



Suvo Strategic Minerals Limited

ACN 140 316 463

Prospectus

This Prospectus is being issued for the offer of up to:

- (a) 7,843,137 New Options to SPP Subscribers on the basis of 1 free-attaching Option for every 3 Shares subscribed for under the SPP (**SPP Options Offer**); and
- (b) 29,411,765 New Options to Placement Subscribers on the basis of 1 free-attaching Option for every 3 Shares subscribed for under the Placement (**Placement Options Offer**),

(together, the **Offers**).

Timing

The Offers are currently scheduled to close at 5.00pm WST on 16 May 2022. Valid Applications must be received before that time.

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

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

The Options offered under this Prospectus are of a speculative nature.

*The Company reserves the right, subject to the Corporations Act and Listing Rules to extend the Closing Date for the Offers.

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Important Information

Prospectus

This Prospectus is dated 3 May 2022 and was lodged with the ASIC on that date with the consent of all Directors.

Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Expiry date

This Prospectus expires at 5:00pm (WST) on the date which is 13 months after the Prospectus Date and no Securities will be issued on the basis of this Prospectus after this expiry date.

Not investment advice

The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. It is important that you read this Prospectus in its entirety and seek professional advice where necessary.

No person is authorised to give any information or to make any representation in connection with the Offers, other than as is contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offers.

Speculative investment

The Securities offered pursuant to this Prospectus should be considered highly speculative. There is no guarantee that the Securities offered pursuant to this Prospectus will make a return on the capital invested, that dividends will be paid or that there will be an increase in the value of the Securities in the future.

Prospective investors should carefully consider whether the Securities offered pursuant to this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Refer to Section 4 for details relating to the key risks applicable to an investment in the Company's Securities.

Copies of the Prospectus and Application Forms

This Prospectus may be made available in electronic form. Persons having received a copy of the Prospectus in electronic form, or other prospective investors may obtain a paper copy of this Prospectus and the relevant Application Form (free of charge) from the offices of the Company before the Closing Date by contacting the Company. Contact details for the Company are detailed in the Corporate Directory.

The Offers constituted by this Prospectus are only available to persons receiving this Prospectus and an Application Form within Australia, or, subject to the provisions outlined in Section 1.8.

Applications will only be accepted on the relevant Application Form attached to, or accompanying, this Prospectus. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by or attached to a complete and unaltered copy of this Prospectus.

Prospective investors wishing to subscribe for Securities under the Offers should complete the relevant Application Form. If you do not provide the information required on the relevant Application Form, the Company may not be able to accept or process your Application.

No cooling-off rights

Cooling-off rights do not apply to an investment in Securities issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

Foreign investors

No action has been taken to register or qualify the Securities the subject of this Prospectus or the Offers, or otherwise to permit the Offers, in

any jurisdiction outside Australia. Subject to the provisions outlined in Section 1.8, certain persons resident in New Zealand are eligible to participate in the Offers. The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus outside of Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

By subscribing for Securities under any of the Offers you are representing that you are purchasing as principal and are resident in Australia or are a New Zealand resident that is eligible to participate in the Offers as set forth herein.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of the New Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (www.suvo.com.au/). By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Using this Prospectus

Persons wishing to subscribe for Securities offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses, and prospects of the Company and the rights and liabilities attaching to the Securities offered pursuant to this Prospectus. If persons considering subscribing for Securities offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

Privacy statement

By completing and returning an Application Form, you will be providing personal information directly or indirectly to the Company, the Share Registry, and related bodies corporate, agents, contractors and third party service providers of the foregoing (**Collecting Parties**). The Collecting Parties will collect, hold and use that information to assess your Application, service your needs as a security holder and to facilitate distribution payments and corporate communications to you as a security holder.

By submitting an Application Form, you authorise the Company to disclose any personal information contained in your Application Form (**Personal Information**) to the Collecting Parties where necessary, for any purpose in connection with the Offers, including processing your Application and complying with applicable law, the Listing Rules, the ASX Settlement Operating Rules and any requirements imposed by any applicable regulatory authority.

If you do not provide the information required in the relevant Application Form, the Company may not be able to accept or process your Application.

If the Offers are successfully completed, your Personal Information may also be used from time to time and disclosed to persons inspecting the register of security holders, including bidders for your securities in the context of takeovers, regulatory authorities, authorised securities brokers, print service providers, mail houses and the Share Registry.

Any disclosure of Personal Information made for the above purposes will be on a confidential basis and in accordance with the *Privacy Act 1988* (Cth) and all other legal requirements. If obliged to do so by law or any public authority, Personal Information collected from you will be passed on to third parties strictly in accordance with legal requirements. Once your Personal Information is no longer required, it will be destroyed or de-identified. As at the Prospectus Date, the Company does not anticipate that Personal Information will be disclosed to any overseas recipient.

Subject to certain exemptions under law, you may have access to Personal Information that the Collecting Parties hold about you and seek correction of such information. Access and

correction requests, and any other queries regarding this privacy statement, must be made in writing to the Share Registry at the address set out in the Corporate Directory of this Prospectus. A fee may be charged for access.

Forward-Looking Statements

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

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

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risk factors associated with an investment in the Company are detailed in Section 4. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

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

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

Currency

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. Conversions

may not reconcile due to rounding. All references to "\$" or "A\$" are references to Australian dollars.

Time

All references to time in this Prospectus are references to WST, being the time in Perth, Western Australia, unless otherwise stated.

Corporate Directory

Directors

Hendrik (Henk) Ludik	Non-Executive Chairman
Aaron Banks	Executive Director
Dr Ian Wilson	Non-Executive Director
Oliver Barnes	Non-Executive Director

Company Secretary

Chris Achurch

Registered and Principal Office

Level 11
40 The Esplanade
Perth WA 6000

Phone: +61 (8) 9389 4495
Email: info@suvo.com.au
Website: www.suvo.com.au

Share Registry

Automic Group
Level 5
191 St Georges Terrace
Perth WA 6000

Phone:
1300 288 664 (within Australia)
+61 (2) 9698 5414 (international)

Auditor*

RSM Australia Partners
Level 32
Exchange Tower
2 The Esplanade Perth WA 6000

Solicitors

Hamilton Locke
Central Park Building
Level 27, 152 - 158 St Georges Terrace
Perth WA 6000

ASX Code: SUV

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

Indicative Timetable

Event	Date
Record Date for the SPP	4 March 2022
Announcement of Placement and SPP	7 March 2022
Issue of Placement Shares	14 March 2022
Despatch of SPP Offer Booklet	17 March 2022
Opening date of SPP	18 March 2022
Closing date of SPP	29 April 2022
Announcement of results of SPP	2 May 2022
Issue of SPP Shares	3 May 2022
Commencement of trading of SPP Shares	4 May 2022
Despatch of Prospectus	4 May 2022
Opening Date	5 May 2022
Closing Date	16 May 2022
Issue of New Options	17 May 2022

Note

- * The dates and times noted above are indicative only and subject to change. Any material changes will be notified by the Company to ASX. The Company reserves the right to amend any or all of these dates and times, including amending the Closing Date of the Offers, without prior notice subject to the Corporations Act, the Listing Rules and other applicable laws.

Investment Overview

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

Key Information	Further Information
<p>Transaction specific prospectus</p> <p>This Prospectus is a transaction specific prospectus for an offer of 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. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	
<p>The Offers</p> <p>The Company is offering pursuant to this Prospectus, up to a total of 37,254,902 New Options exercisable at \$0.15 each and expiring on 30 June 2023 as follows:</p> <ul style="list-style-type: none"> (a) up to 7,843,137 New Options to Eligible Shareholders who subscribed for SPP Shares under the SPP on the basis of 1 free-attaching Option for every 3 Shares subscribed for under the SPP; and (b) 29,411,765 New Options to the participants in the Placement on the basis of 1 free attaching Options for every 3 Shares subscribed for under the Placement. <p>The New Options will be issued without Shareholder approval using the Company's available 15% placement capacity under ASX Listing Rule 7.1.</p> <p>No additional funds will be raised through the issue of the New Options under the Offers.</p>	Section 1.2
<p>Eligibility</p> <p>Only parties to whom were issued SPP Shares or Placement Shares are eligible to participate in the SPP Options Offer and Placement Options Offer respectively. An Application Form in respect of the SPP Options Offer or Placement Options Offer will be issued to the SPP Subscribers or Placement Participants together with a copy of this Prospectus.</p>	Section 1.2
<p>What is the purpose of the Offers?</p> <p>The primary purpose of the Offers is to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued upon conversion of any New Options that are issued under the SPP Options Offer or Placement Options Offer.</p> <p>The Offers are being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.</p>	Section 1.2

Key Information	Further Information
<p>Specifically, if the New Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the New Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.</p>	
<p>Risk Factors</p> <p>Potential investors should be aware that subscribing for New Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> <p>• Future earnings and capital requirements</p> <p>The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds of the SPP and Placement should be adequate to fund its activities and other Company objectives in the short term as stated in this Prospectus.</p> <p>Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.</p> <p>Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may impact on the development of the existing Projects, and ultimately on the solvency of the Company.</p> <p>The Company may undertake additional offerings of Shares and of Securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing Shareholders will be diluted.</p> <p>• Mining licence renewal</p> <p>Each mining licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Mining licences need to be renewed from time to time. Consequently, the Company could lose title to or its interest in these licences if licence conditions are not met or insufficient funds are available to meet expenditure commitments.</p> <p>Renewal is not automatic and there are a number of matters that have to be taken into account when determining whether to grant or refuse an application. In particular, mining must be occurring or have occurred and continue, or restart, in the renewed term.</p> <p>There remains a risk that any mining licences held or to be held by the Company may not be renewed in a timely manner, may be renewed subject to onerous or uncommercial conditions, or may not be renewed at all. Any non-renewal of the mining licences will adversely affect the financial position of the Company.</p> <p>• Sales margins, commodity prices and costs risks</p> <p>Sales are impacted by the market price of products sold which are subject to market forces of supply and demand. Specifically, the</p> 	<p>Section 4</p>

Key Information	Further Information
<p>sales of kaolin are subject to global pricing patterns. Margins are also impacted by the cost of inputs and the cost of financing.</p> <ul style="list-style-type: none"> • Mining and processing risks The prospects of the Company should be considered in light of the risks, expenses and difficulties frequently encountered by operating mining companies. The business of production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on many factors such as: <ul style="list-style-type: none"> (i) being able to readily extend the life of mine through the successful exploration and discovery of economically recoverable mineral reserves; (ii) the ability to retain key operational staff; (iii) sufficient cash flow to meet operating expenses in a timely manner; (iv) maintenance of production infrastructure within capital expenditure budgets; (v) securing and maintaining title to interests and operating within the conditions of the relevant mining licences and permits; (vi) maintaining consents and approvals necessary for the conduct of mineral exploration, development and production; (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants; and (viii) limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, tribal and traditional ownership processes, changing government regulations and many other factors beyond the control of the Company. • Metallurgy Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as: <ul style="list-style-type: none"> (i) identifying a metallurgical process through test work to produce a saleable product; (ii) developing an economic process route to produce a product; and (iii) changes in mineralogy in the ore deposit can result in inconsistent metal or mineral recovery, affecting the economic viability of the project. • Commodity price volatility and exchange rate risk The Company's ability to proceed with the development of its mineral projects and benefit from mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that 	

Key Information	Further Information
<p>any revenues derived from mining will primarily be derived from the sale of kaolin and, subject to the proposed development of its silica projects, silica. Consequently, any future earnings are likely to be closely related to the price of these commodities and the terms of any off-take agreements that the Company enters into.</p> <p>The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for kaolin that may be mined commercially in the future from the Project areas, forward selling by producers and production cost levels in major mineral-producing regions. Minerals prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. Minerals are principally sold throughout the world in US dollars. The Company's cost base will be payable in various currencies including Australian dollars and US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board, to mitigate such risks.</p> <ul style="list-style-type: none"> <p>Occupational health and safety risk</p> <p>Mining activities have inherent risks and hazards. The Company is committed to providing a safe and healthy workplace and environment for its personnel, contractors and visitors. The Company will provide appropriate instructions, equipment, preventative measures, first aid information, medical facilities and training to all stakeholders through its occupational health and safety management systems. While the Company has a strong record in achieving high quality safety performance at its sites, a serious site safety incident may expose the Company to significant penalties and the Company may be liable for compensation to the injured personnel. These liabilities may not be covered by the Company's insurance policies or, if they are covered, may exceed the Company's policy limits or be subject to significant deductibles. Also, any claim under the Company's insurance policies could increase the Company's future costs of insurance. Accordingly, any liabilities for workplace accidents could have a material adverse impact on the Company's liquidity and financial results. It is not possible to anticipate the effect on the Company's business from any changes to workplace occupational health and safety legislation. Changes to this legislation may have an adverse impact on the financial performance and/or financial position of the Company.</p> <p>Environmental risks</p> <p>The Company's projects are subject to rules and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts should development proceed. Development of any of the Projects will be dependent on the Company satisfying environmental guidelines and, where required, being approved by government authorities.</p> <p>The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but</p> 	

Key Information	Further Information																				
<p>may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.</p>																					
<p>Use of funds No funds will be raised as a result of the issue of the New Options as the New Options are offered on a free-attaching basis to the Shares issued under the SPP and Placement.</p>	Section 3.2																				
<p>Effect on control of the Company The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers.</p>	Section 3.6																				
<p>Indicative Capital Structure The indicative capital structure upon completion of the Offers is set out below:</p> <table border="1" data-bbox="205 813 1128 1256"> <thead> <tr> <th data-bbox="205 813 438 891"></th> <th data-bbox="438 813 668 891">Shares</th> <th data-bbox="668 813 898 891">Unquoted Options</th> <th data-bbox="898 813 1128 891">Performance Rights</th> </tr> </thead> <tbody> <tr> <td data-bbox="205 891 438 969">Existing Securities on issue</td> <td data-bbox="438 891 668 969">673,744,217</td> <td data-bbox="668 891 898 969">119,533,573</td> <td data-bbox="898 891 1128 969">47,400,000</td> </tr> <tr> <td data-bbox="205 969 438 1072">Maximum SPP Shares to be issued</td> <td data-bbox="438 969 668 1072">23,529,412</td> <td data-bbox="668 969 898 1072">-</td> <td data-bbox="898 969 1128 1072">-</td> </tr> <tr> <td data-bbox="205 1072 438 1207">Maximum Securities to be issued under the Offers</td> <td data-bbox="438 1072 668 1207">-</td> <td data-bbox="668 1072 898 1207">37,254,902</td> <td data-bbox="898 1072 1128 1207">-</td> </tr> <tr> <td data-bbox="205 1207 438 1256">Total</td> <td data-bbox="438 1207 668 1256">697,273,629</td> <td data-bbox="668 1207 898 1256">156,788,475</td> <td data-bbox="898 1207 1128 1256">47,400,000</td> </tr> </tbody> </table>		Shares	Unquoted Options	Performance Rights	Existing Securities on issue	673,744,217	119,533,573	47,400,000	Maximum SPP Shares to be issued	23,529,412	-	-	Maximum Securities to be issued under the Offers	-	37,254,902	-	Total	697,273,629	156,788,475	47,400,000	Section 3.1
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Maximum Securities to be issued under the Offers	-	37,254,902	-																		
Total	697,273,629	156,788,475	47,400,000																		
<p>Forward looking statements This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law. These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results</p>	Section 4																				

Key Information	Further Information
expressed or anticipated in these statements. These risk factors are set out in Section 4.	

1. Details of the Offers

1.1 Background

On 7 March 2022, the Company announced a two-stage capital raising comprising:

- (a) a placement to sophisticated and professional investors of approximately 88,235,295 Shares at \$0.085 each (**Placement Shares**) to raise \$7,500,000 before costs (**Placement**); and
- (b) an offer to Eligible Shareholders under a share purchase plan (**SPP**) to raise up to a further \$2,000,000 before costs by the issue of up to 23,529,412 Shares at \$0.085 each (**SPP Shares**).

The Placement Shares were issued on 14 March 2022 using the Company's existing ASX Listing Rules 7.1 and 7.1A placement capacity to raise \$7,500,000 (before costs). The Placement Shares issued under the Placement were offered to sophisticated and professional investors without disclosure under the Corporations Act.

The SPP Shares are intended to be issued on 3 May 2022 under a separate offer booklet in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547. The SPP Shares issued under the SPP do not require a prospectus for the purposes of Chapter 6D of the Corporations Act.

1.2 The Offers

Pursuant to this Prospectus, the Company is offering up to a total of 37,254,902 New Options exercisable at \$0.15 each and expiring on 30 June 2023 as follows:

- (a) up to 7,843,137 New Options to Eligible Shareholders who subscribed for SPP Shares under the SPP (**SPP Subscribers**) on the basis of 1 free-attaching Option for every 3 Shares subscribed for under the SPP (**SPP Options Offer**); and
- (b) 29,411,765 New Options to the participants in the Placement (**Placement Participants**) on the basis of 1 free-attaching Option for every 3 Shares subscribed for under the Placement (**Placement Options Offer**),

(together, the **Offers**).

The New Options are not intended to be quoted on the ASX, and will be exercisable at \$0.15 each on or before 30 June 2023. The New Options will be issued without Shareholder approval using the Company's available 15% placement capacity under ASX Listing Rule 7.1.

The terms and conditions of the New Options proposed to be issued are in Section 5.1. All Shares issued upon the future exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

The primary purpose of the Offers is to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued upon conversion of any New Options that are issued under the SPP Options Offer or Placement Options Offer.

The Offers are being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the New Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the New Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

Only parties to whom were issued SPP Shares or Placement Shares are eligible to participate in the SPP Options Offer and Placement Options Offer respectively. An Application Form in respect of the SPP Options Offer or Placement Options Offer will be issued to the SPP Subscribers or Placement Participants together with a copy of this Prospectus.

Applications for New Options under the Offers must be made on the Application Form accompanying this Prospectus and received by the Company on or before the relevant Closing Date.

1.3 Opening and Closing Dates

The Company will accept Application Forms from 5 May 2022 (**Opening Date**) until 5.00pm (WST) on 16 May 2022 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Closing Date**).

1.4 Minimum subscription

There is no minimum subscription for the Offers.

1.5 Withdrawal of Offer

The Directors may at any time decide to withdraw this Prospectus and the Offers, or any part of the Offers.

1.6 Issue date

It is expected that the New Options will be issued on 17 May 2022.

1.7 SRN

Following the issue of the New Options, you will be registered on the Issuer Sponsored sub-register and your statement will be despatched by the Share Registry and will contain the number of New Options issued to you under this Prospectus and your security holder reference number.

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

1.8 International Offer Restrictions

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of New Options in any jurisdiction in which it would be unlawful. In particular, this Prospectus, and any accompanying Application Form, may not be distributed to any person, and the New Options may not be offered or sold, in any country outside Australia except to the extent permitted below.

(a) New Zealand

The Securities are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of New Options is being made in reliance on the *Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016*.

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

information that an investment statement or prospectus under New Zealand law is required to contain.

1.9 Risk factors

An investment in Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 4. It is recommended that prospective investors consider these risks carefully before deciding whether to invest in the Company.

This Prospectus should be read in its entirety as it provides information for prospective investors to decide whether to invest in the Company. If you have any questions about the desirability of, or procedure for, investing in the Company please contact your stockbroker, accountant or other independent adviser.

1.10 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for New Options.

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

1.11 Major activities and financial information

A summary of the major activities and financial information relating to the Company, for the financial year ended 30 June 2021, can be found in the Company's Annual Report announced on ASX on 23 September 2021 and, for the half-year ended 31 December 2021, the Half Year Accounts announced on ASX on 14 March 2022. The Company's continuous disclosure notices (i.e. ASX announcements) since 30 June 2021 are listed in Section 5.3. Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

1.12 Privacy

If you complete an application for New Options, you will be providing personal information to the Company (directly or by the Share Registry). The Company collects, holds and will use that information to assess the Application, service your needs as a Security holder, facilitate distribution payments and corporate communications to you as a Security holder, and carry out administration.

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

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

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

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

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

1.13 Enquiries concerning Prospectus

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 8 9389 4495 or by email via chris@westarcapital.com.au.

For general shareholder enquiries, please contact the Share Registry on 1300 288 664 (within Australia) or +61 (2) 9698 5414 (outside Australia).

2. Application for New Options

2.1 Application Form

Persons entitled to apply for New Options under the Offers should complete and submit the respective Application Form, in accordance with the instructions on the Application Form. Please read the instructions carefully.

Please complete the Application Form by filling in the details in the spaces provided.

Completed Application Forms must be lodged at any time after the issue of this Prospectus and on or before the Closing Date.

2.2 Acceptance of Application

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

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

By completing and returning your Application Form, you will be deemed to have represented that you are entitled to apply for New Options under the Offers. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the Offers;
- (b) declare that all details and statements in the Application Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Options to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Application Form;

- (e) declare that you have a registered address in Australia, or another country which permits the Company to make the Offers to you without the requirement to lodge any documents with your local regulatory authority;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Options are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the New Options have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia.

3. Effect of the Offers

3.1 Capital structure on completion of the Offers

Assuming that no existing Options are exercised, or Performance Rights converted into Shares, the effect of Offers on the Company's issued capital as at the date of this Prospectus is as shown in the following table.

	Shares ¹	Unquoted Options ²	Performance Rights ³
Existing Securities on issue	673,744,217	119,533,573	47,400,000
Maximum SPP Shares to be issued ⁴	23,529,412	-	-
Maximum Securities to be issued under the Offers ⁵	-	37,254,902 ⁶	-
Total	697,273,629	156,788,475	47,400,000

Notes:

1. Includes 88,235,295 Shares issued under the Placement. Also includes 93,619,677 Shares subject to restriction on trading until 7 August 2022.
2. Comprising:
 - (a) 12,000,000 unquoted Options exercisable at \$0.15 expiring on 31 December 2023;
 - (b) 5,166,670 unquoted Options exercisable at \$0.08 expiring on 4 September 2022;
 - (c) 500,000 unquoted Options exercisable at \$0.03 expiring on 30 July 2023; and
 - (d) 101,866,903 unquoted Options exercisable at \$0.03 expiring on 30 July 2023 subject to restriction on trading until 7 August 2022.
3. The performance rights have expiry dates ranging between 30 July 2023 and 24 November 2026. 26,666,667 of the performance rights on issue and expiring on 30 July 2025 are subject to restriction on trading until 7 August 2022.
4. Assumes the SPP is fully subscribed.
5. Assumes the Offers and SPP are fully subscribed.
6. New Options exercisable at \$0.15 each on or before 30 June 2023.

3.2 Use of funds

No funds will be raised as a result of the Offers.

The Company will receive \$0.15 for each New Option exercised. If all New Options are issued and exercised, the Company will receive approximately \$5,588,235 (before costs).

There is no certainty that any of the New Options will be exercised or that all New Options will be subscribed for under the Offers.

It is currently intended that any funds raised by the exercise of the New Options will be used to fund mining and exploration activities in addition to providing working capital.

The application of funds will depend on when New Options are exercised and the status of the Company's projects and requirements at the relevant time.

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

3.3 Substantial Shareholders

Based on the information available to the Company, those Shareholders holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows:

Shareholder	Shares	Voting power ¹
Aaron Peter Banks ²	72,564,516	10.77%

Notes:

1. The voting power does not include any SPP Shares to be issued pursuant to the SPP.
2. Shares held directly by Aaron Peter Banks & Hayley Marie Parry ATF The Banks Family Trust.

The Offers will not affect the number of Shares held by existing Shareholders as only Options are being offered under this Prospectus.

3.4 Diluting effect of the Offers

On the assumption that:

- (a) all of the New Options offered under this Prospectus are issued and exercised into Shares;
- (b) all of the SPP Shares offered to SPP Participants under the SPP are issued; and
- (c) no other Securities are issued or exercised (including the Options and Performance Rights currently on issue),

the diluting effect on the percentage interest of existing Shareholders' would be 5.07%.

3.5 Financial effect of the Offers

To illustrate the effect of the Offers on the financial position of the Company, set out below is the reviewed statement of financial position of the Company as at 31 December 2021 and the unaudited pro forma statement of financial position as at the date of the Prospectus, which includes the effects of the Offers and the Adjustments.

	Reviewed Statement of Financial Position as at 31/12/21 \$	Adjustments for Subsequent Events \$	Share purchase plan \$	Cost of the Option Offers \$	Pro Forma Statement of Financial Position Post Offers \$
Current Assets					

Cash & cash equivalents	4,441,748	4,751,297 ^{1,2,3}	2,000,000 ⁴	-	11,193,045
Trade & other receivables	2,155,366	-	-	-	2,155,366
Inventories	1,421,700	-	-	-	1,421,700
Income tax	-	-	-	-	-
Other	724,950	-	-	-	724,950
Total current assets	8,743,764	4,751,297	2,000,000	-	15,495,061
Non Current Assets					
Mine properties	2,297,912	-	-	-	2,297,912
Mineral interest acquisition and exploration expenditure	5,058,772	212,631 ²	-	-	5,271,403
Property, plant and equipment	2,251,972	1,078,367 ²	-	-	3,330,339
Right-of-use assets	747,137	-	-	-	747,137
Other	227,789	-	-	-	227,789
Total Non Current Assets	10,583,582	1,290,998	-	-	11,874,580
TOTAL ASSETS	19,327,346	6,042,295	2,000,000	-	27,369,641
Current Liabilities					
Trade & other payables	2,169,075	(837,753) ³	67,969	35,706 ⁵	1,434,997
Lease liabilities	407,184	-	-	-	407,184
Provisions	1,004,360	-	-	-	1,004,360
Total Current Liabilities	3,580,619	(837,753)	67,969 ⁴	35,706 ⁵	2,846,541
Non Current Liabilities					
Lease liabilities	769,343	-	-	-	769,343
Provisions	2,728,385	-	-	-	2,728,385
Total Non Current Liabilities	3,497,728	-	-	-	3,497,728
TOTAL LIABILITIES	7,078,347	(837,753)	67,969	35,706	6,344,269
NET ASSETS	12,248,999	6,880,048	1,932,031	(35,706)	21,025,372
EQUITY					
Issued capital	31,191,948	6,880,048 ¹	1,932,031 ⁴	(35,706) ⁵	39,968,321
Reserves	5,849,000	-	-	-	5,849,000
Retained profits	(24,791,949)	-	-	-	(24,791,949)
TOTAL EQUITY	12,248,999	6,880,048	1,932,031	(35,706)	21,025,372

Subsequent events

1. In March 2022, the Company raised \$7.5 million via the Placement (refer to Section 1.1(a) above). Total costs of the Placement is \$620,000.
2. Amounts raised from the Placement will be primarily used to fund the expansion of the Pittong hydrous kaolin plant and also to fast track the completion of project studies on the Company's Western Australian kaolin and silica sand assets.
3. Payment of trade creditors.

Basis of Preparation and Assumptions

4. On 7 March 2022, the Company announced that in conjunction with the Placement which raised \$7.5 million before costs, as announced at Note 1 above, the Company would also undertake the SPP under the same terms as the Placement (refer to Section 1.1(b) above).

For the purposes of the pro forma it assumes that the Company's SPP receives the prescribed maximum \$2 million in funds from Eligible Shareholders. Total costs of the SPP, excluding the preparation of this Prospectus, is \$67,969.

5. Participants in the Placement and SPP will receive 1 free-attaching Option for every three Shares subscribed for under the Placement and SPP. The total cost of the preparation of this Prospectus, including adviser costs, is \$35,706.

3.6 Effect of the Offers on control of the Company

The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers.

4. Risk Factors

As with any investment in Securities, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company but should not be taken as an exhaustive list of the potential risk factors to which the Company and its security holders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for New Options.

The Directors consider that the following summary represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

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

4.1 Risks specific to the Company

(a) Future earnings and capital requirements

The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds of the SPP and Placement should be adequate to fund its activities and other Company objectives in the short term as stated in this Prospectus.

Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may impact on the development of the existing Projects, and ultimately on the solvency of the Company.

The Company may undertake additional offerings of Shares and of Securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing Shareholders will be diluted.

(b) Mining licence renewal

Each mining licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Mining licences need to be renewed from time to time. Consequently, the Company could lose title to or its interest in these licences if licence conditions are not met or insufficient funds are available to meet expenditure commitments.

Renewal is not automatic and there are a number of matters that have to be taken into account when determining whether to grant or refuse an application. In particular, mining must be occurring or have occurred and continue, or restart, in the renewed term.

There remains a risk that any mining licences held or to be held by the Company may not be renewed in a timely manner, may be renewed subject to onerous or uncommercial conditions, or may not be renewed at all. Any non-renewal of the mining licences will adversely affect the financial position of the Company.

(c) **Sales margins, commodity prices and costs risks**

Sales are impacted by the market price of products sold which are subject to market forces of supply and demand. Specifically, the sales of kaolin are subject to global pricing patterns. Margins are also impacted by the cost of inputs and the cost of financing.

(d) **Mining and processing risks**

The prospects of the Company should be considered in light of the risks, expenses and difficulties frequently encountered by operating mining companies. The business of production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on many factors such as:

- (i) being able to readily extend the life of mine through the successful exploration and discovery of economically recoverable mineral reserves;
- (ii) the ability to retain key operational staff;
- (iii) sufficient cash flow to meet operating expenses in a timely manner;
- (iv) maintenance of production infrastructure within capital expenditure budgets;
- (v) securing and maintaining title to interests and operating within the conditions of the relevant mining licences and permits;
- (vi) maintaining consents and approvals necessary for the conduct of mineral exploration, development and production;
- (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants; and
- (viii) limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, tribal and traditional ownership processes, changing government regulations and many other factors beyond the control of the Company.

(e) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

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

(f) **Commodity price volatility and exchange rate risk**

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

The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for kaolin that may be mined commercially in the future from the Project areas, forward selling by producers and production cost levels in major mineral-producing regions. Minerals prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. Minerals are principally sold throughout the world in US dollars. The Company's cost base will be payable in various currencies including Australian dollars and US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board, to mitigate such risks.

(g) **Estimation of mineral resources and ore reserves**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally made may alter significantly when new information or techniques become available.

In addition, by their very nature, Mineral Resource estimates are imprecise and depend on interpretations which may prove to be inaccurate.

As further information becomes available through additional fieldwork and analysis, resource and reserve estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect the Company.

(h) **Competition risk**

The markets for the commodities mined or contemplated to be mined by the Company, including kaolin, are competitive and the Company faces competition from other miners. Competition in these markets is based on many factors, including, among others, price, production, capacity, quality, transportation capabilities and costs, blending capability and brand name. Some of the Company's competitors may have greater production capacity as well as greater financial, marketing, distribution and other resources, and may benefit from more established brand names in the international market.

The mineral commodities industry is also characterised by technological advancements and the introduction of new production processes using new technologies. Some of the Company's competitors may develop new technologies and processing methods that are more effective or less costly than those currently used or intended to be used by the Company.

Competitive activities in the markets served by the Company could have a significant impact on the prices realised for its products and can therefore have a material adverse effect on its results of operations and financial condition. The Company's future success will depend on its ability to respond in an effective and timely manner to competitive pressure.

(i) **Native title and Aboriginal heritage risk**

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

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

It is possible that, in relation to the mining licences which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to continue operations may be adversely affected.

The Company must also comply with Aboriginal heritage legislation which (inter alia) create offences relating to harm to Aboriginal heritage. There is a risk Aboriginal sites and objects may exist on the land the subject of a tenement held or to be held by the Company, the existence of which may preclude or limit mining activities in certain areas of the tenements. Further, the disturbance of such sites and objects is likely to be an offence under the applicable legislation, exposing the Company to fines and other penalties.

(j) **Occupational health and safety risk**

Mining activities have inherent risks and hazards. The Company is committed to providing a safe and healthy workplace and environment for its personnel, contractors and visitors. The Company will provide appropriate instructions, equipment, preventative measures, first aid information, medical facilities and training to all stakeholders through its occupational health and safety management systems. While the Company has a strong record in achieving high quality safety performance at its sites, a serious site safety incident may expose the Company to significant penalties and the Company may be liable for compensation to the injured personnel. These liabilities may not be covered by the Company's insurance policies or, if they are covered, may exceed the Company's policy limits or be subject to significant deductibles. Also, any claim under the Company's insurance policies could increase the Company's future costs of insurance. Accordingly, any liabilities for workplace accidents could have a material adverse impact on the Company's liquidity and financial results. It is not possible to anticipate the effect on the Company's business

from any changes to workplace occupational health and safety legislation. Changes to this legislation may have an adverse impact on the financial performance and/or financial position of the Company.

(k) **Uninsurable risks**

The Company's business is subject to a number of risks and hazards generally, including without limitation, adverse environmental conditions, industrial accidents, labour disputes, civil unrest and political instability, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in development, monetary losses and possible legal liability.

The Company will maintain insurance coverage that is substantially consistent with mining industry practice. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.

(l) **Third party risks**

Under Western Australian, Victorian and Commonwealth legislation, the Company may be required to obtain the consent of and/or pay compensation to the holders of third-party interests which overlay areas within the tenements which the Company has an interest in, including private land, pastoral leases, petroleum tenure and other mining tenure in respect of exploration or mining activities on the tenements. Any delays in respect of conflicting third-party rights, obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas.

The Company will need to ensure that its access arrangements with private land owners comply with applicable legal requirements and are in good standing. While the Company is comfortable that the current arrangements are satisfactory, if these arrangements are not in good standing there is a risk this could have materially adverse consequences for the Company and its ability to carry out exploration or mining activities within the affected areas.

(m) **Regulatory risks**

The Company will incur ongoing costs and obligations associated with compliance with necessary regulations. Any failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions on the Company's proposed business operations. In addition, changes in regulations could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.

The Company's ability to continue to operate its tenements will depend in part on whether it is able to maintain regulatory approvals and update its operations as necessary to ensure continued compliance with any changes to the regulatory regime.

(n) **Environmental risks**

The Company's projects are subject to rules and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts should development proceed. Development of any of the Projects will be dependent on the Company satisfying environmental guidelines and, where required, being approved by government authorities.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

(o) **Infrastructure and construction risks**

It is the Company's intention to further assess the need to replace, upgrade and possibly expand the existing infrastructure and equipment in respect to its tenements and mining projects. There is a risk that the upgrade of any ageing infrastructure may require the Company to incur significant costs.

The Company is currently undertaking work in relation to accelerating the expansion of the Pittong hydrous kaolin plant capacity to ~60ktpa (from ~25ktpa). There is a risk that the development and construction of Pittong and associated assets is not completed on schedule, or that the construction cost exceeds the budget, or that significant problems in upgrading the plant arise. The Company will also depend on third party contractors and suppliers in the construction and there is a risk that one or more of these third-party contractors or suppliers will not perform its contractual obligations properly, on time or at all.

(p) **Reliance on key personnel**

The Company is reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company. The Company depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

4.2 **General risks**

The future prospects of the Company's business may be affected by circumstances and external factors beyond the Company's control. Financial performance of the Company may be affected by a number of business risks that apply to companies generally and may include economic, financial, market or regulatory conditions.

(a) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities and potential research and development programmes, as well as on their ability to fund those activities.

(b) **Force majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war,

subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(c) **Insurance risks**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, such insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, the financial condition and the results of the Company.

(d) **Litigation risks**

The Company is subject to litigation risks. All industries, including the minerals exploration industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit.

Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject could have a material effect on its financial position, results of operations or the Company's activities.

(e) **Government and legal risk**

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

Changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's development plans or its rights and obligations in respect of its permits. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

(f) **Market conditions**

Share market conditions may affect the value of the Company's quoted Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

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

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company nor the Directors warrant the future performance of the Company or any

return to security holders arising from the transactions the subject of this Prospectus or otherwise.

(g) **Climate change risks**

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

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

(h) **Infectious diseases**

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

The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations and may interrupt the Company carrying out its contractual obligations or cause disruptions to supply chains.

4.3 Investment speculative

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

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

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

5. Additional information

5.1 Terms and conditions of New Options

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

- (a) **(Entitlement):** Each New Option gives the holder the right to subscribe for one Share.
- (b) **(Expiry Date):** The New Options will expire at 5.00pm (WST) on 30 June 2023 **(Expiry Date)**. A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) **(Exercise Price):** Subject to paragraph 5.1(j), the amount payable upon exercise of each New Option is \$0.15 per Option.
- (d) **(Exercise):** A holder may exercise their New Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of New Options specifying the number of New Options being exercised; and
 - (ii) a electronic funds transfer for the Exercise Price for the number of New Options being exercised.
- (e) **(Exercise Notice).** An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The New Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 10,000 New Options must be exercised on each occasion.
- (f) **(Timing of issue of Shares on exercise):** Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Exercise Notice.
- (g) **(Transferability):** The New Options are not transferrable, except with prior written approval of the Corporation.
- (h) **(Ranking of Shares):** All Shares allotted upon the exercise of New Options will upon allotment be fully paid and rank *pari passu* in all respects with other Shares.
- (i) **(Quotation):** The Company will not apply for quotation of the New Options on ASX.
- (j) **(Reconstruction):** If at any time the issued capital of the Company is reconstructed, all rights of a holder of New Options are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (k) **(Participating rights):** There are no participating rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.
- (l) **(Amendments):** A New Option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.

5.2 Rights and liabilities attaching to Shares

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

(a) General meeting

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

(b) Voting rights

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

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder will, 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 will have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

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

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend will carry interest as against the Company.

Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit, under which participants may elect in respect of all or part of their Shares to receive a dividend or to forego a dividend from the Company and receive some other form of distribution or entitlement (including securities) from the Company or another body corporate or a trust.

(d) **Winding-up**

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

(e) **Transfer of Shares**

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

(f) **Variation of rights**

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

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

(g) **Alteration of Constitution**

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

5.3 Copies of documents

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

- (a) the financial statements of the Company for the financial year ended 30 June 2021, being the last financial statements for a financial year of the Company lodged with ASIC before the issue of this Prospectus;
- (b) the half year report of the Company for the half year ended 31 December 2021 as lodged with ASX on 14 March 2022; and
- (c) the following notices given by the Company to notify ASX of information relating to the Company during the period from balance date of the annual report for the financial year ended 30 June 2021 referred to in Section 5.3(a) above until the date of this Prospectus:

Date lodged	Subject of Announcement
13 July 2021	Suvo Strengthens Management Team
14 July 2021	Notice of Release of Escrowed Securities

Date lodged	Subject of Announcement
20 July 2021	Appointment and Resignation of Company Secretary
21 July 2021	Suvo Strengthens Financial Management
23 July 2021	Notice received under section 203D of the Corporations Act
29 July 2021	Director Resignation
29 July 2021	Final Director's Interest Notice
30 July 2021	Appendix 5B Cash Flow Report
30 July 2021	Quarterly Activities Report
3 August 2021	Trading Halt
4 August 2021	Application for quotation of securities - SUV
4 August 2021	Notification of cessation of securities - SUV
5 August 2021	MOU and Collaboration Agreement Signed
9 August 2021	Notification of cessation of securities - SUV
9 August 2021	Change of Director's Interest Notice
9 August 2021	Change of Director's Interest Notice
9 August 2021	Change of Director's Interest Notice
12 August 2021	White Cloud Metallurgical Samples Dispatched to End Users
12 August 2021	Details of Company Address
26 August 2021	Suvo Achieves 99.99% (4N) from High Purity Alumina (HPA)
8 September 2021	Pittong Operational Update
9 September 2021	Up to 38.9% Halloysite in Trawalla Refined Clay Sample
13 September 2021	First Test Minerals to Exclusively Support Suvo
22 September 2021	Trawalla Maiden Mineral Resource Estimate
23 September 2021	Full Year Statutory Accounts
23 September 2021	Appendix 4G and Corporate Governance Statement
28 September 2021	Further High Grade Halloysite - Trawalla, Grades up to 45.4%
29 September 2021	Date of AGM and Closing Date for Director Nominations
30 September 2021	First 500t Rezel Order Fulfilled
8 October 2021	Trading Halt
12 October 2021	Maiden Nova Mineral Resource Estimate
14 October 2021	Notice of Annual General Meeting
14 October 2021	Notice of Annual General Meeting & Proxy Form

Date lodged	Subject of Announcement
19 October 2021	Quarterly Activities/Appendix 5B Cash Flow Report
20 October 2021	Appointment of Chief Financial Officer
26 October 2021	Nova 2,500 to 3,000m Drilling Program Fast Tracked
9 November 2021	Nova Extension & Infill Drilling Campaign Completed
12 November 2021	Details of Company Address
17 November 2021	Chairman's Address to Shareholders
17 November 2021	Results of Meeting
26 November 2021	Notification regarding unquoted securities - SUV
30 November 2021	Change of Director's Interest Notice
30 November 2021	Change of Director's Interest Notice
30 November 2021	Change of Director's Interest Notice
15 December 2021	Further High Grade Halloysite at Trawalla-Grades up to 32.4%
20 December 2021	Change of Registry Address
12 January 2022	Suvo Extends Major Supply Agreement - Hydrous Kaolin Product
17 January 2022	Suvo Implements ESG Strategy
18 January 2022	Trading Halt
20 January 2022	Proposed Acquisition - White Hill High Grade Silica Sand
25 January 2022	Quarterly Activities/Appendix 5B Cash Flow Report
1 March 2022	Pittong Maiden Mineral Resource Estimate
3 March 2022	Trading Halt
7 March 2022	\$7.5M Placement to Accelerate Pittong Plant Expansion
7 March 2022	Corporate Presentation
7 March 2022	Proposed issue of securities - SUV
7 March 2022	Proposed issue of securities - SUV
10 March 2022	Suvo engages with Curtin Uni on HRM for Green Concrete
11 March 2022	Application for quotation of securities - SUV
14 March 2022	Half Yearly Report and Accounts
14 March 2022	Section 708(5) Notice
15 March 2022	Executive and Board Transition to Support Suvo's Expansion
21 March 2022	Final Director's Interest Notice
21 March 2022	Initial Director's Interest Notice

Date lodged	Subject of Announcement
21 March 2022	Initial Director's Interest Notice
21 March 2022	Share Purchase Plan Offer Booklet
23 March 2022	Pittong Plant Update
29 March 2022	SUV to present at NWR Near Term Producers Conference
30 March 2022	Suvo Presentation - NWR Near Term Producers Conference
7 April 2022	Extension of Share Purchase Plan Closing Date
19 April 2022	Calix and Suvo Enter Into Agreement
22 April 2022	Change of Auditor
27 April 2022	Trading Halt
28 April 2022	Trial Produces Premium High Reactivity Metakaolin - Gabbin
28 April 2022	Quarterly Activities/Appendix 5B Cash Flow Report

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

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.12 and the consents provided by the Directors to the issue of this Prospectus.

5.4 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus and in this Section 5.4.

5.5 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on Section 713 of the Corporations Act in issuing the New Options or the Shares upon the exercise of the New Options under this Prospectus.

5.6 Market price of Shares

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

Highest: \$0.11 on 2, 3 and 21 February 2022.

Lowest: \$0.07 on 16 March 2022.

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.078 per Share on 29 April 2022.

5.7 Interests of Directors

(a) Information disclosed in this Prospectus

Other than as set out in this Prospectus or as set out in the Company's prospectus dated 25 June 2020, no Director (or entity in which they are a partner or director) holds or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

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

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

On 20 January 2022, the Company announced a proposed acquisition of exploration license application E70/4981 from Director, Mr Aaron Banks, which is yet to complete and is subject to Shareholder approval.

(b) Directors' interests in Securities

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

Director	Shares	Options	Performance Rights
Henk Ludik ¹	-	-	-
Aaron Banks ²	72,564,516	-	20,833,333
Ian Wilson ³	-	500,000	933,333
Oliver Barnes ¹	-	-	-

Notes:

1. Subject to Shareholder approval, Messrs Ludik and Barnes (or their respective nominees) will each be issued 3,750,000 Performance Rights under the Company's Performance Rights and Option Plan in accordance with their appointment as Non-Executive Directors on 14 March 2022.
2. Mr Banks' Securities are held indirectly through Aaron Peter Banks & Hayley Marie Parry ATF The Banks Family Trust.
3. Dr Wilson's Securities are held directly.

(c) Remuneration of Directors

The Constitution of the Company provides that the non-executive Directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate

the amount last fixed by ordinary resolution. The aggregate amount fixed is \$350,000. This aggregate amount is to be allocated among the non-executive directors equally, having regard to the proportion of the relevant year for which each director held office, or as otherwise decided by the Board. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The Constitution also provides that:

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

The remuneration of executive directors is to be fixed by the Board. As at the date of this Prospectus, the Company has one executive director: Mr Aaron Banks. The total annual base salary payable to Mr Banks is currently \$240,000 (exclusive of superannuation).

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

Director	FY ended 30 June 2020	FY ended 30 June 2021
Henk Ludik ^{1,5}	-	-
Aaron Banks ²	-	\$329,290
Ian Wilson ³	-	\$103,474
Oliver Barnes ^{4,5}	-	-
Leonard Troncone ^{6,7}	-	\$345,525
Anthony Brown ⁸	\$31,983	-
John Paitaridis ⁹	\$41,559	-
Robert Martin ¹⁰	-	\$356,570
Kobi Ben-Shabat ¹¹	\$285,547	\$37,740
Doron Nevo ¹²	USD\$25,804	-
Yury Nehushtan ¹³	-	-
David Wheeler ¹⁴	USD\$3,577	-

Notes:

1. Mr Ludik was appointed on 14 March 2022.
2. Mr Banks was appointed on 30 July 2020. Salary represents the period 30 July 2020 to 30 June 2021.

3. Dr Wilson was appointed on 1 September 2020. Salary represents the period 1 September 2020 to 30 June 2021.
4. Mr Barnes was appointed on 14 March 2022.
5. Messrs Ludik and Barnes are directors of Wilco Holdings Pty Ltd (**Wilco**) and ESG-F Pty Ltd (**ESG+F Pty Ltd**). Wilco is paid fees for the provision of executive advisory services to the Company in accordance with agreed hourly rates under a letter of engagement dated 10 March 2022 between the Company and Wilco for the services of Messrs Ludik and Barnes. ESG+F will receive \$15,000 (ex GST) per month for a period of 12 months starting 1 January 2022 as consideration for the provision of ESG related services in accordance with a letter of engagement dated 20 December 2021 between the Company and ESG+F.
6. Mr Troncone was appointed as a Non-Executive Director on 30 July 2020. On 1 September 2020, Mr Troncone was appointed as an Executive Director.
7. The employment of Mr Troncone as an Executive Director ceased effective 22 June 2021. Mr Troncone's remuneration includes a \$133,967 termination payment. Mr Troncone remained as a Non-Executive Director until 29 July 2021.
8. Mr Brown resigned as a Non-Executive Director on 30 July 2020.
9. Mr Paitaridis resigned as a Non-Executive Director on 30 July 2020.
10. Mr Martin was appointed as Executive Chairman on 30 July 2020 and resigned on 14 March 2022.
11. Mr Ben-Shabat resigned as Managing Director on 30 July 2020. Salary of \$37,740 represents the period 1 July 2020 to 30 July 2020.
12. Mr Nevo resigned as Executive Chairman on 30 November 2019.
13. Mr Nehushtan resigned as a Non-Executive Director on 10 November 2019.
14. Mr Wheeler resigned as a Non-Executive Director on 28 August 2019.

5.8 Related party transactions

At the date of this Prospectus, there are no related party transactions involved in the Offers.

5.9 Interests of other persons

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

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

Hamilton Locke will be paid approximately \$20,000 (plus GST) in fees for legal services in connection with the Offers, SPP and Placement. Hamilton Locke has been paid approximately \$6,500 for other legal services to the Company and its subsidiaries over the past 24 months.

5.10 Lead Manager Mandate

The Company entered into a mandate with MST Financial Services (**Lead Manager**) in connection with the Placement for the provision of lead manager services and bookrunner services, including the coordination and management of the Placement as well as assisting with marketing of the Placement (**Lead Manager Mandate**).

Under the Lead Manager Mandate, the Company has agreed to pay the Lead Manager a 6% management fee in cash in respect of funds raised under the Placement (**Lead Manager Fee**).

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

No further fees are payable to the Lead Manager in respect of the Offers.

5.11 Expenses of Offers

The estimated expenses of the Offers are as follows:

Estimated expenses of the Offers	\$
ASIC lodgement fee	3,206
Legal and preparation expenses (excluding GST)	32,500
Total	35,706

5.12 Consents

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

Each of the parties referred to in this Section:

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

Hamilton Locke has given its written consent to being named as the solicitors to the Company in this Prospectus. Hamilton Locke has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

MST Financial Services has given its written consent to being named in this Prospectus as the lead manager to the Placement. MST Financial Services has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Automic Group has given its written consent to being named as the share registry to the Company in this Prospectus in the form and context in which it is named. Automic Group has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

5.13 Electronic Prospectus

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper

Prospectus lodged with ASIC and the issue of Shares in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company and the Lead Manager reserve the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the Electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

6. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors of the Company.

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

Henk Ludik
Non-Executive Chairman

Dated: 3 May 2022

7. Definitions

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

\$ means Australian dollars.

Applicant means a person who submits an Application Form.

Application means a valid application for New Options made on an Application Form.

Application Form means the application form accompanying this Prospectus relating to the SPP Options Offer or Placement Options Offer.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX Settlement Operating Rules means ASX Settlement Operating Rules of ASX Settlement.

Board means the Directors meeting as a board.

Business Day means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

CHESS means ASX Clearing House Electronic Subregister System.

Closing Date has the meaning given to it in Section 1.3.

Company means Suvo Strategic Minerals Limited (ACN 140 316 463).

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

Corporations Act means *Corporations Act 2001* (Cth), as amended or modified from time to time.

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

Electronic Prospectus means the electronic copy of this Prospectus located at the Company's website, www.suvo.com.au.

Eligible Shareholder means a person registered as a holder of Shares as at the Record Date whose registered address is in Australia or, subject to the offer restrictions in Section 1.8, New Zealand.

Indicative Timetable means the indicative timetable for the Offers on page 6 of this Prospectus.

Issuer Sponsored means Securities issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

Lead Manager means the lead manager of the Placement, being MST Financial Services.

Lead Manager Fee has the meaning given in Section 5.10.

Lead Manager Mandate has the meaning given in Section 5.10.

Listing Rules means the listing rules of ASX.

MST Financial Services means MST Financial Services Pty Ltd (ACN 617 475 180) (AFSL: 500557).

New Option means an Option to be issued under this Prospectus, exercisable at \$0.15 and expiring on 30 June 2023, on the terms and conditions in Section 5.1.

Offers means the SPP Options Offer and Placement Options Offer and **Offer** means any one of such Offers, as applicable.

Official List means the official list of ASX.

Official Quotation means quotation of Securities on the Official List.

Opening Date has the meaning given to it in Section 1.3.

Option means the right to acquire one Share in the capital of the Company.

Performance Rights means a right to acquire a Share in the capital of the Company subject to the satisfaction of performance milestones.

Placement means the placement undertaken by the Company as announced on 7 March 2022 and completed on 14 March 2022, comprised of the issue of 88,235,295 Shares at an issue price of \$0.085 each, with the proposal to issue one free-attaching New Option for every three Shares issued.

Placement Participants means the persons who participate in the Placement.

Placement Shares means the 88,235,295 Shares issued under the Placement.

Projects means the Company's:

- (a) Pittong Mine & Plant;
- (b) Gabbin Kaolin Project; and
- (c) Eneabba Silica Sands Project.

Prospectus means this prospectus dated 3 May 2022.

Record Date means 5.00pm (WST) on the record date identified in the Indicative Timetable.

Section means a Section of this Prospectus.

Securities mean any securities including Shares, Options and Performance Rights issued or granted by the Company.

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

Share Registry means Automic Pty Ltd (ABN 27 152 260 814).

Shareholder means a holder of Shares.

SPP means the offer to Eligible Shareholders under a share purchase plan as announced on 7 March 2022, the terms of which are contained in a share purchase plan offer booklet as announced on 21 March 2022, comprised of the offer of up to 23,529,412 SPP Shares at an

issue price of \$0.085 each, with the proposal to issue one free-attaching New Option for every 3 SPP Shares issued.

SPP Shares means up to 23,529,412 Shares offered under the SPP.

SPP Subscribers means the Eligible Shareholders who subscribed for SPP Shares under the SPP.

TMD means target market determination.

WST means Western Standard Time.