funding and contracting risk from third parties providing essential services.

In addition, the construction of any proposed future and current development may exceed the expected timeframe or cost for a variety of reasons out of the Company's control. Any delays to project development could adversely affect the Company's operations and financial results and may require the Company to raise further funds to complete the project development and commence operations.

4.1.4 OPERATING RISKS

The possible future development of a mining operation at any of the Company's projects is dependent on a number of factors. There is no assurance that can be given to the level of viability that the Company's operations may achieve. Unless and until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

Lower than expected productivity and technical difficulties and late delivery of materials and equipment could have an adverse impact on any future construction and commissioning schedules. No assurance can be given that the intended production schedules will be met or that the estimated operating cash costs and development costs will be accurate.

Further, the operations of the Company (if production commences) may have to be shut down or may otherwise 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, weather conditions, fire, explosions and other accidents at the mine, processing plant or related facilities beyond the control of the Company. The occurrence of any of the risks and hazards could also result in damage to, or destruction of, amongst other things, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability.

The Company intends to apply for 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).

4.1.5 ENVIRONMENTAL RISKS AND REGULATIONS

The Company's operations are mainly subject to Mauritanian and Swedish environmental laws and regulations. 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.

The Company attempts to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Government authorities may, from time to time, review the environmental bonds that are placed on permits. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of the Company.

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

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

4.1.6 LICENCES, PERMITS AND PAYMENT OBLIGATIONS

The Company's activities are dependent upon the grant, or as the case may be, the maintenance of appropriate licences, claims, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The Company cannot guarantee that those mining tenements that are applications will ultimately be granted (in whole or in part).

The maintaining of tenements, obtaining renewals, or getting tenements granted, often depends on the Company being successful in obtaining the required statutory approvals for its proposed activities and that the licences, concessions, leases, permits or consents it holds will be renewed as and when

required. 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 in connection therewith.

Pursuant to the licences comprising the Company's projects, the Company will become subject to payment and other obligations. In particular, licence holders are required to expend the funds necessary to meet the minimum work commitments attaching to the tenements.

Failure to meet these work commitments may render the licence subject to forfeiture or result in the holders being liable for fees. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of the Company's interest in its projects.

4.1.7 NO PRODUCTION REVENUES

At present, the Company is not generating any revenues from its projects nor has the Company commenced commercial production on any of its properties. There can be no assurance that significant additional losses will not occur in the near future or that the Company will be profitable in the future.

The Company's operating expenses and capital expenditures may increase in subsequent years as additional consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Company's projects are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which are beyond the Company's control.

The Company expects to continue to incur losses unless and until such time as its projects enter into commercial production and generates sufficient revenues to fund its continuing operations. The development of the Company's projects will require the commitment of substantial resources to conduct the time-consuming exploration and development activities.

There can be no assurance that the Company will generate any revenues or achieve profitability. There can be no assurance that the underlying assumed levels of expenses will prove to be accurate.

4.1.8 POTENTIAL ACQUISITIONS

As part of its business strategy, the Company may make acquisitions of or significant investments in other resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of resource projects.

4.1.9 ACCESS AND THIRD-PARTY RISKS

The Company may be required to obtain the consent from the holders of third-party interests which overlay areas within its tenements or future tenements granted to the Company, prior to accessing or commencing any exploration or mining activities on the affected areas within its existing tenements or future tenements.

The Company's existing tenements are in areas that have been the subject of exploration activities. Given the history of the areas, the Directors believe that third party risk to access the tenements is low. As part of the process of submitting a program of works for any ground disturbing activities, any underlying stake holders will be notified and the Company will work to minimise disturbance in relation to the proposed activities in accordance with applicable law.

The Directors however acknowledge that delays may be caused to commencement of exploration programs. The activities contemplated by the Company under all of the tenement work programs are in and around areas historically disturbed by past exploration activities.

Given that the exploration activities contemplated by the Company are proximate to or otherwise in areas that have already been actively explored to some extent, the Directors consider the risk of any impediments with respect to underlying stake holders to be low. However, the Company

acknowledges that exploration success may result in extended work programs that may require further consents.

4.1.10 JOINT VENTURE PARTIES, AGENTS AND CONTRACTORS

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

4.1.11 INSURANCE AND UNINSURED RISKS

The Company, where economically feasible, may insure its operations in accordance with industry practice. However, even if insurance is taken out, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered, or fully covered, by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance of all risks associated with mineral exploration and production is not always available and, where available, the costs can be prohibitive.

4.1.12 COMMODITY PRICE AND EXCHANGE RATE RISKS

To the extent the Company is involved in mineral production the revenue derived through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. The prices of uranium, vanadium, gold and base metals fluctuate widely and are affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events.

Future serious price declines in the market values of uranium, vanadium, gold and base metals could cause the development of, and eventually the commercial production from, the Company's projects and the Company's other properties to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties.

There is no assurance that, even as commercial quantities of uranium, vanadium, gold and base metals are produced, a profitable market will exist for it. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be considered in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

In addition to adversely affecting any reserve estimates of the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

4.1.13 CORONAVIRUS (COVID-19) RISK

The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The price of Shares may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19.

Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company's ability to freely move people and equipment to and from exploration projects may cause delays or cost increases. The effects of COVID-19 on the Share price may also impede the

Company's ability to raise capital, or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.

4.2. GENERAL RISKS

4.2.1 RELIANCE ON KEY PERSONNEL

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. To manage its growth, the Company must attract and retain additional highly qualified management, technical, sales and marketing personnel and continue to implement and improve operational, financial and management information systems. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

4.2.2 INVESTMENT RISKS

The Listed Options to be issued pursuant to this Prospectus should be considered speculative due to the nature of the Company's business. There is no guarantee as to the payment of dividends, return of capital or the market value of the Shares. The prices at which an investor may be able to trade the Shares may be above or below the price paid by the investor for the Shares.

4.2.3 SHARE MARKET RISKS

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. The market price of the Shares may be subject to fluctuation and may be affected by many factors including, but not limited to, the following:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- currency fluctuations;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

There is also no guarantee that an active market in the Shares will develop or that the price of the Shares will increase. There may be relatively few buyers or sellers of Shares on the ASX at any particular time.

COVID-19 has increased global share market volatility and is likely to continue to negatively affect global share-markets for an undetermined period of time.

4.2.4 COMPETITION RISKS

The industry in which the Company will be involved is subject to domestic and global competition. While 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, and such activities or actions may, positively or negatively, affect the operating and financial performance of the Company's business.

4.2.5 **ECONOMY RISKS**

The future viability of the Company is also dependent on a number of factors which may affect the performance of all industries and not just the education industries including, but not limited to, the following:

- general economic conditions;
- changes in Government policies, taxation and other laws;
- the strength of the equity and share markets in Australia and throughout the world and, in particular, investment sentiment towards the education sector;
- movement in, or outlook on, exchange rates, interest rates and inflation rates; and
- natural disasters, social upheaval or war.

4.2.6 **CLIMATE CHANGE REGULATION**

Increased regulation and government policy designed to mitigate climate change may adversely affect the Company's cost of operations and adversely impact the financial performance of the Company.

The efforts of the Australian government to transition towards a lower-carbon economy may also entail extensive policy, legal, technology and market changes to address mitigation and adaption requirements related to climate change that could significantly impact the Company. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to the company.

Furthermore, the physical risks to the Company resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns. These physical risks may have financial implications for the Company, such as direct damage to assets and indirect impacts from supply chain disruption.

5 MATERIAL CONTRACTS

5.1. UNDERWRITING AGREEMENT

The Company has entered into the Underwriting Agreement appointing KTM Capital (“**Underwriter**”) as underwriter to the Entitlement Offer. Set out below is a summary of the key terms of the Underwriting Agreement dated 17 March 2021 (as amended on 18 October 2021).

The Underwriting Agreement is subject to certain condition precedents which are considered standard for underwriting agreements of this type, including:

- (**Other approvals**): The Company obtaining all regulatory approvals, relief and modifications (in form and substance acceptable to the Underwriter) that are necessary to enable the Entitlement Offer to proceed in accordance with the indicative timetable agreed between the Company and the Underwriter;
- (**Shortfall notice**): The Company delivering to the Underwriter a notice setting out the number of Shortfall Listed Options on the business day immediately prior to the date the Company is required to notify the Underwriter of the number of Shortfall Listed Options (up to the Underwritten Amount); and
- (**Official quotation**): ASX not having indicated to the Company or the Underwriter, on or before the proposed issue date of Listed Options under the Entitlement Offer that it will not grant permission for the quotation of Listed Options being offered pursuant to the Entitlement Offer on ASX.

Prior to the issue date of Listed Options under the Entitlement Offer, and subject to their being no material breach or default of the Underwriting Agreement by the Company, the Underwriter is required to subscribe, or procure subscriptions by institutional or exempt investors, for the Shortfall Listed Options (up to the Underwritten Amount), and pay, or procure payment to, the Company of the issue price in respect of each of the underwritten Listed Options.

Pursuant to the Underwriting Agreement, the Company will pay the Underwriter an underwriting fee of 6% (plus GST) of the total amount raised under the Entitlement Offer.

The obligation of the Underwriter to underwrite the Entitlement Offer is subject to certain events of termination which are considered standard for an agreement of this type. The material circumstances in which the Underwriter may terminate its obligations under the Underwriting Agreement are:

- (**breach**): The Company fails to perform or observe any of its material obligations under the Underwriting Agreement;
- (**due diligence**) any of the documents required to be provided under the due diligence planning memorandum, including the due diligence report, issued by the due diligence committee established for the purposes of this Prospectus having been withdrawn, or varied without the prior written consent of the Underwriter;
- (**Market fall**): The S&P/ASX 300 Index closes on any two consecutive business days prior to the issue date of Listed Options under the Entitlement Offer, at a level that is 10% or more below its level as at the close of trading on the business day before the date of this agreement;
- (**Information**): The due diligence report or the information provided by or on behalf of the Company to the Underwriter in relation to the due diligence program, the Prospectus or the Entitlement Offer, is false, misleading or deceptive or likely to mislead or deceive (including by omission);

- **(Future matters):** Any expression of belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data) in this Prospectus is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe; and
- **(Adverse Change):** There is an adverse change, or an event occurs that is likely to give rise to an adverse change, in the business, assets, liabilities, financial position or performance, operations, management, outlook or prospects of the Company.

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.

6 ADDITIONAL INFORMATION

6.1. CONTINUOUS DISCLOSURE

The Company is a “listed disclosing entity” for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which require it to disclose to the ASX any information of which it is, or becomes, aware concerning the Company and which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

By virtue of section 713 of the Corporations Act, the Company is entitled to issue a “transaction-specific” prospectus in respect of the Offer.

In general terms, a “transaction-specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, profits and losses or prospects of the issuing company.

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

- it is subject to regular reporting and disclosure obligations;
- copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and
- it will provide a copy of each of the following documents, free of charge, to any person on request between the Opening Date and the Offer Closing Date:
 - the financial report of the Company for the year ended 30 June 2021;
 - any half-year financial report of the Company lodged with ASIC after the lodgement of the annual financial report but before the lodgement of this Prospectus with ASIC; and
 - all continuous disclosure notices given by the Company after the lodgement of the annual financial report but before the lodgement of this Prospectus with ASIC (see below).

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules that investors or their professional advisers:

- would reasonably require for the purpose of making an informed assessment of:
 - the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - the rights and liabilities attaching to the securities the subject of this Prospectus; and
- would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Offer. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

The following announcements have been lodged with ASX in respect of the Company since the lodgement of the financial report for the year ended 30 June 2021 on 30 September 2021:

Date	Title
30 September 2021	Corporate Governance Statement
30 September 2021	Appendix 4G
4 October 2021	Trading Halt
7 October 2021	US\$10m Offtake Financing Agreement for Tiris Uranium Project
7 October 2021	Competitive Advantage and Comparison Presentation
7 October 2021	Investor Webinar
14 October 2021	Annual Report
15 October 2021	Appendix 2A
15 October 2021	Replacement Appendix 2A

6.2. MARKET PRICE OF SHARES ON ASX

The Company's shares were suspended from trading on the ASX from 20 May 2020 until 22 September 2021 (inclusive). Since being reinstated to official quotation on 23 September 2021, the Company's shares have traded between \$0.205 and \$0.295. The Company was in trading halt on 5 and 6 October 2021 (inclusive), pending the announcement of an Offtake Financing Agreement (refer to ASX announcement dated 7 October 2021 for a summary of the terms of the Offtake Financing Agreement).

6.3. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares being the underlying securities of the Listed Options to be issued pursuant to this Prospectus. The Shares will rank equally in all respects with existing fully paid ordinary shares in the capital of the Company on issue. This summary is not exhaustive. Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act, ASX Listing Rules and the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

6.3.1 GENERAL MEETINGS

Security holders are entitled to be present in person, or by proxy, attorney or representative, to attend and vote at general meetings of the Company.

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

6.3.2 VOTING RIGHTS

Subject to any rights or restrictions for the time being attached to any class or classes of securities, at general meetings of security holders or classes of security holders:

- each security holder entitled to vote may vote in person or by proxy, attorney or representative;

- on a show of hands, every person present who is a security holder or a proxy, attorney or representative of a security holder has one vote, and
- on a poll, every person present who is a security holder or a proxy, attorney or representative of a security holder shall, in respect of each fully paid security held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the security, but in respect of partly paid securities shall have such number of votes as bears the same proportion to the total of such securities registered in the security holder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

6.3.3 **DIVIDEND RIGHTS**

Subject to the rights of persons (if any) entitled to securities with special rights to dividend, the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the shareholders of such a dividend. The Directors may authorise the payment or crediting by the Company to the security holders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to securities with special rights as to dividend, all dividends are to be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid. The Company may not pay interest in respect of any dividend, whether final or interim.

6.3.4 **WINDING UP**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the security holders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the security holders or different classes of security holders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any securities or other securities in respect of which there is any liability. Where an order is made for the winding-up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, any securities classified as restricted securities at the time of the commencement of the winding up shall rank in priority after all other securities.

6.3.5 **TRANSFER OF SECURITIES**

Generally, securities 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.

6.3.6 **VARIATION OF RIGHTS**

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of security holders, vary or abrogate the rights attaching to securities.

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

6.4. RIGHTS AND LIABILITIES ATTACHING TO LISTED OPTIONS

6.4.1 TERMS AND CONDITIONS OF LISTED OPTIONS

The terms and conditions of the Listed Options are as follows:

- **(Entitlement):** Each Listed Option entitles the holder to subscribe for one Share upon exercise of the Listed Option.
- **(Exercise Price and Expiry Date):** The exercise price of the Listed Options is \$0.052. Each Listed Option will expire at 5:00pm (AEST) on 30 June 2024 ("**Expiry Date**"). A Listed Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- **(Exercise Period):** The Listed Options are exercisable at any time on or prior to the Expiry Date ("**Exercise Period**").
- **(Notice of Exercise):** The Listed Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Listed Option certificate ("**Notice of Exercise**") and payment of the Exercise Price for each Listed Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- **(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 Listed Option being exercised in cleared funds ("**Exercise Date**").
- **(Options to be Quoted):** Application will be made by the Company to ASX for official quotation of the Listed Options.
- **(Issue of Shares on exercise):** Within 15 Business Days after the Exercise Date, the Company will:
 - issue the number of Shares required under these terms and conditions in respect of the number of Listed Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - 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
 - if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Listed Options.
- **(Shares issued on exercise):** Shares issued on exercise of the Listed Options rank equally with the then issued shares of the Company.
- **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of a Listed Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- **(Participation in new issues):** There are no participation rights or entitlements inherent in the Listed Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Listed Options without exercising the Listed Options.

- **(Change in exercise price):** A Listed Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Listed Option can be exercised.
- **(Adjustment of 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):
 - the number of Shares which must be issued on exercise of a Listed Option will be increased by the number of Shares which the holder would have received if the holder of the Listed Options had exercised the Listed Option before the record date for the bonus issue; and
 - no change will be made to the Listed Option exercise price.
- **(Transferability):** The Listed Options are freely transferable from the date of issue subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.
- **(Adjustments):** Any calculations or adjustments which are required to be made will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Listed Option holder.
- **(Governing Law):** These terms and the rights and obligations of the Listed Option holder are governed by the laws of Western Australia. The Listed Option holder irrevocable and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

6.5. CONSENTS

Each of the parties referred to as consenting parties who are named below:

- does not make the Entitlement Offer;
- has not authorised, and has not caused, the issue of this Prospectus;
- has not made any statement in this Prospectus or any statement on which a statement made in this Prospectus is based;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus; and
- has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus in the form and context in which it is named.

Role	Consenting party
Legal adviser	Price Sierakowski Corporate
Share Registry	Computershare Investor Services
Underwriter	KTM Capital Pty Ltd
Auditor	Hall Chadwick WA Audit Pty Ltd

6.6. INTERESTS OF DIRECTORS, EXPERTS AND ADVISERS

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

- Director or proposed Director;
- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- underwriter to the issue of the Listed Options or financial services licensee named in this Prospectus as being involved in the issue of the Listed Options,

holds at the date of this Prospectus or held at any time during the last two years, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion; or
- the Entitlement Offer.

Other than as set out below or elsewhere in this Prospectus, no amount has been paid or agreed to be paid, and no benefit has been given or agreed to be given, to any Director or proposed Director either to induce them to become, or to qualify as, a Director of the Company, or otherwise for services rendered by them in connection with the formation or promotion of the Company or the Entitlement Offer.

6.6.1 DIRECTORS' RELEVANT INTERESTS IN SECURITIES

The Directors have the following relevant interests in Securities:

Director	Number of Shares Held ¹	Number of Listed Options Held	Entitlement to subscribe for Listed Options	Number of Listed Options Held post-Offer ²
Peter Reeve	11,275,077	-	3,758,359	3,758,359
Martin Rogers	5,769,229	15,384,615	1,923,076	17,307,691
Peter Ward	3,230,768	5,769,230	1,076,922	6,846,152

Notes:

1. Assumes that the Directors do not exercise Listed Options over ordinary Shares prior to the completion of the Entitlement Offer.
2. Assumes all directors take up their entitlements.

6.6.2 DIRECTORS' REMUNERATION

The Constitution provides that the Non-Executive Directors may be paid for their services as non-executive directors a maximum total amount (excluding salaries) determined by the Company in general meeting (currently set at \$300,000). Executive Directors are entitled to be remunerated by salary or other employment related benefits in accordance with their employment agreements. The table below sets out the remuneration (including cash, leave and superannuation) paid or payable to

the Directors for the two financial years prior to the date of this Prospectus and for the current financial year until the date of this Prospectus:

Director	Remuneration 2019 financial year	Remuneration 2020 financial year	Remuneration 2021 financial year
Peter Reeve	425,000	362,416	207,134
Martin Rogers	-	-	82,125
Peter Ward	-	-	43,800

6.6.3 EXPERTS AND ADVISERS

Price Sierakowski Corporate has acted as legal adviser to the Company. Price Sierakowski Corporate's fees for work in relation to the Entitlement Offer (which includes services in connection with the Entitlement Offer) up to the date of lodgement of this Prospectus will be approximately \$20,000 (plus GST and disbursements). Price Sierakowski Corporate may receive further fees for additional work done determined on the basis of hours spent at its ordinary hourly rates.

6.7. EXPENSES OF THE OFFER

The estimated expenses of the Offer (exclusive of GST) are as follows:

Expense	Amount
Underwriting fees	\$121,824
Accounting fees	\$25,000
Legal fees	\$20,000
Postage, printing & Share Registry fees	\$35,176
ASIC & ASX fees	\$15,000
Total	\$217,000

Notes:

Based on 50% of Eligible Shareholders accepting their Entitlement and subscribing for Shares.

6.8. LITIGATION

The Group has been made aware of a potential claim against it for approximately \$330,000. The Group maintains that the claim has been settled in full previously and will defend vigorously against the claim.

7 DIRECTORS' AUTHORISATION

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company on 19 October 2021.

A handwritten signature in black ink, appearing to read 'Peter Reeve', enclosed within a thin black rectangular border.

Peter Reeve
Executive Chairman
Aura Energy Limited

8 DEFINITIONS

“**Acceptance Form**” means an acceptance form in the form accompanying this Prospectus pursuant to which Eligible Shareholders may apply for Listed Options under the Entitlement Offer.

“**AEDT**” means Eastern Standard Time, being the time in Sydney, New South Wales.

“**Application Account**” means the Company’s bank account titled ‘Aura Energy Limited – Application Account’ which has been established for the purpose of holding the Application Monies.

“**Application Monies**” means the monies received from persons applying for Listed Options under the Entitlement Offer.

“**ASIC**” means the Australian Securities and Investments Commission.

“**ASX**” means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

“**ASX Settlement**” means ASX Settlement Pty Limited (ACN 008 504 532).

“**Board**” means the board of Directors.

“**Business Day**” means a day on which banks are open for business in Perth, Western Australia excluding a Saturday, Sunday or public holiday.

“**CHESS**” means the Clearing House Electronic Subregister System operated by ASX Settlement.

“**Company**” means Aura Energy Limited (ACN 115 927 681).

“**Constitution**” means the constitution of the Company from time to time.

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

“**Director**” means a director of the Company.

“**Eligible Shareholder**” has the meaning given in Section 1.3.

“**Entitlement Offer**” means a non-renounceable entitlement offer of Listed Options on the basis of 1 Listed Option (exercisable at \$0.052 and an expiry of 30 June 2024) for every 3 Shares held on the Record Date, at an issue price of \$0.015 each to raise up to \$2,030,399 before costs, made pursuant to this Prospectus.

“**Entitlement Offer Closing Date**” means the date that the Entitlement Offer closes which is 5.00pm (AEDT) on 8 November 2021 or such other time and date as the Company determines.

“**Entitlement Offer Opening Date**” means the first date for receipt of acceptances under the Offer which is 9:00am (AEDT) on 27 October 2021 or such other time and date as the Company determines.

“**Exempt Investor**” means a professional and/or sophisticated investor or an otherwise exempt offeree for the purpose of section 708 of the Corporations Act.

“**Ineligible Shareholder**” means a Shareholder who is not an Eligible Shareholder.

“**Listing Rules**” means the official Listing Rules of the ASX

“**Lodgement Date**” means 19 October 2021.

“**Official List**” means the official list of ASX.

“Offtake Financing Agreement” means the offtake financing agreement between the Company and Curzon as announced to ASX on 7 October 2021.

“Prospectus” means this prospectus dated 19 October 2021.

“Record Date” means the date for determining the entitlement of Shareholders under the Entitlement Offer, being 5.00pm (AEDT) on 22 October 2021.

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

“Share Registry” means Computershare Investor Services.

“Shareholder” means the registered holder of one or more Shares.

“Shortfall” means those Listed Options not validly applied for by Eligible Shareholders pursuant to their entitlement under the Entitlement Offer.

“Trading Day” has the meaning given in the ASX Listing Rules.