

NAGAMBIE RESOURCES LIMITED
(ACN 111 587 163)

PROSPECTUS

This Prospectus is issued by Nagambie Resources Limited (ACN 111 587 163) (**Company**) for a pro rata, renounceable rights issue of one (1) Share (**New Share**) for every five (5) Shares held at the Record Date at an issue price of 5.0 cents (\$0.05) per New Share to raise approximately \$5,356,938 before issue costs, together with one (1) free attaching option having an exercise price of ten cents (\$0.10) and expiry date of two years from the issue date (**New Option**) for every one (1) New Share purchased (**Offer**).

The Offer is partially underwritten by Mahe Capital Pty Ltd for \$1,250,000

Important Notice

This document is important and should be read in its entirety. The Prospectus is a “transaction specific prospectus” issued in accordance with section 713 of the Corporations Act. 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 advisors whom potential investor may consult. After reading this Prospectus, if you have any questions about the New Shares and New Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. The New Shares and New Options offered under this Prospectus should be considered highly speculative.

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IMPORTANT INFORMATION

Understanding this Prospectus

Below is important information in relation to the Offer.

This Prospectus is dated 16 March 2023 and was lodged with ASIC on that date.

Neither ASIC nor ASX take responsibility for the content of this Prospectus. Subject to the requirements of the Corporations Act and the Listing Rules, the Directors of the Company reserve the right to close the Offer earlier than the timetable (summarised above) or vary any of the important dates set out in this Prospectus without prior notice, including extending the closing date of the Offer. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Company will apply to ASX for the New Shares and New Options to be granted Official Quotation. Official Quotation of the New Options will be conditional on there being a sufficient number of holders of the New Options to satisfy the requirements of the ASX for the creation of a new class of listed security. No application monies will be repaid if the New Options offered under this Prospectus are not admitted to official quotation.

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities and options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities and options to acquire continuously quoted securities. This Prospectus does not include all information that would be included in a prospectus for an initial public offering.

This Prospectus should be read in its entirety. The risks associated with investing in the Company are significant and potential investors should carefully consider those risks and seek professional advice before deciding whether to invest. The risks associated with the Offer which the Company has identified are summarised below and set out in further detail in Section 7.

If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser. Important capitalised terms and phrases used in this Prospectus are defined in the glossary in Section 12.

The past performance of the price of the Company's Shares or other securities in the Company provides no guidance or indication as to how the price of Shares, including New Shares, will perform in the future.

Disclaimer

No person has been authorised to give information or to make any representation in connection with this Prospectus which is not contained in this Prospectus. Any information or representation that is not contained in this Prospectus may not be relied upon as having been authorised by the Company in connection with this 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. Except as required by law, and only to the extent so required, neither the Company, nor any other person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Prospectus.

The Company and its Directors, officers and employees disclaim any responsibility to update any risk factors or publicly announce the result of any revisions to the forward-looking statements contained in this Prospectus to reflect future developments or events, other than where required to do so by the Corporations Act or the Listing Rules.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website, 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 made under this Prospectus. 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. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in Shares or the Company. 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 and any such information may not be relied upon as having been authorised by the Directors.

Obtaining a copy of this Prospectus

Additional copies of this Prospectus are available from the registered office of the Company during normal business hours. A copy of the Prospectus can be downloaded from the website of the Company at <https://www.nagambieresources.com.au/>, or the website of ASX at www.asx.com.au. Any person accessing the electronic version of the Prospectus for the purposes of making an investment in the Company must be a resident of Australian or New Zealand and must only access the Prospectus from within Australia or New Zealand.

The Prospectus available on the Company's website does not include an Entitlement and Acceptance Form. Eligible Shareholders wishing to take up their Entitlement should complete the personalised Entitlement and Acceptance Form which accompanies the Prospectus provided to Eligible Shareholders.

Any person may obtain a copy of the Prospectus free of charge by contacting the Company (or downloading it from the Company's website or the website of ASX at www.asx.com.au).

Forward-looking statements

This document contains forward looking statements that are not based solely on historical facts but are based on current expectations about future events and results. These forward looking statements are subject to inherent risks and uncertainties. Such risks and uncertainties include factors and risks specific to the operations of the Company, as well as general economic conditions, prevailing interest rates, conditions in the financial markets, government policies and regulations and competitive pressures. As a consequence, actual events or results may differ materially from the expectations expressed or implied in such forward looking statements.

Forward-looking statements in this Prospectus are made only at the date of this Prospectus. Subject to any continuing obligations under applicable law or the Listing Rules, the Company does not in providing this information undertake any obligation to publicly update or revise any of the forward-looking statements for any change in events, conditions or circumstances on which any such statement is based. Accordingly, you are cautioned not to place undue reliance on forward looking statements contained in this document.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Refer to Section 4.13 for treatment of Ineligible Shareholders.

Applications for New Shares and New Options offered pursuant to this Prospectus can only be submitted by an Entitlement and Acceptance Form which accompanies this Prospectus.

Enquiries

If you have any queries about your Entitlement please contact the Company between the hours of 8.30am and 5.00pm (WST), Monday to Friday on 1300 288 664 or +61 2 9698 5414. Alternatively, contact your stockbroker or other professional adviser.

SECTION 1 KEY OFFER INFORMATION

1.1. Summary of the Offer

The Company is conducting a pro rata, renounceable rights issue of one (1) New Share for every five (5) Shares held at the Record Date at an issue price of 5.0 cents (\$0.05) per New Share to raise a maximum of approximately \$5,356,938, before issue costs, together with one (1) free attaching New Option for every one (1) New Share purchased.

The Offer is partially underwritten by Mahe Capital for \$1,250,000 (being 50% of the Maximum Amount).

New Shares and New Options not subscribed for under the Offer will be placed by the Company in consultation with Mahe Capital in accordance with the terms of the Underwriting Agreement.

New Shares offered under this Prospectus, and issued on exercise of the New Options, are fully paid in the Company and will rank equally with existing Shares. The rights and liabilities attaching to New Shares and New Options are described in Section 5.

1.2. Indicative timetable

EVENT	DATE*
Lodgement or Prospectus with ASIC	16 March 2023
Lodgement of Prospectus and Appendix 3B with ASX	16 March 2023
Shares quoted ex-rights	20 March 2023
Record Date for Offer (7:00pm AEDT)	21 March 2023
Offer opening date, Prospectus and Entitlement and Acceptance Form sent to Eligible Shareholders and Company announces this has been completed	24 March 2023
Rights trading ceases	11 April 2023
New Share and New Options quoted on a deferred settlement basis (if agreed by ASX)	12 April 2023
Last day to extend the offer Closing Date**	13 April 2023
Offer Closing Date (5:00pm AEST)	18 April 2023
ASX notified of under subscriptions	21 April 2023
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the New Shares and New Options	26 April 2023
Commencement of trading of New Shares and New Options (normal trading of Shares resumes)	27 April 2023

** This timetable is indicative only and subject to change. The Company reserves the right to vary the above dates, in consultation with the Underwriter, subject to the Listing Rules and the Corporations Act.*

***The Directors may extend the Closing Date by giving at least 3 Business Days' Notice to ASX prior to the Closing Date. In that event, the date the New Shares and New Options are expected to be issued and commence trading on ASX may vary.*

1.3. Key statistics of the Offer

	Underwritten Amount (\$1,250,000)	Maximum Amount (\$5,356,938)
Shares currently on issue ¹	535,693,797	535,693,797
New Shares offered under this Prospectus	25,000,000	107,138,759
Total Shares on issue following the Offer	560,693,797	642,832,556
Options currently on issue ²	78,350,000	78,350,000
New Options offered under this Prospectus	25,000,000	107,138,759
New Options to be issued to the Underwriter ³	416,667	1,785,646
Total Options on issue following the Offer	103,766,667	187,274,405
Convertible notes currently on issue ⁴	51,013,333	51,013,333
Amount raised under this Prospectus (before costs)	\$1,250,000	\$5,356,938

¹ This assumes no further Shares are issued prior to the Record Date

² This assumes no Options are exercised prior to the Record Date

³ The Underwriter will also be issued 3 options for every \$1.00 raised on the same terms as the New Options and have the right to have certain fees payable to it for acting as Underwriter to the Offer satisfied through the issue of Shares. See Section 9.4 for details.

⁴ This assumes no convertible notes are converted prior to the Record Date

SECTION 2 CHAIRMAN'S LETTER

Dear Shareholders

On behalf of Nagambie Resources Limited (**Company**), I am pleased to invite you to participate in a renounceable pro rata offer available to Eligible Shareholders on the basis of one new Share for every five Shares held at an issue price of \$0.05 per New Share, with one free attaching option for every one New Share issued, to raise a maximum of approximately \$5.36 million (**Offer**).

The Offer represents a discount of 11% to the last price and 30-day VWAP of 5.6 cents and 16% to the 90-day VWAP of 5.9 cents prior to the Offer being announced to the ASX on 16 March 2023.

For every one new Share subscribed, investors will receive one free attaching options exercisable at \$0.10 each on or before two years after the date of issue (**New Options**). It is intended that the New Options will be quoted the ASX.

The Offer is partially underwritten to \$1.25 million by the Lead Manager and Underwriter, Mahe Capital Pty Ltd.

Each of the Directors, Michael Trumbull, Alfonso Grillo and William Colvin, have agreed to subscribe for their full Entitlement under the Offer.

Shareholders have the opportunity to apply for additional shares, in excess of their Entitlement. The rights are expected to start trading from 20 March 2023.

This fundraising is a major step in the value creation journey for the Company and we look forward to continued shareholder support as we advance the project to the next level and deliver value for shareholders. Funds raised under the Offer will be used to accelerate drilling, the engineering and permitting of the proposed exploration decline and associated underground development, to conduct detailed metallurgical testwork, to carry out detailed design and costing of a flotation circuit, cover the costs of the Offer and to add to working capital.

While the Company is at an exciting stage of its development, risks remain, including the risks associated with the Offer are detailed in Section 7 and include risks ordinarily associated with an exploration company.

On behalf of your Directors, I invite you to consider this opportunity and thank you for your continued support.

Yours sincerely

Michael Trumbull
Executive Chairman

SECTION 3 INVESTMENT OVERVIEW

The below information is a selective overview of the Offer. You should read the Prospectus in full before deciding to apply for New Shares and New Options.

The Offer

Topic	Summary	More information
What is the Offer?	The Offer is a pro rata, renounceable rights issue of one(1) New Share for every five (5) Shares held at the Record Date at an issue price of 5.0 cents (\$0.05) per New Share to raise approximately \$5,356,938, before issue costs and one (1) free attaching option having an exercise price of ten cents (\$0.10) and expiry date of two years from the issue date for every one (1) New Share purchased.	Section 4.1
What is the price per New Share and New Option under the Offer?	The price per New Share subscribed for under the Offer is 5.0 cents (\$0.05). The New Options will be issued for nil consideration. The issue price represents a discount of 11% to the last price and 30-day VWAP of 5.6 cents and 16% to the 90-day VWAP of 5.9 cents prior to the Offer being announced to the ASX on 16 March 2023.	Section 4.1
Am I eligible to participate in the Offer?	Only Shareholders whose registered address is in Australia or New Zealand as at 7.00pm (AEDT) on the Record Date may participate in the Offer.	Section 4.5
Do I have to participate in the Offer?	No, participation in the Offer is optional.	Section 4.4
Can I transfer my entitlement to participate in the Offer?	Yes, the Offer is renounceable and therefore, your Entitlement may be traded on the ASX.	Section 4.2
How many New Shares and New Options will I receive if I participate in the Offer?	Your entitlement under the Offer is to subscribe for one (1) New Share for every five (5) Shares you already hold as at the Record Date. You may subscribe for less than your full entitlement. You will receive one (1) New Option for every one (1) New Share you are issued for under the Offer.	Section 4.1
What are the terms of the New Options?	Each New Option is offered for free and is exercisable at ten cents (\$0.10) until the expiry date of two years from the date of issue.	Section 8.2

Topic	Summary	More information
<p>What is the purpose of the funds raised under the Offer?</p>	<p>The Offer is being undertaken to provide funding for:</p> <ul style="list-style-type: none"> • a second diamond drill rig to accelerate the drilling of the C1 & C2 antimony-gold vein systems and to test the C3, C4 & C5 targets to the south west of the West Pit at the Nagambie Mines; • accelerating the engineering and permitting of the proposed exploration decline and associated underground development to allow initial strike driving of the vein systems; • carrying out detailed metallurgical testwork on representative samples prepared from the mineralised half diamond core remaining on site after the exploration assaying; • based on the results of that metallurgical testwork, carrying out detailed design and costing for an antimony-gold flotation circuit to accept ground material from the planned CIL treatment plant; and • adding to general working capital for the Company. <p>The effect of the Offer on the Company is set out in Section 5.</p>	<p>Section 5.1</p>
<p>Do I have to pay brokerage on the New Shares and New Options?</p>	<p>No brokerage, commission or other participation costs are payable by you in respect of the acquisition of New Shares and New Options under the Offer.</p>	<p>Section 4.14</p>
<p>What are the risks of subscribing for New Shares and New Options under the Offer?</p>	<p>New Shares and New Options offered pursuant to this Prospectus should be considered speculative and an investment in the Company is subject to a range of risks. These risks include the following:</p> <p>Potential for Dilution Shareholders should note that if they do not participate in the Offer their holdings are likely to be diluted by approximately 16.67% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).</p> <p>Going Concern In the event that the Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material effect on the Company's activities.</p>	<p>Section 7</p>

Topic	Summary	More information
	<p>Investment Risk</p> <p> Holders of Shares have no right to a repayment of their investment. Investors should appreciate that an investment in Shares carries risks. The Shares may not be tradeable at their issue price, and liquidity may be thin. The Shares are not redeemable in any circumstance and, in the event of external administration or liquidation (i.e., insolvency), are likely to be of minimal value.</p> <p>Future capital needs and additional funding</p> <p> The future capital requirements of the Company will depend on many factors. There can be no guarantee that the Company will be able to raise additional capital to meet future funding requirements.</p> <p>Exploration Company Risk</p> <p> As part of the Company’s operation is mineral exploration, the market’s perception of the value of its shares can alter significantly from time to time, causing fluctuations in the Company’s share price.</p> <p>Exploration and Development Risk</p> <p> Mineral exploration and development are high-risk undertakings, and there is no assurance that exploration of the Company’s tenements will result in the discovery of an economic resource deposit. Even if an apparently viable deposit is identified there is no guarantee that it can be economically exploited.</p> <p>Industry Nature Risk</p> <p> Mineral exploration activity, especially drilling, by its nature is risky. Where exploration is successful, drilling operations can be affected by breakdowns, adverse weather conditions, site and geographical conditions, operational risks, shortage or delays in the delivery of rigs and/or other equipment, industrial disputes, government regulations, environmental issues and unanticipated costs. Exploration may be unsuccessful. Exploration may prove to be more costly than expected or the proposed timing of exploration may not be achieved, thus potentially putting strains on the Company’s financial position.</p>	

Topic	Summary	More information
	<p>Economic opportunities may not materialise The Company has some potential prospects (such as PASS opportunities and land acquisition) that may have a positive impact on the financial position of the Company. There is the possibility that these opportunities do not materialise.</p> <p>Native Title Risk and Cultural Heritage Native title rights may adversely impact on the Company's operations. The Company's current projects are in compliance with Native Title requirements, however there is no certainty that a suitable Native Title agreement could be reached if there were a requirement for such an agreement due to further development or changes in Native Title requirements.</p> <p>Reliance on Key Management The responsibility of overseeing the day-to-day operations and the strategic management of the Company may be dependent upon the Company's senior management, key personnel and consultants.</p> <p>Tenure and Title Risk Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for tenements will be approved in full or at all.</p> <p>Land Access Risk Access to land for exploration purposes can be affected by small non-mechanised mining operations or land ownership, including registered and unregistered land interests and regulatory requirements within the jurisdiction where the Company operates.</p> <p>Access and Infrastructure Risk Access on and to tenements may be subject to the availability of appropriate infrastructure or the consent of third parties. There is no guarantee that agreement can be reached with interested third parties or that the necessary infrastructure required to access or develop the tenements will be available or viable.</p>	

	<p>Occupational Health and Safety</p> <p>There is an inherent risk of workplace accidents occurring during the conduct of exploration and mining activity.</p> <p>Underwriting Risk</p> <p>The Offer is partially underwritten which means there is a high level of certainty that the Company will raise sufficient money under the Offer to carry out its stated objectives for the next 12 months. However, there are circumstances outlined in this document that may lead to the Underwriting Agreement being terminated (see Section 9.4 for further information).</p> <p>Joint Venture Risk</p> <p>The Company is subject to the risk that changes in the status of any of the Company’s joint ventures may adversely affect the operations and performance of the Company.</p> <p>Quotation of New Shares and New Options</p> <p>Whilst the Company intends to apply for Official Quotation of the New Shares and New Options, there is no guarantee that the Company will be able to fulfil the ASX’s requirements in relation to Official Quotation of those New Shares and/or New Options. If so, the New Shares and the New Options will not be tradeable on ASX.</p> <p>Uninsured Loss and Liability</p> <p>There is a risk that the Company may not be insured against all losses or liabilities that could arise from the Company’s operations.</p> <p>Contractual Dispute Risk</p> <p>Contractual disputes with joint venture partners and contractors can arise from time to time. Failure to meet contracted obligations by a joint venture partner or contractor could adversely affect the Company’s capacity to carry out its own activities. The Company may also fail to meet its obligations which may have an adverse impact on that joint venture or contractual arrangement.</p>	
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Topic	Summary	More information
	<p>Environmental Risk</p> <p>Issues can arise from time to time with respect to abandonment costs, consequential clean-up costs and environmental concerns.</p> <p>Government authorities may, from time to time, review the environmental bonds that are placed on mining and exploration licences. 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.</p> <p>Environmental Impact Constraints</p> <p>Development of any mineral resources will be dependent on the Company being able to obtain environmental approvals to carry out its planned activities, and then being able to meet all environmental conditions placed on such activities.</p> <p>Climate Risk</p> <p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company.</p> <p>Impairment of Non-Financial Assets Risk</p> <p>An impairment loss may be triggered if capitalised exploration expenditure, evaluation and development costs where an area of interest does not meet the requirements under the accounting standards (AASB 6 – Exploration for and Evaluation of Mineral Resources).</p> <p>Investment and Economic Risk</p> <p>The Company’s future possible revenues, operating costs, Share price and returns to Shareholders may be affected by changes in general economic factors.</p> <p>Governmental and Regulatory Risk</p> <p>There can be no assurance that all of the relevant approvals and permits necessary to conduct mining operations will be granted by the relevant governments and regulatory authorities or that they will remain in good standing where already granted.</p>	

Topic	Summary	More information
	<p>Changes to laws and regulations or accounting standards which apply to the Company from time to time could adversely impact the operating and financial performance and cash flows of the Company.</p> <p>Commodity and Currency Price Volatility</p> <p>Commodity prices are subject to influencing factors beyond the control of the Company and can be subject to significant fluctuations which may materially impact the value of the Company's assets.</p> <p>Stock Market Risks</p> <p>The market price of the Shares may be significantly adversely affected by a variety of factors including (but not limited to) perceptions of, or variations in, general market conditions, operating performance, commodity prices, project and country risk, Board and management strength and expertise and a broad range of other factors which may or may not relate to the Company's operations.</p> <p>Ukraine Conflict</p> <p>The nature and extent of the effect the Ukraine Conflict may have on the Company's operations remains uncertain at this time.</p> <p>COVID-19</p> <p>The ongoing impact and uncertainty caused by COVID-19 may continue for the foreseeable future, which could interrupt the Company's operations, its contractual obligations, cause disruptions to supply chains or interrupt the Company's ability to access capital.</p> <p>Other Risk Factors</p> <p>Other risk factors include those normally found in conducting business including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an</p>	

Topic	Summary	More information
	insurable risk and other matters that may interfere with the Company's business or trade.	
How do I participate in the Offer?	<p>In order to take up your Entitlement under the Offer, you can pay via BPAY® as set out in the Entitlement and Acceptance Form.</p> <p>Alternatively, you can forward your completed Entitlement and Acceptance Form together with your cheque in Australian currency drawn on and payable at an Australian bank for the amount shown on the form to reach the Company's Share Registry, Automic Pty Ltd, no later than 5.00pm (AEDT) on the Closing Date at the address set out below:</p> <p style="text-align: center;">Nagambie Resources Limited Automic Group GPO Box 5193 Sydney NSW 2001</p> <p>Cheques should be made payable to "Nagambie Resources Limited" and crossed "Not Negotiable"</p>	Section 10.1
When will I receive my New Shares and New Options?	<p>New Shares and New Options are expected to be issued to Eligible Shareholders who participate in the Offer on 26 April 2023.</p> <p>Holding statements are expected to be sent to successful Applicants shortly after the issue of the New Shares and New Options.</p>	Section 4.9
When can I trade my New Shares and New Options issued under the Offer?	<p>It is expected that New Shares and New Options issued under the Offer will commence trading on ASX on 27 April 2023. There is no guarantee that the Company will be able to fulfil the ASX's requirements in relation to Official Quotation of those New Options. If so, the New Options will not be tradeable on ASX.</p> <p>You should confirm your holding of Shares and New Options before trading any New Shares or New Options you believe you have acquired under the Offer.</p>	Section 4.10
What are the rights and liabilities attaching to the New Shares issued under the Offer?	New Shares issued under the Offer will rank equally in all respects with existing Shares on issue at the Record Date.	Section 8.1

Topic	Summary	More information
What are the rights and liabilities attaching to the New Options issued under the Offer?	The rights and liabilities attaching to the New Options are set out in Section 8.2.	Section 8.2
How can Eligible Shareholders obtain further information?	<p>If you would like further information you can:</p> <ul style="list-style-type: none"> • contact Automic on 1300 288 664 or +61 2 9698 5414; • contact your stockbroker, accountant, solicitor and/ or other professional adviser; and/or • visit the Company's website at https://www.nagambieresources.com.au/. 	Section 10.11

SECTION 4 DETAILS OF THE OFFER

This Section provides details of the Offer made under this Prospectus. Before deciding whether to apply for New Shares under this Prospectus, you should read this Prospectus in its entirety.

4.1. Offer

The Offer made pursuant to this Prospectus is a pro rata renounceable rights issue as follows:

Offer Details	
New Shares:	<p>A total of approximately 107,138,759 fully paid ordinary shares in the Company to be issued. New Shares will rank equally with existing Shares.</p> <p>The terms and conditions of the New Shares are set out in Section 8.1.</p>
New Options:	<p>Each subscriber for New Shares will receive one (1) free attaching Option for every one (1) New Share issued, having an exercise price of ten cents (\$0.10) and expiry date of two years from the issue date.</p> <p>The terms and conditions of the New Options are set out in Section 8.2.</p>
Fractions:	<p>Calculation of any Eligible Shareholder's fractional entitlements will be rounded up to the nearest whole number.</p>
Price:	<p>5.0 cents (\$0.05) per New Share.</p>
Entitlement:	<p>Eligible Shareholders are offered the right to subscribe for one (1) New Share for every five (5) Shares they hold at the Record Date.</p>
Eligible Shareholders:	<p>Shareholders of the Company registered on the Company's share register at the Record Date and residing in Australia and New Zealand.</p> <p>Please refer to Section 4.5 for further information about eligibility.</p>
Renunciation and Trading:	<p>The rights of Eligible Shareholders to subscribe for their Entitlement are renounceable and therefore may be traded on the ASX.</p>
How to apply:	<p>Eligible Shareholders wishing to subscribe for New Shares need to complete an Entitlement and Acceptance Form and submit it to the Company, together with payment prior to the Closing Date. See Section 10 for more details on how to apply.</p>
Opening Date:	<p>The Offer will open on 24 March 2023.</p>
Closing Date:	<p>The last day to subscribe for New Shares under the Offer is 5:00pm (AEDT) on 18 April 2023.</p>

Offer Details	
	The Board reserves the right to close the Offer early or extend the Closing Date, in consultation with the Underwriter, should it consider it necessary to do so.
Shortfall:	<p>Any New Shares and New Options not applied for by Eligible Shareholders under the Offer shall form Shortfall Securities and be allotted pursuant to the Shortfall Offer and the Underwriting Agreement.</p> <p>The Board reserves the right to place any Shortfall Securities that are not underwritten or sub-underwritten at their discretion within 3 months after the Closing Date in consultation with the Underwriter at an issue price not less than the price at which the securities are offered under this Offer.</p>

4.2. Trading of Entitlements

The Offer is renounceable and Eligible Shareholder's rights to subscribe for their Entitlement to New Shares under this Prospectus are transferrable. Eligible Shareholders' rights with respect to their Entitlement will (subject to a market existing for those rights) be tradable on ASX during the period from 20 March 2023 to 11 April 2023.

4.3. Shortfall

Any New Shares and New Options not applied for by Eligible Shareholders under the Offer shall form the Shortfall Securities. Eligible Shareholders can apply for additional New Shares or New Options in excess of their pro rata entitlement (**Shortfall Offer**) by completing the relevant section on their Entitlement and Acceptance Form and specifying the number of additional New Shares (and by implication, New Options) they wish to subscribe for. The issue of any Shortfall Securities under the Shortfall Offer will be dependent on the number of Shortfall Securities available.

Applications for Shortfall Securities must be accompanied by payment in full for the price of the Shortfall Securities applied for.

Allocation of Shortfall Securities amongst applicants under the Shortfall Offer

Allocation of any Shortfall Securities to Eligible Shareholders who have submitted applications under the Shortfall Offer will be considered and determined by the Directors at their discretion in consultation with the Underwriter.

The Board reserves the right to place any Shortfall Securities that are not underwritten or sub-underwritten at their discretion within 3 months after the Closing Date in consultation with the Underwriter at an issue price not less than the price at which the securities are offered under this Offer.

Takeover law requirements

It is the responsibility of each Eligible Shareholder to ensure that it will not breach the takeovers provisions under the Corporations Act (the 20% threshold) by applying for additional New Shares

and New Options under the Shortfall Offer. These provisions are set out in section 606 of the Corporations Act. No Eligible Shareholder will be permitted to acquire additional New Shares and New Options under the Shortfall Offer to the extent the Company considers (acting reasonably) that doing so would result in a contravention of the takeovers limits in section 606 of the Corporations Act.

No certainty regarding allocations

As a consequence of the arrangements described above, there can be no guarantee of the number of additional New Shares and New Options available to Eligible Shareholders under the Shortfall Offer. Eligible Shareholders who apply for Shortfall Securities under the Shortfall Offer will be bound to accept any lesser number of additional New Shares and New Options allocated to them in accordance with the allocation procedure described above. If you do not receive all of the additional New Shares and New Options you applied for, any excess application monies will be returned to you without interest.

4.4. No Minimum Subscription

There is no minimum subscription for Eligible Shareholders under the Offer.

The Offer is partially underwritten by the Underwriter to the Underwritten Amount of \$1,250,000.

4.5. Eligibility of Shareholders for the Offer

The Offer is made only to those Shareholders whose registered address is in Australia or New Zealand as at 7.00pm (AEDT) on the Record Date (**Eligible Shareholders**).

Shareholders whose registered address is not in Australia or New Zealand, or who become registered holders of Shares in the Company after the Record Date, are not eligible to participate in the Offer.

An Entitlement and Acceptance Form setting out Eligible Shareholders' Entitlements accompanies the Prospectus distributed to Eligible Shareholders.

Eligible Shareholders who do not take up their Entitlement in full may, as a result of this Offer, have their percentage shareholding in the Company diluted.

4.6. Custodians and Nominees

The Offer is being made to all Eligible Shareholders. The Company is not required to determine whether or not any Eligible Shareholder is acting as a nominee or the identity or residence of any beneficial owners of Shares.

Where any registered holder that qualifies as an Eligible Shareholder is acting as a nominee for a foreign person, that registered holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

Any person in the United States or any person that is, or is acting for the account or benefit of a U.S. person with a holding through a nominee may not participate in the Offer and the nominee

must not take up any Entitlement or send any materials to the United States or to any person that is, or is acting for the account or benefit of, a U.S. Person.

4.7. Eligible Shareholder Entitlements

The Entitlement of each Eligible Shareholder is shown on the personalised Entitlement and Acceptance Form.

4.8. Closing Date and Payment for New Shares

The Closing Date for acceptance of Entitlement and Acceptance Forms is 5:00pm (AEDT) on 18 April 2023.

Eligible Shareholders may submit payments for New Shares applied for using BPAY®. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you make payment by BPAY®, you do not need to return your Entitlement and Acceptance Form.

Cheques must be drawn in Australian currency on an Australian bank and made payable to *'Nagambie Resources Limited'* and crossed 'Not Negotiable'. Shareholders are asked not to forward cash or postal notes by mail. Receipts for payment will not be issued.

Cheques will be returned if New Shares are not issued or Application for New Shares is not accepted.

4.9. Allotment of New Shares and New Options

New Shares and New Options will be allotted and issued in accordance with Listing Rules and indicative timetable as set out in Section 1.2 of this Prospectus. Holding statements for all New Shares and New Options allotted shall be dispatched as soon as practicable in accordance with the Listing Rules after the issue of the New Shares and New Options.

Until the allotment and issue of the New Shares and New Options under this Prospectus, application monies will be held by the Company in trust in a separate bank account maintained for that purpose only. Any interest earned on application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether allotment takes place.

4.10. ASX Quotation

On or within 7 days of the date of this Prospectus the Company will make application for the New Shares and the New Options issued pursuant to the Offer to be granted Official Quotation on the ASX.

There is no guarantee that the Company will be able to fulfil the ASX's requirements in relation to Official Quotation of those New Options. If so, the New Options will not be tradeable on ASX.

If ASX does not grant Official Quotation of the New Shares within 3 months after the date of the Prospectus then the New Shares and New Options will not be allotted and application monies will be repaid in full without interest.

Quotation of the New Shares or the New Options on the ASX does not in any way indicate an endorsement by the ASX of the Company, the Company's projects or the New Shares and New Options. The ASX takes no responsibility for the contents of this Prospectus.

4.11. CHES System

The Company participates in the Clearing House Electronic Subregister System (**CHES**). ASX Settlement, a wholly owned subsidiary of ASX, operates CHES in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHES, Shareholders will not receive certificates for their New Shares but will receive a statement of their holdings indicating the allotment of their New Shares pursuant to their acceptance of the Offer made under this Prospectus.

Shareholders who are broker-sponsored will receive a CHES statement from ASX Settlement.

Shareholders registered under the Issuer Sponsored subregister will receive a statement from Automic.

A CHES statement or Issuer Sponsored Statement will routinely be sent to Shareholders at the end of any month in which the balance of their shareholding or option-holding changes. Shareholders may also request a statement at any other time, although a charge may be made for this additional service.

4.12. New Zealand Shareholders

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares. This Prospectus has not been registered, filed or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

4.13. Ineligible Shareholders

This Offer does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Shareholders who do not have a registered address in Australia or New Zealand are not eligible to participate in the Offer. The laws of jurisdictions outside of Australia and New Zealand may restrict the distribution of this Prospectus. Anyone who comes into possession of this Prospectus outside Australia or New Zealand should seek advice on and observe any such restrictions. A failure to comply with those restrictions may constitute a violation of applicable securities laws.

The Company is of the view that it is unreasonable to extend the Offer to Shareholders with registered addresses outside Australia or New Zealand, having regard to:

- the small number of Shareholders with registered addresses outside Australia and New Zealand;

- the number and value of the New Shares which would be offered to ineligible Shareholders (being Ineligible Shareholders); and
- the cost of complying with the legal requirements and requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, this Offer will not be made to Ineligible Shareholders, and this Prospectus will not be sent to those Ineligible Shareholders. In order for a Shareholder to participate in the Offer, the Shareholder must be resident in Australia or New Zealand at the Record Date.

In particular, this Prospectus does not constitute an offer for sale of the New Shares or any right to a security into the United States or to U.S. persons. The New Shares have not been, and will not be, registered under the U.S. Securities Act and must not be offered or sold within the United States or to U.S. persons unless they are registered under the U.S. Securities Act or an exemption from the registration required of the U.S. Securities Act is available.

Eligible Shareholders holding Shares on behalf of persons who are resident outside Australia and New Zealand are responsible for ensuring that participation in the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form or payment by BPAY® will constitute a representation that there has been no breach of such regulations. Shareholders who are nominees are therefore advised to seek independent advice as how they should proceed. Where the Offer has been dispatched to a Shareholder domiciled outside Australia or New Zealand and where the country's securities code or legislation prohibits or restricts in any way the making of the Offer contemplated by this Prospectus, the Prospectus is provided for information purposes only.

For the purposes of Listing Rule 7.7.1(c), the Company has appointed the Underwriter as nominee to arrange for the sale of the Ineligible Shareholders' Entitlements and to account to them for the net proceeds of the sale (if any). The net proceeds of sale (in Australian dollars) will be distributed to the Ineligible Shareholders for whose benefits the Rights have been sold in proportion to their shareholdings as at the Record Date (after deducting the costs of the sale).

4.14. Costs of participation

No brokerage, commissions or other transaction costs will be payable by Applicants in respect of the Application for, and allotment of, New Shares or New Options under this Prospectus.

SECTION 5 PURPOSE AND EFFECT OF THE OFFER

5.1. Purpose of the Offer

This Offer is being undertaken principally to provide funds to meet budgeted and anticipated exploration expenditure associated with the Company's current projects, together with meeting current working capital requirements and providing for future evaluation and examination of prospective exploration assets and projects as identified by the Board from time to time as presenting value and being in line with the Company's direction.

Proceeds of Offer	Underwritten Amount*	Maximum Amount
A second diamond drill rig to accelerate the drilling of the C1 & C2 antimony-gold vein systems and to test the C3, C4, C5 ... targets to the south west of the West Pit at the Nagambie Mine	\$900,000	\$1,800,000
Accelerating the engineering and permitting of the proposed exploration decline and associated underground development to allow initial strike driving of the vein systems	-	\$400,000
Carrying out detailed metallurgical testwork on representative samples prepared from the mineralised half diamond core remaining on site after the exploration assaying	-	\$250,000
Based on the results of that metallurgical testwork, carrying out detailed design and costing for an antimony-gold flotation circuit to accept ground material from the planned CIL treatment plant	-	\$1,000,000
General working capital	\$149,373	\$1,450,852
Costs of capital raising	\$200,627	\$456,086
TOTAL	\$1,250,000	\$5,356,938

* Being the amount underwritten by the Underwriter.

The above is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in

which the funds are ultimately applied. The Board may determine to alter the way funds are applied as it considers necessary and appropriate having regard to the circumstances at the time.

The Offer is partially underwritten by Mahe Capital Pty Ltd to \$1,250,000. However, if the Underwriting Agreement is terminated, there is a risk that sufficient funds will not be received under the Offer to fund the Company's immediate working capital requirements. As a result, the Company may need to meet its working capital requirements using funds from one or a combination of the following:

- (a) existing working capital;
- (b) debt funding; or
- (c) the proceeds of a future capital raising.

Shareholders are strongly urged to read this Prospectus carefully so as to better understand the purpose of the Offer, how the funds to be raised under the Offer will be applied, the key assumptions involved and the potential impact the new funding will have on the Company's future growth and enterprise value.

5.2. EFFECT OF THE OFFER ON THE COMPANY

(a) Capital Structure

The effect of the Offer on the capital structure of the Company under the Underwritten Amount and the Maximum Amount, assuming that no Options are exercised and no convertible notes and converted prior to the Record Date, will be as follows:

	Underwritten Amount (\$1,250,000)	Maximum Amount (\$5,356,938)
Shares currently on issue ¹	535,693,797	535,693,797
New Shares offered under this Prospectus	25,000,000	107,138,759
Total Shares on issue following the Offer	560,693,797	642,832,556
Options currently on issue ²	78,350,000	78,350,000
New Options offered under this Prospectus	25,000,000	107,138,759
New Options to be issued to the Underwriter ³	416,667	1,785,646
Total Options on issue following the Offer	103,766,667	187,274,405
Convertible notes currently on issue ⁴	51,013,333	51,013,333

Amount raised under this Prospectus (before costs)	\$1,250,000	\$5,356,938
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¹ This assumes no further Shares are issued prior to the Record Date

² This assumes no Options are exercised prior to the Record Date

³ The Underwriter will also be issued 3 options for every \$1.00 raised on the same terms as the New Options and have the right to have certain fees payable to it for acting as Underwriter to the Offer satisfied through the issue of Shares. See Section 9.4 for details.

⁴ This assumes no convertible notes are converted prior to the Record Date

(b) Cash Position

Completion of the Offer will have the effect of increasing the Company's cash reserves by approximately:

- (i) \$1,049,373 where the Underwritten Amount is raised (after deducting estimated cash costs of the Offer, i.e. approximately \$200,627); and
- (ii) \$4,900,852 where the Maximum Amount is raised (after deducting estimated cash costs of the Offer, i.e. approximately \$456,086),

providing funds to advance the activities and objectives of the Company. In the event all of the New Options are exercised, the Company will raise an additional \$2,500,000 under the Underwritten Amount and \$10,713,876 under the Maximum Amount.

Note that no consideration will be received by the Company on the issue of the New Options. There is no certainty that all or some of the New Options will be exercised and consequently no certainty that the Company will receive proceeds from the exercise of the New Options, nor issue additional Shares, on the exercise of the New Options.

(c) Effect of Offer on Control

If all Eligible Shareholders take up their full Entitlements, there would be no significant effect on the control of the Company, as the Offer is made pro-rata and in that case no rights would lapse or be placed in accordance with the terms of the Underwriting Agreement.

As the Company does not propose to apply to ASIC for the approval of the appointment of a nominee for the purposes of section 615 of the Corporations Act, no person will be permitted to acquire New Shares or New Options under the Offer to the extent that such acquisition results in that person holding a relevant interest exceeding 20% of the issued share capital of the Company on a post Offer basis.

The current substantial shareholders of the Company, as at the date of this Prospectus, as set out in the Company's 2022 Annual Report released to ASX on 1 November 2022, are as follows:

Substantial Shareholder	No. of Shares	% of Shares
PPT Nominees Pty Ltd	83,566,872	15.81%
Southern Cross Gold Limited	51,321,377	9.71%
Adare Manor Pty Ltd <Adare Manor Super Fund A/C>	31,615,559	5.98%

5.3. Potential dilution on non-participating Shareholders

Shareholders should note that if they do not participate in the Offer, their holdings could be diluted by up to 16.67% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

Following is a table which sets out the dilutionary effect, assuming the Maximum Amount is raised and no further Shares are issued or Options exercised:

Holder	Holding as at Record Date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken up	% post Offer
Shareholder 1	20,000,000	3.73%	4,000,000	20,000,000	3.11%
Shareholder 2	10,000,000	1.87%	2,000,000	10,000,000	1.56%
Shareholder 3	5,000,000	0.93%	1,000,000	5,000,000	0.78%
Shareholder 4	1,000,000	0.19%	200,000	1,000,000	0.16%
Shareholder 5	500,000	0.09%	100,000	500,000	0.08%

5.4. Market Prices of Existing Shares on ASX

The highest and lowest market sale price of the Company's Shares on the ASX, during the three months immediately preceding the lodgement of this Prospectus with ASIC and the respective dates of those sales are set out below:

Highest: 7.5 cents on 21 December 2022.

Lowest: 4.9 cents on 27 February 2023.

The last market sale price prior to the date of lodgement of this Prospectus with ASIC was 5.6 cents (\$0.056) on 15 March 2023.

SECTION 6 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Set out below is a pro forma consolidated Statement of Financial Position for the Company and its controlled entities (**Consolidated Entity**) after taking into account the effect of the Offer. This statement is based on the audit reviewed accounts of the Company as at 31 December 2022, lodged with the ASX on 16 March 2023.

The pro forma Consolidated Statement of Financial Position illustrates the effect of the Offer based upon the following assumptions and qualifications:

- (a) there being no other material changes to the Consolidated Entity's Statement of Financial Position since 31 December 2022;
 - (b) the Offer being:
 - (i) subscribed up to the Underwritten Amount, resulting in the Company issuing an additional 25,000,000 New Shares raising a total of \$1,250,000; and
 - (ii) fully subscribed resulting in the Company issuing an additional 107,138,759 New Shares raising a total of \$5,356,938;
 - (c) the cash costs of the Offer which are estimated as:
 - (i) \$200,627 in total where the Underwritten Amount is raised; and
 - (ii) \$456,086 in total where the Maximum Amount is raised.
- New Options will also be issued to the Underwriter (or its nominee/s) as set out at Section 9.4; and
- (d) the activities of the Consolidated Entity since 31 December 2022 not being recognised in the *pro forma* consolidated Statement of Financial Position.

	Reviewed	Pro forma	Pro forma
	31 Dec 2022	Underwritten	Maximum
	\$	Amount	Amount
Current assets			
Cash and cash equivalents	1,433,938	2,483,311	6,334,790
Prepayments	78,880	78,880	78,880
Trade and other receivables	76,033	76,033	76,033
Equity investments at fair value	-	-	-
Total current assets	1,588,851	2,638,224	6,489,703
Non-current assets			
Security deposits	750,896	750,896	750,896
Property, plant and equipment	1,381,898	1,381,898	1,381,898
Right of use assets	-	-	-
Exploration and evaluation assets	15,629,033	15,629,033	15,629,033
Total non-current assets	17,761,827	17,761,827	17,761,827
Total assets	19,350,678	20,400,051	24,251,530
Current liabilities			
Borrowings	-	-	-
Financial liabilities	500,000	500,000	500,000
Trade and other payables	698,557	698,557	698,557
Lease liabilities	-	-	-
Provisions	50,828	50,828	50,828
Contract liabilities	-	-	-
Total current liabilities	1,249,385	1,249,385	1,249,385
Non-current liabilities			
Borrowings	7,097,183	7,097,183	7,097,183
Provisions	31,177	31,177	31,177
Total non-current liabilities	7,128,360	7,128,360	7,128,360
Total liabilities	8,377,745	8,377,745	8,377,745
Net assets	10,972,933	12,022,306	15,873,785
Equity			
Issued capital	29,138,490	30,187,863	34,076,126
Reserves	5,818,906	5,818,906	5,818,906
Accumulated losses	(23,984,463)	(23,984,463)	(23,984,463)
Total equity	10,972,933	13,370,636	15,910,569

7.1. General

The Company's activities are subject to a number of risks which may impact future financial performance and the market price at which New Shares and New Options trade. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, others are outside the Company's control and cannot be mitigated. Therefore, investors who acquire New Shares may be exposed to a number of risks. Broadly, these risks can be classified as risks that are general to investing in the share market and risks specific to an investment in Shares and the Company's underlying business.

This Section sets out the identified major risks associated with investing in New Shares and New Options. This list is not exhaustive and investors should read this Prospectus in its entirety before making an investment decision. Investors should also have regard to their own investment objectives and financial circumstances, and should consider seeking appropriate independent investment advice before deciding whether to invest in the New Shares and New Options.

7.2. Risk factors specific to the Company

The Company is an ASX listed company engaged in mineral mining and exploration in Australia.

The Company released its latest audit reviewed financial results for the first half of the 2022/2023 financial year as an announcement to ASX on 16 March 2023. A copy can be obtained from the Company's website <https://www.nagambieresources.com.au> or the ASX website www.asx.com.au under the code "NAG".

An investment in the Company is not risk free and should be regarded as speculative.

There are specific risks that relate directly to the Company's activities. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares and the underlying Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed and does not take into account the individual circumstances of Shareholders.

The Directors strongly recommend that potential Investors consider the risk factors described below, together with information contained elsewhere in this Prospectus and consult with their professional advisers before deciding whether to apply for Shares under this Prospectus.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

(a) ***Potential for dilution***

In addition to potential control impacts set out in Section 5.3, Shareholders should note that if they do not participate in the Entitlement Offer their holdings are likely to be diluted by approximately 16.67% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

It is not possible to predict what the value of the Company or a Share in the Company will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.056 is not a reliable indicator as to the potential trading price of Shares after the implementation of the Offer.

(b) ***Going Concern***

The Company's half year report for 31 December 2022 (**Half Year Financial Report**) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.

Notwithstanding the 'going concern' qualification included in the Half Year Financial Report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements. In the event that the Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material effect on the Company's activities.

(c) ***Investment Risk***

Holders of Shares have no right to a repayment of their investment. Investors should appreciate that an investment in Shares carries risks. The Shares may not be tradeable at their issue price, and liquidity may be thin. The Shares are not redeemable in any circumstance and, in the event of external administration or liquidation (i.e., insolvency), are likely to be of minimal value.

(d) ***Future Capital Needs and Additional Funding***

While the Company believes that on completion of the Offer it will have enough working capital to fund its activities in the short term, it is operating in highly volatile times. 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 according to a number of factors including prospectivity of projects (existing and future), the results of exploration, subsequent feasibility studies, development and mining, stock market and industry conditions and the price of relevant commodities and exchange rates. If adequate funds are not available on acceptable terms the Company may not be able to further develop its project(s) and it may impact on the Company's ability to continue as a going concern.

None of these alternatives have been determined at present, and any need to implement a funding alternative would be considered if required having regard to the circumstances at that time including the amount raised under the Offer. However, no assurance can be given that the Company will be able to implement any specific alternative or raise any particular amount through implementing any of them.

(e) ***Tenure and Title Risk***

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for tenements will be approved in full or at all. In addition, interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

The Company's mining licence MIN5412 is primarily governed by the relevant Mining Codes, however, there is no guarantee that the Company will retain title over MIN5412 even where it complies with its obligations with respect to MIN5412. Title to mining resources may also be impacted to unregistered prior agreements or transfers, undetected defects or other stakeholder rights.

(f) ***Exploration Company Risk***

As the Company is an exploration company, the market's perception of the value of its shares can alter significantly from time to time, causing fluctuations in the Company's share price. Fluctuations may also occur as a result of factors influencing the price of shares in exploration companies or share prices generally, as well as exploration activities by other parties in the same general region. The price of shares rises and falls and many factors affect the price of shares including local and international stock markets, movements in interest rates, economic and political conditions and investor and consumer sentiment. The stock markets generally remain volatile.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to permitting requirements, availability of appropriate exploration equipment, exploration costs, seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents and many other factors beyond the control of the Company.

(g) ***Exploration and Development Risk***

Mineral exploration and development are high-risk undertakings, and there is no assurance that exploration of the Company's tenements will result in the discovery of an economic resource deposit. Even if an apparently viable deposit is identified there is no guarantee that it can be economically exploited.

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 cash reserves of the Company and possible relinquishment of the tenements.

Government authorities may, from time to time, review the environmental bonds that are placed on mining and exploration licences. 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.

(h) ***Industry Nature Risk***

Mineral exploration activity, especially drilling, by its nature is risky. Where exploration is successful, drilling operations can be affected by breakdowns, adverse weather conditions, site and geographical conditions, operational risks, shortage or delays in the delivery of rigs and/or other equipment, industrial disputes, government regulations, environmental issues and unanticipated costs. Exploration may be unsuccessful. Exploration may prove to be more costly than expected or the proposed timing of exploration may not be achieved, thus potentially putting strains on the Company's financial position.

Even if an apparently viable mineral resource is identified, there is no guarantee that it can be profitably exploited. While exploration may yield positive results there can be no guarantee that any discovery will be sufficiently productive to justify commercial development or cover operating costs. There can be no assurance that the Company will achieve production as this will depend on a wide range of factors, including development decisions, capital costs and operating costs and the ability of the Company to fund these costs.

Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. In addition, such estimates are necessarily imprecise and depend to a significant extent on interpretations, which may prove inaccurate. The calculation of any possible grade and tonnage of a mineral deposit in a prospect may be proved incorrect by future exploration/production, mapping and/or drilling.

(i) ***Economic opportunities may not materialise***

The Company has some potential prospects that may have a positive impact on the working capital of the Company.

Notably, the Company has an ongoing bid to provide storage for PASS to the Spark consortium for the purpose of the North East Link Project. However, there is no guarantee that this opportunity will materialise and therefore no guarantee that the Company will receive any revenue from PASS activities.

Further, the Company (via its wholly owned subsidiary) is currently renegotiating with the landlord of the property in which the Company operates for an extension in the lease and the contract of sale of the property. However, as of the date of this Prospectus, the negotiations are ongoing and no extension of either contract has been granted to the Company.

(j) ***Native Title Risk and Cultural Heritage***

Native title rights may adversely impact on the Company's operations. The Company's current projects are in compliance with Native Title requirements, however there is no

certainty that a suitable Native Title agreement could be reached if there were a requirement for such an agreement due to further development or changes in Native Title requirements.

The impact of Native Title requirements on any future acquisition is not able to be assessed currently but may incur unforeseen costs and time in negotiating an agreement.

Delays may be experienced if evidence of Aboriginal cultural heritage exists on any land to which the Company requires access. When exercising a right or permission for access to any land, it is an offence, to disturb physical evidence of human occupation of prehistoric or historic significance without statutory permission. This restriction applies to any activity including minerals exploration and production. The Company is currently in compliance with all heritage requirements on its current projects, but may face unexpected delays and/or costs with any potential acquisition.

(k) ***Reliance on Key Management***

The responsibility of overseeing the day-to-day operations and the strategic management of the Company may be dependent upon the Company's senior management, key personnel and consultants. There can be no assurance given that there will be no detrimental impact on the Company if one, or a number of, those employees or consultants cease their employment or engagement with the Company.

(l) ***Land Access Risk***

Land access is critical for exploration and evaluation to succeed. In all cases the acquisition of prospective mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential.

Access to land for exploration purposes can be affected by small non-mechanised mining operations or land ownership, including registered and unregistered land interests and regulatory requirements within the jurisdiction where the Company operates.

(m) ***Access and Infrastructure Risk***

Access on and to tenements may be subject to the availability of appropriate infrastructure or the consent of third parties. There is no guarantee that agreement can be reached with interested third parties or that the necessary infrastructure required to access or develop the tenements will be available or viable.

(n) ***Occupational Health and Safety***

There is an inherent risk of workplace accidents occurring during the conduct of mining activity. The Board is totally committed to providing a safe and healthy workplace for the Company's employees and contractors, where engaged from time to time. Hazardous activities are avoided wherever possible, but when necessary, all employees and contractors are required to conduct themselves in accordance with all applicable

laws and policies in force from time to time in respect of occupational health and safety.

(o) ***Underwriting Risk***

The Offer is partially underwritten which means there is a high level of certainty that the Company will raise sufficient money under it to carry out its stated objectives for the next 12 months. However, there are circumstances outlined in this document that may lead to the underwriting agreement becoming being terminated (see Section 9.4 for further information). If this were to occur there is no guarantee that the Company will be able to secure additional or alternative funding under the Offer, the success of which would then be dependent on shareholder support and the ability to obtain investor support for any shortfall that may arise. If such support is not forthcoming, the Company's work programme will be compromised and consideration will need to be given to implementing alternative funding strategies.

(p) ***Joint venture risk***

The Company is subject to the risk that changes in the status of any of the Company's joint ventures may adversely affect the operations and performance of the Company.

There is also a risk of financial failure or default under the joint venture arrangements by a participant in any joint venture to which the Company is, or may become, a party. Any withdrawal by a joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have a material adverse impact on the financial position of the Company. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in the Company's proposed development activities or financial loss.

As set out in the Company's announcement dated 31 January 2023, the Company is involved in joint venture arrangements with Southern Cross Gold and Golden Camel Mining.

(q) ***Quotation of New Shares and New Options***

Whilst the Company intends to apply for Official Quotation of the New Shares and the New Options, there is no guarantee that the Company will be able to fulfil the ASX's requirements in relation to Official Quotation of those New Shares and New Options. If so, the New Shares and New Options proposed to be issued under this Prospectus will not be tradeable on ASX.

(r) ***Uninsured Loss and Liability***

Exploration for and development of minerals involves hazards and risks that could result in the Company incurring losses and liabilities to third parties. There is a risk that the Company may not be insured against all losses or liabilities that could arise from the Company's operations. If the Company incurs losses or liabilities which are not covered by the Company's insurance policies, the funds available for exploration and development will be reduced and the value and/or tenure of the Company's assets may be at risk.

(s) ***Contractual Dispute Risk***

Contractual disputes with joint venture partners and contractors can arise from time to time. Where a venture partner, such as those listed in Section 7.2(p), does not satisfy its financial or other commitments or act in the best commercial interest of the project, it could have a material adverse effect on the interests of the Company. The Company is unable to predict the risk of financial failure, non-compliance with obligations or default by a participant in any venture to which it may become a party, or insolvency or managerial failure by any of contractors used by the Company in its exploration activities. Failure to meet contracted obligations by a joint venture partner or contractor could adversely affect the Company's capacity to carry out its own activities.

(t) ***Environmental Risk***

In relation to the projects currently held by the Company is currently in compliance with all environmental requirements. Issues can arise from time to time with respect to abandonment costs, consequential clean-up costs and environmental concerns. The Company could become subject to liability if, for example, there is an environmental event such as rain, storms, fire, flooding etc that require clean-up costs to be incurred. It is not possible to quantify any such contingent liability. Whilst no guarantee can be given, the Company is not aware of any advice which would suggest that there is any particular exposure in relation to any of its present interests.

(u) ***Environmental Impact Constraints***

The Company's exploration and appraisal programs will, in general, be subject to approval by government authorities. Development of any mineral resources will be dependent on the Company being able to obtain environmental approvals to carry out its planned activities, and then being able to meet all environmental conditions placed on such activities.

(v) ***Climate Risk***

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. 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's operations may be impacted by changes to local or international compliance regulations related to climate change mitigation effects, specific taxation or penalties for carbon emissions or environmental damage. These examples illustrate an array of possible restraints on industry that may impact the Company and its profitability.
- (ii) climate change may also 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.

(w) ***Impairment of Non-Financial Assets Risk***

As at 31 December 2022, the Company's assets included capitalised exploration and evaluation costs. These assets are tested semi-annually for impairment in accordance with accounting standard requirements to assess whether the carrying value may exceed its recoverable amount. An impairment loss may be triggered if capitalised exploration expenditure, evaluation and development costs where an area of interest does not meet the requirements under the accounting standards (AASB 6 – Exploration for and Evaluation of Mineral Resources).

7.3. General Risks

A number of factors which are outside of the Company's control may significantly impact on the Company, its performance and the price of New Shares and New Options. These factors include:

(a) ***Investment and Economic Risk***

Economic factors both in Australia and internationally beyond the control of the Company, such as interest rates, inflation, exchange rates, taxation, changes in government policy and legislation, may negatively impact on the operational performance of the Company.

The Company's revenues, expenses and cash flows could be negatively affected by any of these factors, which in turn may affect the price of New Shares.

No assurances can be made that the Company's performance will not be adversely affected by any such market fluctuations or factors. None of the Company or its Directors or any other person guarantees the performance of the Company or the market price at which its shares trade.

The price of New Shares and New Options quoted on ASX may rise or fall.

The New Shares issued under the Offer carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. The value of the New Shares will be determined by the share market and will be subject to a range of factors beyond the control of the Company and its Directors including the demand and availability of Shares.

There can be no guarantee that an active market in New Shares and New Options will develop or the market price of the shares will not decline. An investment in New Shares and New Options should be considered speculative.

(b) ***Governmental and Regulatory Risk***

The impact of actions by governments may affect the Company's operations including matters such as necessary approvals, land access, sovereign risk, additional or increased taxation and royalties which are payable on the proceeds of the sale of any

successful exploration. Further, the approval of contractual arrangements in relation to exploration permits as well as the renewal of exploration permits is each a matter of governmental discretion and no guarantee can be given in this regard.

A failure to obtain any approval would mean that the ability of the Company to participate in or develop any project may be limited or restricted either in part or absolutely. Such exploitation will involve the need to obtain the necessary licences or clearances from the relevant authorities, which may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further the decision to proceed to further exploitation may require the participation of other companies whose interests and objectives may not be the same as the Company. Such further work may require the Company to meet or commit to financing obligations for which it may not have planned.

Industry profitability can be affected by changes in tax policies and the interpretation and application thereof.

(c) ***Commodity and Currency Price Volatility***

Commodity prices are subject to influencing factors beyond the control of the Company and can be subject to significant fluctuations. Some of these influencing factors include:

- world demand for particular commodities;
- the level of production costs in major commodity producing regions; and
- expectations regarding inflation, interest rates and US dollar exchange rates.

Any significant and/or sustained fluctuation in exchange rates or commodity prices could have a materially adverse effect on the Company's operations and financial position.

Factors affecting commodity prices include:

- supply and demand fluctuations for specific commodities;
- changes in investor sentiment toward specific commodities;
- speculative trading;
- forward selling activities; and
- macro-economic factors such as inflation and interest rates.

(d) ***Stock Market Risks***

The market price of the Shares may be significantly adversely affected by a variety of factors including (but not limited to) perceptions of, or variations in, general market conditions, operating performance, commodity prices, project and country risk, Board and management strength and expertise and a broad range of other factors which may or may not relate to the Company's operations.

(e) ***Ukraine Conflict***

The current conflict between Ukraine and Russia (**Ukraine Conflict**) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict and the wider effect the conflict has on global economies and financial markets.

The Directors are monitoring the potential secondary and tertiary macroeconomics impacts of the Ukraine Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may be adversely impact the Company's operations and are likely to be beyond the control of the Company.

(f) ***Covid-19***

The global economic outlook may face uncertainty due to the COVID-19 pandemic, which has had and may continue to have a significant impact on capital markets and share prices. The Company's Share price may also be adversely affected by economic uncertainty caused by COVID-19.

There is a risk that this uncertainty may continue for the foreseeable future, which could interrupt the Company's operations, its contractual obligations, cause disruptions to supply chains or interrupt the Company's ability to access capital.

7.4. Other Risk Factors

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

Before any decision is made to subscribe for securities under the Offer, the above matters, and all other matters described in this document must be carefully considered. The New Shares and New Options to be allotted pursuant to this Prospectus should be regarded as speculative in nature and carry no guarantee with respect to the payment of dividends, return of capital or their market value.

Investment in the Company is regarded as speculative and neither the Company nor any of its Directors guarantees that any specific objective of the Company will be achieved or that any particular performance of the Company or its securities, including the New Shares and New Options offered by this Prospectus will be achieved.

The above list of risk factors should not be taken as exhaustive of the risks faced by the Company or the Shareholders. The above factors, and others not specifically referred to above, may in the future materially affect the Company's financial performance and the value of the Shares.

8.1. Rights attaching to the Shares

The rights attaching to ownership of the Shares arise from a combination of:

- the Constitution; and
- in certain circumstances, the Corporations Act, the Listing Rules, the ASX Settlement Operating Rules and the general law.

The following is a summary of the more significant rights attaching to the Shares. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Shareholders.

Further details of the rights attaching to Shares are set out in the Constitution of the Company, a copy of which can be inspected at the Company's registered office during normal business hours.

8.1.1. Variation of rights

The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

8.1.2. Voting rights

Subject to any rights or restrictions, at general meetings of shareholders:

- each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- 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
- 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 the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

8.1.3. General meetings

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

The Directors may convene a general meeting at their discretion.

8.1.4. Dividends

Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment, or if the Directors have fixed a time for determining

entitlement to a dividend, at that time. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Directors may set aside a sum out of the profits of the Company, as reserves, before recommending dividends of the profits.

8.1.5. Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set a value as the liquidator considers fair upon any property to be so decided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may also, with the authority of a special resolution, vest the whole or any part of any property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit. No member is obliged to accept any Shares, securities or other assets in respect of which there is any liability.

Subject to the rights of Shareholders (if any) entitled to Shares with special rights in a winding-up, and the Corporations Act, all monies and property that are to be distributed among Shareholders on a winding-up, shall be distributed in proportion to the Shares held by them respectively, irrespective of the amount paid-up or credited as paid-up on the Shares.

8.1.6. Transfer of shares

Shares can be transferred upon delivery of a proper instrument of transfer to the Company. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Except where the operating rules of an applicable clearing and settlement facility licensee provide otherwise, until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

The Directors may refuse to register a transfer if the Listing Rules permit or require, or if the transfer is a transfer of restricted securities which is or might be in breach of the Listing Rules or any escrow agreement entered into by the Company. The Board may refuse to register a transfer of shares upon which the Company has a lien.

8.1.7. Unmarketable parcels

The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the Shareholders holding less than a marketable parcel stating that the Company intends to sell their relevant Shares unless a retention notice is received by a specified date.

8.2. Rights attaching to New Options

The following are the terms of the Options to be issued pursuant to this Prospectus.

- (a) The New Options will be issued for no consideration.
- (b) Each New Option entitles the holder to be issued one Share on exercise.
- (c) The exercise price of each New Option is ten cents (\$0.10).

- (d) The New Options are exercisable by the holder at any time from the date of issue until the expiry date of 5:00pm (AEST) on two years after the date of issue.
- (e) The Company will provide to each Option holder a notice that is to be completed when exercising the New Options (**Notice of Exercise**). Options may be exercised by an Option holder, in whole or in part, by completing the Notice of Exercise accompanied by payment in full for the relevant number of Shares being subscribed, being the exercise price multiplied by the number of New Options exercised.
- (f) Options will be deemed to have been exercised on the last day of the month in which the Notice of Exercise is lodged with the Company.
- (g) Shares issued pursuant to exercise of New Options will rank for dividend from the date they are issued and will otherwise rank equally with all other fully paid ordinary shares then on issue.
- (h) The Company currently intends to apply for quotation of the New Options on the official list of the ASX. Quotation of the New Options is not guaranteed or automatic but will depend on ASX exercising its discretion under the Listing Rules.
- (i) The Company will apply to ASX for quotation of the Shares issued on exercise of the New Options.
- (j) The Company will ensure, for the purposes of determining entitlements to any entitlement issue, that the Option holder will be notified of a proposed entitlement issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
- (k) If there is a bonus issue to the holders of the underlying securities, on the exercise of any New Options, the number of securities received will include the number of bonus securities that would have been issued if the New Options had been exercised prior to the record date for bonus issues. The exercise price will not change.
- (l) In the event of a pro rata issue (except a bonus issue) of Shares offered or made to the holders of Shares, the exercise price of each New Option existing on the record date for determining entitlements in relation to the pro rata issue will be reduced in a proportion as considered appropriate by the Board.
- (m) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed in a manner as considered appropriate by the Board and in accordance with the Listing Rules.
- (n) Before listing on ASX, the New Options are freely transferable, subject to the terms of the Corporations Act and the Listing Rules, through an instrument in writing in a form approved by the Company which is signed by or on behalf of both the transferor and the transferee. The duly completed form to be submitted to the Company and accompanied by any evidence the Company may require.

- (o) In the event the New Options are listed as an approved financial product, transfer can be effected through CHESS or another prescribed clearing and settlement facility in accordance with the ASX Settlement Operating Rules. The transfer can be declined, or a holding lock be applied to prevent a transfer of the New Options, if permitted to do so by the Listing Rules.
- (p) Transmission can be effected to the legal personal representative of the deceased if the deceased was a sole holder, and the survivor or survivors if the deceased was a joint holder.
- (q) At a meeting of holders of New Options, the rules applicable to the convening, holding, and voting at, a general meeting of the Company will apply, so far as they are capable of application, to that meeting on the basis that on a poll a holder is entitled to 1 vote for each New Option held.

9.1. The Company is a Disclosing Entity

The Company is a disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure requirements. As a listed company, the Company is required to comply with all applicable continuous disclosure and reporting requirements in the Listing Rules.

The ASX maintains records of company announcements for all companies listed on the ASX. The Company's announcements may be viewed on the ASX's website at www.asx.com.au.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at an office of ASIC.

9.2. Section 713 Prospectus

This Prospectus has been issued under the provisions of section 713 of the Corporations Act. Section 713 enables disclosing entities to issue prospectuses in relation to securities in a class of securities that has been quoted on the ASX at all times in the 12 month period preceding the date of the prospectus, or options to acquire such securities. Copies of documents lodged at ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, an office of ASIC.

The new Shares to be issued under this Prospectus are in a class of securities that has been continuously quoted on the ASX in the 12 month period preceding the date of this Prospectus. The New Options are options to acquire continuous quoted Shares in the Company.

As the New Shares form part of the same class as the Company's existing Shares, ASIC Corporations (Exposure Period) Instrument 2016/74 allows the Company to accept Entitlement and Acceptance Forms upon the lodgement of this Prospectus with ASIC.

The level of disclosure that applies to this Prospectus requires that it must contain all the information investors and their professional advisers would reasonably require to make an informed assessment of:

- (a) the effect of the Offer on the Company; and
- (b) the rights and liabilities attaching to the securities being offered.

The Prospectus must contain this information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in the Prospectus. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospectus of the issuing company. Accordingly, this Prospectus does not contain the same level of disclosure as a prospectus of an unlisted company or an initial public offering prospectus.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that the Company has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the date of this Prospectus which required the Company to notify ASX of information about specified events or matters as they

arise for the purpose of ASX making that information available to the stock market conducted by ASX.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company. Information that is already in the public domain has not been reported in this Prospectus, other than that which is considered necessary to make the Prospectus complete.

9.3. Right to Obtain Copies of Documents

The Company will provide a copy of any of the following documents, free of charge, to any person who requests a copy of the document before the Closing Date:

- (a) the annual financial report of the Company for the year ended 30 June 2022, being the annual financial report most recently lodged by the Company with the ASX; and
- (b) any continuous disclosure notices (that is, documents in which the ASX was notified of information relating to the Company) given by the Company after 1 November 2022, being the date of lodgement of the Company's 2022 Annual Report, and before lodgement of a copy of this Prospectus with the ASIC. These documents are:

16 November 2022	High-Grade Antimony-Gold Discovery
25 November 2022	Chairman's Address to Shareholders
25 November 2022	CEO's Presentation to Shareholders
25 November 2022	Results of Meeting
25 November 2022	Notification regarding unquoted securities
25 November 2022	Notification regarding cessation of securities
25 November 2022	Change of Director's Interest Notice x 4
25 November 2022	Correction to Change of Director's Interest Notice x 4
28 November 2022	Up to \$2.0 Million Share Placement
28 November 2022	Proposed issue of securities
29 November 2022	Application for quotation of securities
29 November 2022	Cleansing Statement
9 December 2022	\$0.14 Million Share Placement
9 December 2022	Cleansing Statement
13 December 2022	Application for quotation of securities
20 December 2022	Notification of cessation of securities
23 January 2023	Second Antimony-Gold Vein System Discovered
24 January 2023	Notice of Change of Auditor
31 January 2023	Quarterly Appendix 5B Cash Flow Report
31 January 2023	Quarterly Activities Report
20 February 2023	More High-Grade Antimony-Gold in NAD012
22 February 2023	Application for quotation of securities
22 February 2023	Cleansing Statement
10 March 2023	Antimony-Gold Mineable Intersections Increased to 18

16 March 2023	Renounceable Entitlement Offer
16 March 2023	Half Yearly Accounts ended 31 December 2022

The Company may make further announcements to ASX from time to time. Copies of announcements are released by ASX on its website (www.asx.com.au), and will also be made available on the Company website (www.nagambieresources.com.au/). Copies of announcements can also be obtained from the Company on request. Prospective investors are advised to refer to ASX's website or the Company website for updated releases about events or matters affecting the Company.

The annual financial report and the continuous disclosure notices referred to above have been identified for the purposes of section 713(4) of the Corporations Act and are not taken to form part of the content of this Prospectus.

The Company's Constitution and the consents referred to in Section 9.10 are also available for inspection for a period of 12 months after the date of this Prospectus during normal business hours at the Company's office at:

Nagambie Resources Limited
533 Zanelli Road
Nagambie, Victoria 3608

9.4. Underwriting Agreement

On 15 March 2023, Mahe Capital (as **Underwriter**) and the Company entered into an underwriting agreement pursuant to which the Underwriter has agreed to underwrite the Offer to the extent of the 25,000,000 New Shares (**Underwritten Shares**) and 25,000,000 New Options (together, the **Underwritten Securities**) (**Underwriting Agreement**).

The Underwriting Agreement is subject to conditions precedent usual to commercial agreements of this type, such as the Underwriter being satisfied with its due diligence enquiries and providing a consent to be named in this Prospectus.

Pursuant to the Underwriting Agreement, the Company has agreed to pay/issue the Underwriter (or its nominees) the following fees:

- (a) 3 New Options for every one dollar raised under the Offer (including any amount raised under the shortfall under the Offer within 3 months of the Closing Date (if applicable));
- (b) \$60,000;
- (c) 1% of the total amount raised under the Offer (including any amount raised under the shortfall under the Offer within 3 months of the Closing Date (if applicable));
- (d) 5% of the Underwritten Amount; and
- (e) 5% of any shortfall securities placed beyond the Underwritten Amount, including any amount raised under the shortfall under the Offer within 3 months of the Closing Date (if applicable)

All selling fees in relation to those placements will be paid by the Underwriter.

In addition, the Company will pay and will indemnify and keep indemnified the Underwriter against and in relation to, all costs and expenses of and incidental to the Offer, including but not limited to:

- (a) the disbursements of the Underwriter (including legal fees);
- (b) accommodation and travelling expenses of the Underwriter relating to the Offer; and
- (c) all marketing and promotional expenditure related to the Offer,

provided that the aggregate of all costs and expenses referred to above does not exceed \$1,500 (without the prior consent of the Company).

The Underwriter may at any time in its absolute discretion appoint sub-underwriters to sub-underwrite the Offer.

The Underwriter must pay all fees and commissions due to sub-underwriters of the Offer.

The obligation of the Underwriter to underwrite the Underwritten Securities is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if:

- (a) **(Indices fall)**: the S&P ASX 200 Index is at any time after the date of this Agreement 7% or more below its respective level as at the close of business on the Business Day prior to the date of this Agreement;
- (b) **(Commodities)**: the price of COMEX gold or NYMEX WTI crude is at any time after the date of this Agreement 7% or more below its respective level as at the close of business on the Business Day prior to the date of this Agreement;
- (c) **(Prospectus)**: the Company does not lodge the Prospectus on the Lodgement Date or the Prospectus or the Offer is withdrawn by the Company;
- (d) **(No Listing Approval)**: the Company fails to lodge an Appendix 3B and an Appendix 2A in relation to the Underwritten Securities with ASX by the times required by the Listing Rules, the Corporations Act or any other regulations;
- (e) **(No Official Quotation)**: ASX has advised the Company that it will not or may not grant official quotation to the Shares comprising the Underwritten Securities or admit the Company to trading on the ASX following completion of the Offer (including issue of the Shortfall Securities) on or prior to the Shortfall Notice Deadline Date;
- (f) **(Price)**: the Price is greater than the volume weighted average price of Shares calculated over three consecutive days after the date of this Agreement;
- (g) **(Supplementary prospectus)**:
 - (i) the Underwriter, having elected not to exercise its right to terminate its obligations under this Agreement as a result of an occurrence as described in Section 9.4(p)(viii), forms the view on reasonable grounds that a Supplementary Prospectus should be lodged with ASIC for any of the reasons referred to in Section 719 of the Corporations Act and the Company fails to lodge a

Supplementary Prospectus in such form and content and within such time as the Underwriter may reasonably require; or

- (ii) the Company lodges a Supplementary Prospectus without the prior written agreement of the Underwriter;
- (h) **(Non-compliance with disclosure requirements):** it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Underwritten Securities;
- (i) **(Misleading Prospectus):** it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of Sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- (j) **(Misleading Announcement):** it transpires that the Company has made a statement via the ASX that is misleading or deceptive or likely to mislead or deceive or there is an omission or missing information that is price sensitive.
- (k) **(Restriction on issue):** the Company is prevented from issuing the Underwritten Securities within the time required by this Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (l) **(Withdrawal of consent to Prospectus):** any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (m) **(ASIC application):** an application is made by ASIC for an order under Section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn;
- (n) **(ASIC hearing):** ASIC gives notice of its intention to hold a hearing under Section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under Section 739 of the Corporations Act;
- (o) **(Takeovers Panel):** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel and is not withdrawn or disposed of by the Shortfall Notice Deadline

Date, either of which in the Underwriter's reasonable opinion has a Material Adverse Effect;

- (p) **(Termination events):** subject always to having a material adverse effect, any of the following events occurs:
- (i) **(Hostilities):** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after this Agreement has been signed involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
 - (ii) **(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 acting reasonably;
 - (iii) **(Event of Insolvency):** an Event of Insolvency occurs in respect of a Relevant Company;
 - (iv) **(Indictable offence):** a director or senior manager of a Relevant Company is charged with an indictable offence;
 - (v) **(Default):** default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking and the default or breach is either incapable of remedy or is not remedied within 10 Business Days after the Underwriter notifies the Company of the default or breach or by the Shortfall Notice Deadline Date, whichever is earlier;
 - (vi) **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company is or becomes untrue or incorrect in a material respect;
 - (vii) **(Contravention of constitution or Act):** a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (viii) **(Adverse change):** an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a likely Material Adverse Effect after the date of this Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
 - (ix) **(Error in Due Diligence Results):** it transpires that any of the Due Diligence Results or any part of the Verification Material was false, misleading or deceptive or that there was an omission from them;

- (x) **(Significant change)**: a "new circumstance" as referred to in Section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (xi) **(Public statements)**: without the prior approval (such approval not to be unreasonably withheld) of the Underwriter a public statement is made by the Company in relation to the Offer or the Prospectus other than a statement the Company is required to make in order to comply with its disclosure obligations under the Listing Rules and/or the Corporations Act;
- (xii) **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (xiii) **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy that has not been publicly disclosed or proposed as at the date of this Agreement;
- (xiv) **(Prescribed Occurrence)**: a Prescribed Occurrence occurs, other than as disclosed in the Prospectus;
- (xv) **(Judgment against a Relevant Company)**: a judgment in an amount exceeding \$100,000.00 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (xvi) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against any Relevant Company, other than any claims foreshadowed in the Prospectus;
- (xvii) **(Board and senior management composition)**: there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter, such consent not to be unreasonably withheld;
- (xviii) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer or a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (xix) **(Force Majeure)**: a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- (xx) **(Certain resolutions passed)**: a Relevant Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the

Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;

- (xxi) **(Capital Structure)**: any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus excluding the issue of any Shares upon the exercise of options or conversion of convertible notes issued in the Company, or pursuant to the Pioneer Agreement, such options and convertible notes and Share issue under the Pioneer Agreement having been disclosed to the ASX as at the date of this Agreement;
- (xxii) **(Breach of Material Contracts)**: any of the Contracts is terminated or substantially modified;
- (xxiii) **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of a Related Company; or
- (xxiv) **(Market Conditions)**: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

Capitalised terms used above have the meaning given to them in the Underwriting Agreement.

The events listed in Section 9.4(p) do not entitle the Underwriter to exercise its rights under the termination rights above unless, in the reasonable opinion of the Underwriter reached in good faith, the event has or is likely to have, or those events together have, or could reasonably be expected to have, a Material Adverse Effect or could give rise to a liability of the Underwriter under the Corporations Act.

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

9.5. The Board of Directors, Interests of Directors and Management

Details of the interests of each Director in securities of the Company immediately before lodgement of the Prospectus with ASIC are set out in the table below. The table does not take into account any securities the Directors may acquire under the Offer.

Relevant Interests of Directors (including indirect interests)

Director	Shares	Unlisted options	Convertible Notes
Michael Trumbull	21,734,529	20,000,000	-
Alfonso Grillo	2,504,010	10,000,000	-
William Colvin	674,020	4,000,000	-
Warwick Grigor	1,000,000	2,000,000	1,250,000

Each of Michael Trumbull, Alfonso Grillo and William Colvin, Directors of the Company, have agreed to subscribe for their full Entitlement under the Offer.

9.6. Payments and Benefits to Directors

Except as set out in this Prospectus, no person has paid or agreed to pay any amount, or provided or agreed to provide any benefit to:

- (a) any Director in order to induce them to become, or to qualify as, a Director; or
- (b) any Director for services provided by him in connection with:
 - (i) the formation or promotion of the Company, or
 - (ii) the Offer.

The remuneration paid or payable to each Director for the last two years (including cash and non-cash benefits) is set out in Section 9.7.

9.7. Remuneration of Directors and Executives

The following table shows the annual remuneration paid to these directors for the last financial year ended 30 June 2021 and year to date¹ for the financial year ending 30 June 2022:

Director	Cash salary and fees \$	Superannuation	Share-based payments equity-settled	Total
2022 financial year	\$	\$	\$	\$
M. Trumbull	165,000	-	198,892	363,892
A. Grillo	46,200	-	99,446	145,646
W. Colvin ¹	33,945	3,395	99,446	136,786
2021 financial year				
M. Trumbull	164,250	-	161,588	325,838
A. Grillo	45,990	-	80,794	126,784
G. Davidson ²	45,990	-	80,794	126,784
W Colvin	-	-	-	-

Mr Warwick Grigor was appointed as director of the Company on 4 October 2022 and is paid an annual salary of \$62,000 plus superannuation

¹ Appointed 8 September 2021

² Resigned 8 September 2021

Further detail of the remuneration of Directors is set out in the Remuneration Report set out in the Company's 2022 Annual Report.

9.8. Interests of, and Issue of Payments and Benefits to, Advisors and Experts

Except as set out in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory, expert or any other capacity in connection with the preparation and distribution of this Prospectus, promoters of the Company (together, **Prescribed Persons**) holds, or at any time in the past two years held, any interest in:

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

Except as set out in this Prospectus, no amounts have been paid or agreed to be paid to any Prescribed Person and no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with:

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

GrilloHiggins Lawyers will receive the sum of approximately \$40,000 (excluding GST and disbursements) from the Company for the provision of legal services to the Company in connection with the Offer. During the 24 months preceding lodgement of this Prospectus with the ASIC, GrilloHiggins Lawyers has been paid fees totalling \$84,703 (excluding GST and disbursements) for legal services provided to the Company.

Mahe Capital has acted as Lead Manager and Underwriter in respect of the Offer under this Prospectus, for which they will receive fees pursuant to the Underwriting Agreement as summarised at Section 6.5.

9.9. Litigation

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

9.10. Consents

GrilloHiggins Lawyers has given and as at the date of this Prospectus has not withdrawn its consent to be named as the Company's solicitors in relation to the Offer. GrilloHiggins Lawyers has not authorised or caused the issue of any part of this Prospectus.

Mahe Capital has given, and as at the date of this Prospectus have not withdrawn, their consent to be named as Lead Manager and Underwriter in relation to the Offer. Mahe Capital has not authorised or caused the issue of any part of this Prospectus.

9.11. Expenses of the Offer

The total cash expenses of the Offer (excluding GST) are estimated to be the following:

Item	Underwritten Amount	Maximum Subscription
Underwriter	\$135,000	\$381,416
Legal fees	\$40,000	\$40,000
ASIC fees	\$3,206	\$3,206
ASX fees	\$10,452	\$15,064
Printing and distribution	\$11,400	\$11,400
Miscellaneous	\$5,000	\$5,000

Total	\$200,627	\$456,086
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¹ This table assumes that the Underwriter's fee is paid in cash and the Underwriter places all New Shares in excess of the underwritten Amount. The Underwriter will also be issued 3 options for every \$1.00 raised on the same terms as the New Options and have the right to have certain fees payable to it for acting as Underwriter to the Offer satisfied through the issue of Shares. See Section 9.4 for further information.

SECTION 10 ACTION REQUIRED BY SHAREHOLDERS

10.1. What Eligible Shareholders may do

The number of New Shares and New Options to which Eligible Shareholders are entitled under the Offer (**your Entitlement**) is shown on the accompanying Entitlement and Acceptance Form.

As an Eligible Shareholder, you may:

- (a) subscribe for all or part of your Entitlement (see Section 10.2);
- (b) subscribe for all of your Entitlement and apply for Shortfall Shares (see Section 10.3);
- (c) sell your Entitlement (see Section 10.4);
- (d) take up part of your Entitlement and sell the balance on ASX (see Section 10.5);
- (e) take up part of your Entitlement and transfer the balance other than on ASX (see Section 10.6); or
- (a) allow all or part of your Entitlement to lapse (see section 10.7).

10.2. Taking up some or all of your Entitlement

If you are accepting all or part of your Entitlement and payment is being made by BPAY®, you are not required to return the Entitlement and Acceptance Form. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. Your BPAY® payment must be received by no later than 5.00pm (AEST) on 18 April 2023.

Alternatively, if you wish to take up some or all of your Entitlement, complete the accompanying Entitlement and Acceptance Form for New Shares and New Options in accordance with the instructions set out in the form. Forward your completed Entitlement and Acceptance Form together with your cheque in Australian currency drawn on and payable at an Australian bank for the amount shown on the form to reach the Company's Share Registry, Automic Pty Ltd, no later than 5.00pm on 18 April 2023 at the address set out below:

Nagambie Resources Limited
c/- Automic Group
GPO Box 5193
Sydney NSW 2001

Cheques should be made payable to "Nagambie Resources Limited" and crossed "Not Negotiable". Alternatively, a BPAY® option is also available.

10.3. Taking up Shortfall by Shareholder

If there is a Shortfall and you are an Eligible Shareholder and you wish to take up additional New Shares and New Options complete the additional New Shares and New Options section of the Entitlement and Acceptance Form in accordance with the instructions set out in the Entitlement and Acceptance Form. In order to apply for New Shares and New Options under the Shortfall Offer you must be an Eligible Shareholder and must have first taken up your Entitlement in full.

A BPAY® option is available. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you are accepting all or part of your Entitlement and

payment is being made by BPAY®, you are not required to return the Entitlement and Acceptance Form. Your BPAY® payment must be received by no later than 5.00pm 18 April 2023.

Alternatively, forward your completed Entitlement and Acceptance Form together with your cheque, money order or bank draft in Australian currency drawn on and payable at an Australian bank for the amount shown on the form using the envelope provided to reach the Company's Share Registry, Automic Pty Ltd, no later than 5.00pm (AEST) on 18 April 2023 at the address set out below:

Nagambie Resources Limited
c/- Automic Group
GPO Box 5193
Sydney NSW 2001

Cheques should be made payable to "Nagambie Resources Limited" and crossed "Not Negotiable".

10.4. Sell your Entitlement

If you wish to sell some or all of your Entitlement, you should instruct your stockbroker in accordance with the instructions on the front of the Entitlement and Acceptance Form.

Rights trading will commence on ASX on 20 March 2023. Sale of your Entitlement must be completed by 11 April 2023 when rights trading is expected to cease.

10.5. Take up part of your Entitlement and sell the balance on ASX

Please pay via BPAY®, or alternatively complete the accompanying personalised Entitlement and Acceptance Form and submit your application monies, in respect of the number of New Shares for which you wish to accept (being less than as specified on the Entitlement and Acceptance Form) and instruct your stockbroker in respect of that part of your Entitlement you wish to sell.

Rights trading will commence on ASX on 20 March 2023. Sale of your Entitlement must be completed by 11 April 2023 when rights trading is expected to cease.

10.6. Take up part of your Entitlement and transfer the balance other than on ASX

If you are an Eligible Shareholder and you hold your Shares on the issuer sponsored subregister, forward a completed Renunciation and Transfer Form (obtainable through your stockbroker or the Share Registry) together with your personalised Entitlement and Acceptance Form completed by the transferee together with a cheque for the appropriate application monies so that it is received by the Company's Share Registry by 5.00pm (AEST) on 18 April 2023.

If you are a Shareholder and hold Shares registered on CHESS, you should contact your sponsoring broker.

Cash will not be accepted and no receipts will be issued. Application Monies must be received by the Share Registry before 5.00pm (AEST) on the Closing Date.

10.7. Allow all or part of your Entitlement to lapse

If you are an Eligible Shareholder and do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you take no action, your Entitlement will lapse. You will receive no benefit or New Shares and your Entitlement will become Shortfall Shares.

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement.

10.8. Consequences of doing nothing – Entitlement not taken up

You will receive no benefit if you do not take up your Entitlement. Shareholders are unable to sell their rights. It is therefore important that you consider taking action either to take up your Entitlement in accordance with the above instructions and the instructions on the back of the Entitlement and Acceptance Form.

10.9. Applications and Payment

Eligible Shareholders may submit payments for New Shares applied for using BPAY®. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you make payment by BPAY®, you do not need to return your Entitlement and Acceptance Form. In light of potential postal service delays, you may wish to consider this payment method.

If your Entitlement and Acceptance Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted by the Company. The Company's decision as to whether to accept the application or how to construe, amend or complete it, shall be final, but no Applicant will be treated as having offered to purchase more New Shares than indicated by the amount of the cheque for application monies.

You are urged to lodge your Application as soon as possible. Entitlement and Acceptance Forms must not be circulated to prospective investors unless attached to a copy of this Prospectus.

Cheques must be drawn in Australian currency on an Australian bank and made payable to 'Nagambie Resources Limited' and crossed 'Not Negotiable'. Please do not forward cash or postal notes by mail. Receipts for payment will not be issued.

10.10. Privacy

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

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance 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.

The Corporations Act requires the Company to include information about the Shareholders (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

10.11. Enquiries

If you have any queries about your Entitlement please contact Automic between the hours of 8.30am and 5.00pm (WST), Monday to Friday on 1300 288 664 or +61 2 9698 5414.

Alternatively, contact your stockbroker or other professional adviser.

SECTION 11 DIRECTORS AUTHORISATION

The Directors of the Company have authorised the issue of this Prospectus on behalf of the Company.

This Prospectus has been signed by a Director for and on behalf of the Directors, in accordance with section 351 of the Corporations Act.

A handwritten signature in dark ink, appearing to read 'Michael Trumbull', is positioned above the name and title.

Mr Michael Trumbull

Executive Chairman

SECTION 12 GLOSSARY

In this Prospectus the following terms have the meanings ascribed to them below, unless the context otherwise requires.

TERM	DEFINITION
AEDT	Australian Eastern Daylight Time
AEST	Australian Eastern Standard Time
Applicant(s)	Person(s) who submit an Application
Application	A valid application made to subscribe for a specified number of New Shares pursuant to this Prospectus
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ACN 008 624 691)
ASX Settlement	ASX Settlement Pty Limited (ACN 008 504 532)
ASX Settlement Operating Rules	The settlement rules of the securities clearing house which operates CHESS
Board	The board of Directors at the Company
Business Day	A business day as defined in the Listing Rules.
CHESS	Clearing House Electronic Subregister System
Closing Date	The date the Offer closes, being 5.00pm (AEST) on 18 April 2023, unless extended by the Company
Company	Nagambie Resources Limited (ACN 111 587 163)
Constitution	The constitution of the Company
Consolidated Entity	Has the meaning given in Section 3
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Directors	The directors of the Company
Eligible Shareholder	A Shareholder entitled to participate in the Offer as described in Section 4.5
Entitlement	The entitlement of a Shareholder to participate in the non-renounceable rights issue of one (1) New Share for every five (5) Shares held at the Record Date at an issue price of 5.0 cents (\$0.05) per New Share, together with one (1) free attaching option having an exercise price of ten cents (\$0.10) and expiry date of two years after the date of issue for every one (1) New Share purchased
Entitlement and Acceptance Form	The form described as such accompanying this Prospectus (for Eligible Shareholders only)
GST	Australian goods and services tax
Ineligible Shareholder	A holder of Shares having a registered address outside Australia or New Zealand
Issuer Sponsored Statement	Issuer sponsored holding statement to be issued by CHESS
Lead Manager or Underwriter	Mahe Capital
Listing Rules	The official listing rules of the ASX

TERM	DEFINITION
Mahe Capital	Mahe Capital Pty Ltd (ACN 634 087 684)
Maximum Amount	The maximum amount of \$5,356,938 to be raised under this Offer
New Options	Options issued under this Prospectus
New Shares	Shares issued under this Prospectus
Notice of Exercise	Has the meaning given in Section 5.2(e)
Offer	The Offer made in accordance with this Prospectus, further details of which are set out in Section 1
Official Quotation	Has the meaning given to the term 'quotation' in the Listing Rules
Prescribed Persons	Prescribed Persons has the meaning given to it in Section 9.8
Prospectus	This Prospectus dated 16 March 2023
Record Date	7.00pm (AEDT) on 21 March 2023
Section	A section of this Prospectus
Securities	New Shares and/or New Options (as the context requires)
Shareholder	A register holder of Shares appearing on the Company's share register
Shares	Ordinary fully paid shares in the capital of the Company
Share Registry	Automic Pty Ltd (ACN 152 260 814)
Shortfall Offer	The offer of New Shares and New Options forming the shortfall to Eligible Shareholders to be issued under and in accordance with this Prospectus
Shortfall Securities	The New Shares and New Options forming the shortfall which are to be issued to applicants pursuant to the Shortfall Offer.
Statement of Financial Position	The statement on the financial position of the Company
Underwriter	Mahe Capital
Underwriting Agreement	The underwriting agreement between Mahe Capital (as Underwriter) and the Company dated 15 March 2023 as summarised in Section 9.4
Underwritten Amount	The underwritten amount of \$1,250,000 as agreed under the Underwriting Agreement
Underwritten Shares	Has the meaning given in Section 9.4
Underwritten Securities	Has the meaning given in Section 9.4

CORPORATE DIRECTORY

Registered Office

Nagambie Resources Limited
533 Zanelli Road
Nagambie VIC 3608

Website

<https://www.nagambieresources.com.au/>

Directors

Michael Trumbull (Executive Chairman)
Alfonso Grillo (Non-Executive Director)
William Colvin (Non-Executive Director)
Warwick Grigor (Non-Executive Director)

Secretary

Alfonso Grillo

ASX Code

Shares: NAG

Solicitors to the Offer

GrilloHiggins Lawyers
Level 25, 367 Collins Street
Melbourne VIC 3000

Auditor

RSM Australia Partners*
Level 21, 55 Collins Street
Melbourne VIC 3000

Lead Manager and Underwriter

Mahe Capital Pty Ltd
Level 8, 99 St Georges Terrace
Perth WA 6000

Share Registry

Automic Pty Ltd*
Suite 501, 477 Collins Street
Melbourne VIC 3000
Telephone: 1300 288 664
Website: <https://www.automicgroup.com.au/>

**This entity has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only.*