



# OFFER DOCUMENT

## Renounceable Entitlement Offer

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**Star Minerals Limited**  
ACN 648 048 631

### Entitlement Offer

For a renounceable, pro rata rights issue offer to Eligible Shareholders of 2 (two) New Shares for every 3 (three) Shares held at the Record Date, at an issue price of \$0.04 per New Share, to raise up to approximately \$2.525 million before costs.

### Shortfall Facility

Eligible Shareholders who take up their Entitlements in full may also apply for additional New Shares in the Shortfall Facility.

Refer to Section 1.2 of this Offer Document for more information in respect of the Shortfall Facility.

### Offer Period

The Entitlement Offer and Shortfall Facility open on 8 November 2024 and close at 5:00pm (AWST) on 20 November 2024, unless they are extended.

### Lead Manager

Mahe Capital Pty Ltd (ABN 91 634 087 684) (AFSL: 517246).

#### IMPORTANT NOTICES

This Offer Document and the accompanying Entitlement and Acceptance Form contain important information and should be read in their entirety.

This Offer Document is not a prospectus or other form of disclosure document. It does not contain the same level of information that a prospectus would include for an offer of securities. If you have any questions about the Offer or this Offer Document, you should speak to your professional adviser.

The securities offered by this Offer Document should be considered as a speculative investment.

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

The distribution of this Offer Document (including electronic copies) outside Australia and New Zealand may be restricted by law. This Offer Document may not be released or distributed in the United States of America. This Offer Document does not constitute an offer of securities, or a solicitation of an offer to buy securities, in the United States of America or in any other jurisdiction where such offer or solicitation would be illegal or to, or for the account or benefit of, any person in the United States of America or in any other jurisdiction where such offer or solicitation would be illegal, and may not be sent or disseminated in, directly or indirectly, the United States of America or any other jurisdiction where such offer or solicitation would be illegal.

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## Corporate Directory

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### Directors

Ian George Stuart	Non-Executive Chairman
Ashley Stewart Jones	Non-Executive Director
Gemma Lee	Non-Executive Director

### Lawyers

Blackwall Legal LLP  
Level 26, 140 St Georges Terrace  
Perth, Western Australia 6000

### Company Secretary

Chris Achurch

### Share Registry\*

Automic Pty Ltd  
Level 5, 191 St Georges Terrace  
Perth, Western Australia 6000

### Registered Office

191B Carr Place  
Leederville, Western Australia 6007

Telephone: +61 08 9226 1860

### Auditor\*

Elderton Audit Pty Ltd  
Level 32, 152 St Georges Terrace  
Perth, Western Australia 6000

### ASX Code

SMS

### Lead Manager

Mahe Capital Pty Ltd  
AFSL No. 517246  
Level 8, 99 St Georges Terrace  
Perth, Western Australia 6000

### Website

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

\*Included for information purposes only. These entities have not been involved in the preparation of this Offer Document.

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## Important Information

### Nature of document

This Offer Document is issued by the Company under section 708AA of the Corporations Act, as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*. It is dated 4 November 2024 and was lodged with ASX on that date. ASX does not take any responsibility for the contents of this Offer Document or the merits of the investment to which it relates. This Offer Document has not been lodged with ASIC.

This Offer Document is not a prospectus or other disclosure document. It does not contain all of the information which would be found in a prospectus or other disclosure document, or which may be required by an investor to make an informed investment decision regarding the Offer or Shares.

Eligible Shareholders should carefully read all of this Offer Document before making a decision about the Offer. Eligible Shareholders should pay particular attention to the risk factors set out in Section 5. These risks could affect the operations, financial position and performance of the Company.

### Not investment or financial product advice

The information in this Offer Document does not constitute investment or financial product advice and does not take into account the investment objectives, financial situation, taxation impact or particular needs of individual Eligible Shareholders. The potential tax effects of the Offer will vary between Eligible Shareholders. Eligible Shareholders should contact their stockbroker, accountant or other professional adviser if they have any questions regarding the Offer and investing in the Company.

### Publicly available information

This Offer Document should be read in conjunction with the public announcements made by the Company which are available on the ASX market announcements platform ([www.asx.com.au](http://www.asx.com.au)) using the Company's ASX code 'SMS', as well as the Company's website (<https://www.starminerals.com.au/>). These announcements do not contain all of the information that would be included in a prospectus, but still contain important information about the Company. Eligible Shareholders are encouraged to have regard to such announcements before making a decision whether or not to participate in the Offer. These announcements (and the contents of any websites on which they may be found) do not form part of this Offer Document.

The Company may release further announcements after the date of this Offer Document and throughout the Offer Period, which may be relevant to Eligible Shareholders' consideration of the Offer. Eligible Shareholders are encouraged to check whether any new announcements have been released by the Company after the date of this Offer Document before deciding whether or not to participate in the Offer.

### Disclaimer of representations

The Company has not authorised any person to give any information, or to make any representation, in relation to the Offer that is not contained in this Offer Document, and

any such information or representation may not be relied on. Except and to the extent required by law, neither the Company nor any other person warrants or guarantees the future performance of the Company or any return on investment made pursuant to this Offer Document.

### Forward-looking statements

This Offer Document contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements have been prepared with all reasonable care and attention, based on an evaluation of current economic, financial and operating conditions, as well as assumptions regarding future events. These events are, as at the Offer Document Date, expected to take place, but there cannot be any guarantee that such events will occur as anticipated or at all given that many of the events are outside the Company's control. They may be affected by matters such as those outlined in Section 5. This may result in the actual circumstances being materially different to those anticipated. Eligible Shareholders are cautioned not to place undue reliance on any forward-looking statements.

The Company and 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 Offer Document will actually occur as and when stated. Except to the extent required by law (including the ASX Listing Rules), the Company does not give any undertaking to update or revise any forward-looking statements after the date of the Offer Document to reflect any changes in expectations in relation to forward-looking statements or any change in events, conditions or circumstances on which any such statement is based.

Eligible Shareholders should note that past performance (including past share price performance) cannot be relied on as an indicator of, and does not provide any guidance as to, future performance, including future share price performance.

### Jurisdictional restrictions

The Company has not taken any action to register or qualify New Shares or the Offer, or otherwise to permit a public offering of New Shares, in any jurisdiction outside Australia and New Zealand.

The distribution of this Offer Document (including in electronic form) in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons outside Australia who obtain this Offer Document should seek advice on, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. The Company disclaims all liability to such persons.

This Offer Document does not constitute an offer or invitation in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

By applying or paying for New Shares, an Eligible Shareholder represents and warrants that there has not been any breach of such laws.

### **Residents of New Zealand**

The New Shares are only being offered under this Offer Document to Eligible Shareholders in New Zealand in reliance upon the *Financial Markets Conduct Act 2013* (New Zealand) and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021*.

This Offer Document is not an investment statement or prospectus under New Zealand law and may not contain all the information that such documents are required to contain.

### **Privacy**

Eligible Shareholders who apply for New Shares will provide personal information to the Company and the Share Registry. By applying for New Shares under the Offer, an Eligible Shareholder will be taken to have consented to the Company and the Share Registry collecting, holding and using the Eligible Shareholder's personal information in order to assess their Acceptance, process the Acceptance, service your needs as a Shareholder, provide facilities and services that the Eligible Shareholders requests, and carry out appropriate administrative functions. Corporate and taxation laws require the Company to collect some personal information. Eligible Shareholders who do not provide the information requested may not have their Acceptances processed efficiently, or at all.

### **Governing law**

This Offer Document and the accompanying Entitlement and Acceptance Form are governed by the laws of the State of Western Australia. Eligible Shareholders who apply for New Shares under the Offer submit to the non-exclusive jurisdiction of the courts of the State of Western Australia.

### **Meaning of terms and interpretation**

Capitalised terms and certain other terms used in this Offer Document are defined in Section 8.

References to "our", "us" and "we" are references to the Company.

References to "I", "you" and "your" are references to an Eligible Shareholder.

In this Offer Document, the following rules of interpretation apply unless the context otherwise requires: (a) the singular includes the plural and the plural includes the singular; (b) other parts of speech and grammatical forms of a word or phrase defined in this Offer Document have a corresponding meaning; (c) a reference to a section or a paragraph is a reference to a section or a paragraph of this Offer Document; and (f) words and phrases not specifically defined in this Offer Document have the meaning given to them in the Corporations Act and a reference to a statutory provision is to the Corporations Act unless otherwise specified.

### **Currency**

References to "\$", "A\$", "AUD", or "dollar" are references to Australian currency, unless otherwise stated.

### **Time**

References to time relate to the time in Perth, Western Australia, unless otherwise stated.

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## Key Offer details

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Offer	Detail
<b>Entitlement Offer</b>	
Eligibility	Shareholders registered on the Record Date with an address in Australia or New Zealand who are not US Persons
Ratio	2 (two) New Shares for every 3 (three) Shares currently held.
Price per New Share	\$0.04 (4 cents)
Number of New Shares offered	Up to approximately 63,148,527 Shares
Minimum subscription	Not applicable
Cash proceeds (before costs)	Up to approximately \$2,525,000
<b>Shortfall Facility</b>	
Eligibility	Eligible Shareholders (Shareholders with registered addresses in Australia and New Zealand registered on the Record Date).
Price per New Share	\$0.04 (4 cents)

### General Enquiries

Any enquires relating to the Offer or this Offer should be made to the Company using the following contact details:

Attention: Chris Achurch, Company Secretary

By post: 191B Carr Place, Leederville, Western Australia 6007

By telephone: +61 08 9226 1860

## Key dates

Event	Target Date
<b>Announcement of Offer to ASX</b> Announcement of Offer and release of Appendix 3B to ASX	Monday, 4 November 2024
<b>Release of Offer Document to ASX</b> Release of Offer Document, Appendix 3B and notice under section 708AA(2)(f) of the Corporations Act to ASX	Monday, 4 November 2024
<b>Shares quoted on an “Ex” basis</b> <b>Rights trading commences. Rights are quoted on a “deferred settlement basis” from market open</b>	Wednesday, 6 November 2024
<b>Record Date</b> Determination of eligibility of Shareholders to participate in the Offer	4:00pm (AWST) on Thursday, 7 November 2024
<b>Opening Date</b> Despatch of Offer Document and Entitlement and Acceptance Forms to Eligible Shareholders Offer opens for Acceptances	Monday, 11 November 2024
<b>Rights trading ends at close of trading</b>	Wednesday, 13 November 2024
<b>Securities quoted on a deferred settlement basis from market-open</b>	Thursday, 14 November 2024
<b>Last day to extend the Offer Closing Date</b>	Friday, 15 November 2024
<b>Closing Date</b> Offer closes for Acceptances	5:00pm (AWST) on Wednesday, 20 November 2024
<b>Deferred settlement trading, announcement of results, and settlement</b> New Shares commence trading on deferred settlement basis from market open (if approved by ASX) Announcement to ASX with details of Acceptances and Shortfall Issue of New Shares under the Offer Release of Appendix 2A to ASX Despatch of holding statements	Monday, 25 November 2024
<b>Normal trading</b> Normal trading of New Shares commences on ASX	Tuesday, 26 November 2024

**Note:** These dates are indicative only and subject to change. Subject to the Listing Rules, the Company, may vary these dates without notice, including whether to close the Offer early, extend the Offer, or accept late Acceptances, either generally or in particular cases, without notification. In particular, the Company reserves the right to extend the Closing Date and to accept late Acceptances either generally or in particular cases. Any extension of the Closing Date will have a consequential effect on the allotment date of New Shares. The commencement of quotation of the New Shares is subject to confirmation from ASX.

## 1. Overview of the Offer and options available to you

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### 1.1 The Entitlement Offer

Under this Offer Document, the Company makes a pro-rata renounceable entitlement offer of 2 (two) fully paid ordinary shares (**New Shares**) for every 3 (three) Shares held by eligible shareholders at 5.00pm (AWST) on 7 November 2024 (**Record Date**).

Details of the Entitlement Offer and how to apply are outlined in Sections 2 and 3.

### 1.2 Shortfall Facility

Any New Shares not applied for under the Entitlement Offer will form part of the Shortfall.

Eligible Shareholders who take up their Entitlements in full may also apply for additional New Shares comprising the Shortfall in the Shortfall Facility.

New Shares in excess of Entitlements will only be allocated to Eligible Shareholders if and to the extent that the Company determines in its absolute discretion based on the Allocation Policy outlined in Section 2.5.

### 1.3 Options available to you

If you are an Eligible Shareholder, you may take one of the following actions:

- (a) take up all or part of your Entitlement – see Section 3.2;
- (b) take up all of your Entitlement and apply for additional New Shares under the Shortfall Facility – see Section 3.3;
- (c) sell all of your Entitlement on ASX – see Section 3.4;
- (d) sell all or part of your Entitlement other than on ASX – see Section 3.5;
- (e) take up part of your Entitlement and sell the balance on ASX - 3.6;
- (f) take up part of your Entitlement and allow the balance to lapse – see Sections 3.2 and 3.7; or
- (g) do nothing, in which case your Entitlement will lapse and you will receive no value for the lapsed Entitlement – see Section 3.7.

If you are a Shareholder that is not an Eligible Shareholder, you are an '**Ineligible Shareholder**'. Ineligible Shareholders are not entitled to participate in the Entitlement Offer and should refer to section 2.10 for further information.

### 1.4 No underwriting

The Entitlement Offer is not underwritten.

### 1.5 Rights of New Shares

The New Shares issued under the Entitlement Offer will be fully paid and rank equally with existing Shares on issue. The rights attaching to the New Shares are set out in the Company's constitution and are



regulated by the Corporations Act, Listing Rules and general law. Further details of the rights attaching to Shares are set out in Section 6.

## 1.6 Company overview – existing projects

The Company carries on the business of mineral exploration, focused on the exploration and evaluation of the Tumblegum South Project and the West Bryah Project, located in central Western Australia.

### Tumblegum South Project

The Tumblegum South Project consists of Mining Lease 51/888, located approximately 40km south of Meekatharra, Western Australia and hosts a gold mineral resource of 616,000 tonnes @ 2.28g/t Au for a total of 45,000 ounces of contained gold and includes an Indicated mineral resource of 337,000 tonnes @ 2.52 g/t Au for 27,000 Oz gold.

The primary activity on the Tumblegum South Project mining lease has involved two reverse circulation (RC) drilling programs and one diamond core program to provide further information for an update of the existing resource model.

Most recent work is the release of a positive updated scoping study on the Tumblegum south gold resource. Star engaged an external consultant to update the findings of the recent scoping study to better reflect current Australian gold price and potential upside on a sustained increase in gold price. The updated scoping study also reviewed and updated processing and haulage costs. A review of the structural model for the mineral resource estimate implies further exploration potential on the mining lease, with additional structures prospective for gold mineralisation likely to be present.

### West Bryah Project

At the West Bryah Project, 100km north of Meekatharra, the Company holds nine exploration licences over an area of 664km<sup>2</sup>. The tenements cover the large regional East-West trending Padbury Synform, which feature lithological units of the Robinson Range, Wilthorpe Formation and Labouchere Formation within the centre and the highly prospective Narracoota Formation on the Northern and Southern limbs.

The Company recently successfully completed a series of reconnaissance exploration programs over several areas within the West Bryah Project. These include work at the West Bryah Project focused on the known gold prospects through the Dimble Trend and the Mount Padbury areas. Reconnaissance work included surface sampling, mapping and ground magnetics survey work. A significant campaign of passive seismic for 30.8 line km was completed during the first half of 2023, evaluating depth of cover sequences and weathering with information from the program required to design effective exploration programs. The geochemical sampling program confirmed gold mineralisation at multiple key areas including from in-situ rock chips and re-sample of historic workings in the Top Dimble, West Dimble, East Dimble and Mount Padbury regions, and highlighted potential new targets based on early structural interpretations.

### Further details

The information in this Section 1.6 is extracted from the Company's announcements to ASX dated 29 May 2023 'Tumblegum South Mineral Resource Update', dated 20 May 2024 'Positive Updated Scoping Study for Tumblegum South' and dated 29 April 2024 'Tumblegum South Gold Resource Review' which are available on the ASX market announcements platform (<https://www.asx.com.au/markets/trade-our-cash-market/historical-announcements>) using the Company's ASX code 'SMS', or the Company's website (<https://www.starminerals.com.au/site/investor-centre/asx-announcements>). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, that all material assumptions and technical parameters underpinning the resource estimates, production targets and forecast financial information derived from a production target, referred to in the original market announcement continue to apply and have not materially changed.

## 1.7 Proposed project – Cobra Project, Namibia

The Company has entered into an Earn In and Exploration Rights Agreement with Madison Metals Inc. (**Earn-in Agreement**) under which the Company is granted the right to acquire up to a 51% equity interest in Pennywort Investments (Proprietary) Limited (**Pennywort**), which is the registered holder of exploration permit EPL 8531 (**Permit**) in Namibia (**Cobra Project**).

Madison currently holds an 85% equity interest in Pennywort through its wholly-owned Namibian subsidiary, Jenipapo Investments (Proprietary) Limited (**Jenipapo**). The remaining 15% interest in Pennywort is privately held by a Namibian local resident).

In 2015, SRK engaged by Cobra Resources a Namibian private company, derived an estimate of 15.6Mt grading at 260ppm U<sub>3</sub>O<sub>8</sub><sup>1</sup> for a contained metal total of 9.0 Mlbs U<sub>3</sub>O<sub>8</sub>. This is considered a foreign estimate under the ASX guidelines. A Namibian private company Cobra Resources held the tenements EPL3524 and 3624 in central Namibia, completing the majority of field work in 2015. The uranium mineralisation intersected in selected areas and drilling based primarily on reverse circulation ('RC') drill holes drilled between January and July of 2015. The current mineralisation database for Areas 1 and 3 of the Cobra Project consists of over 3,720 metres of RC drilling from 50 drill holes.

The Cobra Project is a Rössing type alaskite deposit which is the same mineralisation type as Rössing and Husab uranium mines. The Rössing Uranium Mine is one of the world's longest-operating uranium mines having produced more than 260 million pounds of uranium since 1976. The mine was initially majority owned by Rio Tinto, but in 2019, Rio Tinto sold its 69% stake to China National Uranium Corporation (CNUC). The mine was responsible for 5% of the world's production in 2022.<sup>2</sup>

Husab Mine (formerly known as Rössing South) was discovered in 2008 by Extract Resources. The Husab Mine was acquired by China General Nuclear Power Group (CGN) through its subsidiary, Taurus Minerals Limited, in 2012. CGN purchased a 90% stake in the mine from Extract Resources for approximately \$2.2 billion. The mine was responsible for 7% of the world's production in 2022.<sup>3</sup>

Madison acquired an 85% share in the project in 2022. Madison has completed two areas of surface radiometrics over and along strike from Area 1 and Area 3. Madison has approval for further drilling on targets along strike from Area 3, referring to it as the Madison North target.

### Earn-In Agreement

Under the Earn-In Agreement, subject to satisfaction of conditions precedent, and the Company:

- paying to Madison the cash sum of US\$300,000 (**Cash Consideration**);
- issuing to Madison that number of Star Shares calculated by dividing the sum of US\$200,000 by the USD Equivalent of the greater of: (A) the VWAP of Star Shares traded on ASX over the 5 trading days (5-day VWAP) immediately prior to the date of payment; and (B) A\$0.06 (**Consideration Shares**); and
- issuing to Madison a 2,466,667 'Tranche 1' Performance Shares and 1,850,000 'Tranche 2' Performance Shares (**Performance Shares**),

the Company will be granted the exclusive right to conduct mining exploration activities on the Permit within the period of 36 months from the date of execution of the Earn-In Agreement (i.e. until 16 September 2027) (**Earn In Period**) and the right to acquire up to a 51% equity interest in Pennywort from Madison's subsidiary Jenipapo, in 3 'earn in' stages, as detailed in the Namibia Project Announcement.

<sup>1</sup> See Star Minerals Limited (SMS) ASX announcement dated 19 September 2024 titled '*Star to Earn into Namibian Project with a Significant Foreign Estimate of Uranium Mineralisation*'.

<sup>2</sup> <https://world-nuclear.org/information-library/country-profiles/countries-g-n/namibia>.

<sup>3</sup> <https://world-nuclear.org/information-library/country-profiles/countries-g-n/namibia>

The Company's acquisition of an interest in the Cobra Project under the Earn-In Agreement is conditional on the following conditions precedent being satisfied within 3 months of the date of the Earn In Agreement (i.e. by 16 December 2024):

- the Company receiving valid applications for Shares to raise a minimum of \$2,000,000 before costs;
- the Company's shareholders in general meeting approving the issue of the Consideration Shares and the Performance Shares to Madison; the Company is proposing to convene a general meeting to be held on or about 12 December 2024 (**General Meeting**) seeking Shareholder approval to issue up to 5,600,000 Consideration Shares and 4,316,667 Performance Shares to Madison under the terms of the Earn-In Agreement;
- no material adverse change to the Company;
- receipt of any necessary third party consents for undertaking and completing the transaction; and
- no material adverse change to the Permit.

#### **Further details and cautionary statement**

Details of the Company's proposed acquisition of an equity interest in the Cobra Project and the information in this Section 1.7 of foreign estimates of mineralisation at the Cobra Project are set out in the Company's announcement released to ASX by the Company on 19 September 2024 '*Star to Earn Into Namibian Project with a Significant Foreign Estimate of Uranium Mineralisation*' available on the ASX market announcements platform (<https://www.asx.com.au/markets/trade-our-cash-market/historical-announcements>) using the Company's ASX code 'SMS', or the Company's website (<https://www.starminerals.com.au/site/investor-centre/asx-announcements>).

The estimates of the quantity and grade of mineralisation for the Cobra Project referred to in this this Section 1.7 are "foreign estimates" within the meaning of the ASX Listing Rules and are not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the foreign estimates as mineral resources in accordance with the JORC Code. It is uncertain that following evaluation and further exploration work that the foreign estimates will be able to be reported as mineral resources in accordance with the JORC Code.

The Company confirms that it is not aware of any new information or data relating to the foreign estimates of mineralisation that materially affects the reliability of the estimate in the original market announcement or the Company's ability to verify the foreign estimates, and that the supporting information provided in the original market announcement continue to apply and have not materially changed.

## 2. The Offer

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### 2.1 Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders are invited to subscribe for 2 (two) New Shares for every 3 (three) Shares held at the Record Date, at an issue price of \$0.04 per New Share, to raise up to approximately \$2,525,000 before costs.

All New Shares issued pursuant to the Entitlement Offer will be issued as fully paid and will rank equally in all respects with the Existing Shares on issue. Further details of the rights attaching to Shares are set out in Section 6.

Eligible Shareholders may apply for New Shares but are not required to do so.

Please refer to Section 3 for details on how to accept the Offer and apply for New Shares under the Entitlement Offer.

### 2.2 Entitlement and eligibility

The Entitlement Offer is made to Eligible Shareholders only.

All Shareholders with a registered address in Australia or New Zealand and who are registered as the holder of Shares at 5.00pm (AWST) on 7 November 2024 (**Record Date**) are Eligible Shareholders. The Entitlement Offer is not extended to Shareholders who do not meet this criterion.

The number of New Shares to which Eligible Shareholders are entitled (i.e. their **Entitlement**) is shown on each Eligible Shareholder's Entitlement and Acceptance Form accompanying this Offer Document. Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Share, such fraction will be rounded to the nearest whole New Share.

An Eligible Shareholder's Entitlement to participate in the Entitlement Offer will lapse if not accepted by the Closing Date. Any New Shares not applied for will form part of the Shortfall.

The Company reserves the right (in its sole discretion) to:

- reject any application that it believes comes from a person who is not an Eligible Shareholder; and
- reduce the number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claim to be entitled to participate in the Entitlement Offer proves to be false, exaggerated or unsubstantiated.

The Company reserves the right to withdraw the Entitlement Offer at any time before New Shares are issued pursuant to it. In that event, relevant Application Monies will be refunded without interest in accordance with the Corporations Act.

### 2.3 Renounceable Entitlement Offer

The Entitlement Offer is renounceable, which means that Eligible Shareholders can offer to sell or transfer their Entitlement (i.e. their right to subscribe for New Shares under the Offer) to someone else.

The Entitlement Trading Period is scheduled to commence on Wednesday, 6 November 2024 (on a deferred settlement basis) and cease on Wednesday, 13 November 2024.

Please refer to Section 3 for details on how to sell or transfer Entitlements.

**2.4 No minimum subscription**

The Entitlement Offer is not subject to any minimum subscription condition or requirement.

**2.5 Allocation policy and scale back for Shortfall Facility**

In the event that Acceptances for New Shares under the Shortfall Facility exceed the total amount of the Shortfall, the Directors will have absolute discretion as to how to allocate the Shortfall under the Shortfall Facility.

In exercising this discretion:

- the Directors propose to allocate the Shortfall in a manner considered appropriate to applicants having regard to the best interests of the Company and the Company's desire to maximise the funds raised from the Offer;
- subject to the above, the Directors will generally endeavour to allocate the Shortfall in a manner which is considered fair to those applicants, having regard to their existing shareholding interests;
- the Directors will not allocate any portion of the Shortfall to an applicant who is a 'related party' of the Company (for the purposes of the Listing Rules) in priority to, or to the exclusion of, any other applicant, and in any event only to the extent permitted by the Listing Rules;
- the Company will not allocate New Shares under the Shortfall Facility to the extent that the voting power in the Company of the applicant and their Associates (if known) exceeds the takeover thresholds in the Corporations Act (i.e., acquiring voting power of 20% or more in the Company, or increasing an existing controlling voting power of more than 20%); and
- the Directors will not otherwise exercise their discretion regarding allocation of the Shortfall in a manner likely to exacerbate a potential unacceptable control effect, except to the extent they consider necessary (acting reasonably) to prevent the issue of New Shares contrary to law or the Listing Rules.

The Company cannot guarantee that Eligible Shareholders who apply under the Shortfall Facility will receive the number of New Shares applied for. If an Eligible Shareholder does not receive any or all of the New Shares subscribed for, the excess Application Monies will be returned to them without interest.

**2.6 Placement of Shortfall**

If there is a further shortfall after completion of the Offer (including the Shortfall Facility), the Company reserves the right to place any further shortfall with any professional or sophisticated investors residing in Australia (**Shortfall Placement**) at the discretion of the Board for a period of up to 3 months following the close of the Offer.

New Shares issued under the Shortfall Placement will be issued at a price of \$0.04 per New Share.

**2.7 Timetable for the Offer**

The indicative timetable for the Offer is set out in the Key dates section on page 2.

**2.8 Nominees, custodians and trustees**

Persons acting as nominees, trustees, or custodians for other persons must not take up any Entitlements on behalf of, or send any documents related to the Offer to, any person in any jurisdiction where it is unlawful to do so, or to any person that is acting for the account or benefit of a person in any jurisdiction where it is unlawful to do so. By applying for New Shares under this Offer Document, including by

submitting an Entitlement and Acceptance Form or making a payment using BPAY®, a nominee, trustee or custodian represents and warrants this is the case.

The Company is not required to determine whether or not a registered holder or investor is acting as a nominee, trustee or custodian or the identity or residence of any beneficial holder of Shares.

Where any person is acting as a nominee, trustee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Offer by the beneficiary complies with applicable laws.

## 2.9 New Zealand resident Shareholders

The Entitlement Offer is made to Eligible Shareholders with an address in New Zealand, in reliance on the *Financial Markets Conduct Act 2013 (New Zealand)* and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021*.

The New Shares are not being offered or sold to the public within New Zealand other than to such Eligible Shareholders.

Neither this Offer Document nor either Offer has been registered, filed with or approved by any New Zealand regulatory authority. This Offer Document 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.

## 2.10 Ineligible Shareholders

The Offer is not made to Shareholders who on the Record Date have a registered address outside Australia or New Zealand (i.e. Ineligible Shareholders).

Neither the Offer Document nor the Entitlement and Acceptance Form constitutes an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

In making the decision to not extend the Offer to Ineligible Shareholders, the Company has taken into account:

- the small number Shareholders outside Australia and New Zealand;
- the number and value of New Shares that would be offered to Shareholders outside Australia and New Zealand; and
- the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

The Entitlement Offer is made to all Eligible Shareholders. The Company is not required to determine whether or not any registered Eligible Shareholder holds Shares on behalf of persons who are resident outside Australia or New Zealand (including nominees, custodians and trustees) or the identity or residence of any beneficial owners of Shares.

Any Eligible Shareholders who hold Shares on behalf of persons who are resident outside Australia and New Zealand are responsible for ensuring that any dealing with New Shares issued under the Entitlement Offer do not breach the laws and regulations in the relevant overseas jurisdiction, and should seek independent professional advice and observe any applicable restrictions relating to the taking up of Entitlement or the distribution of this Offer Document or the Entitlement and Acceptance Form.

The distribution of this Offer Document and accompanying Entitlement and Acceptance Form (including electronic copies) outside Australia or New Zealand may be restricted by law and therefore persons who come into possession of this Offer Document should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### 2.11 Sale nominee for Ineligible Shareholders

For the purpose of Listing Rule 7.7.1(c), the Company has appointed the Lead Manager (**Sale Nominee**) as nominee to sell the Entitlements which would be offered to Ineligible Shareholders if they were Eligible Shareholders and to account to the Ineligible Shareholders a portion of the sale proceeds net of expenses. The Sale Nominee will have absolute and sole discretion to determine the price for which the relevant Entitlements may be sold so that a premium over the expenses of their sale can be made, as well as the timing and manner of such sale.

Pursuant to this arrangement, the Sale Nominee will, during the Entitlement Trading Period, offer the Entitlements for sale on the market conducted by the ASX as soon as is reasonably practicable following their allotment. The net proceeds of the sale, after deducting all reasonable costs associated with the sale, will be provided to the Company for the benefit of the Ineligible Shareholders. The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, on a pro rata basis, by cheque drawn on an Australian bank branch in Australian currency (after deducting brokerage, commission and other expenses). If any such net proceeds of the sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the Sale Nominee will use its endeavours to sell the Ineligible Shareholders' Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds. In addition, there is no guarantee the Sale Nominee will be able to sell the Ineligible Shareholders' Entitlements. Neither The Company nor the Sale Nominee will be subject to any liability to Ineligible Shareholders for failure to sell the Entitlements of the Ineligible Shareholders or to sell them at a particular price.

#### **Important note:**

The Company has not appointed a sale nominee for Ineligible Shareholders under section 615 of the Corporations Act. Accordingly, Eligible Shareholders will not be able to rely on the 'rights issue' exception to the takeover restrictions set out in item 10 of section 611 of the Corporations Act in relation to the Entitlement Offer.

An Eligible Shareholder who intends to apply for some or all of their Entitlement or for part of the Shortfall must have regard to the takeover restrictions in section 606 of the Corporations Act. Any Eligible Shareholder at risk of exceeding voting power of 20% or more in the Company should obtain professional advice before applying for New Shares under the Entitlement or Shortfall Offers.

The Directors may determine not to issue New Shares to an Eligible Shareholder to the extent they consider, in their sole discretion, that doing so may result in a person (whether the Eligible Shareholder or another person) contravening the takeovers restrictions.

### 2.12 Taxation implications

The Directors do not consider that it is appropriate to give potential applicants advice regarding the taxation consequences of applying for New Shares under this Offer Document as it is not possible to provide a comprehensive summary of the possible taxation positions of potential applicants.

The Company, its advisers and officers do not accept any responsibility or liability for any taxation consequences to potential applicants in relation to the Offer.

Potential applicants should, therefore, consult their own tax adviser in connection with the taxation implications of the Offer.

### 3. Accepting the Offer and how to apply for your Entitlement

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#### 3.1 Options available to you

The number of New Shares to which each Eligible Shareholder is entitled is shown on the personalised Entitlement and Acceptance Form accompanying this Offer Document.

An Eligible Shareholder may do any of the following:

- (a) accept their Entitlement in full or in part – see Section 3.2;
- (b) accept their Entitlement in full and apply for additional New Shares under the Shortfall Facility – see Section 3.3;
- (c) sell all of their Entitlement on ASX – see Section 3.4;
- (d) sell all or part of their Entitlement other than on ASX – see Section 3.5;
- (e) accept part of their Entitlement and sell the balance on ASX – see Section 3.6;
- (f) accept part of their Entitlement and allow the balance to lapse – see Sections 3.2 and 3.7; or
- (g) do nothing and allow all of their Entitlement to lapse – see Section 3.7.

#### 3.2 Accepting Entitlement in full or in part

To accept the Entitlement in full or in part, an Eligible Shareholder may either:

- make a payment through the BPay® facility for the number of New Shares that the Eligible Shareholder wishes to apply for in accordance with the instructions on the Entitlement and Acceptance Form – see Section 3.9; or
- make a payment by EFT for the number of New Shares that the Eligible Shareholder wishes to apply for in accordance with the instructions on the Entitlement and Acceptance Form – see Section 3.10.

#### 3.3 Accepting Entitlement in full and applying for additional New Shares under the Shortfall Facility

Eligible Shareholders who wish to accept their Entitlement in full and apply for New Shares under the Shortfall Facility may either:

- make a payment through the BPay® facility for all of their Entitlement and the number of additional New Shares that the Eligible Shareholder wishes to apply for in accordance with the instructions on the Entitlement and Acceptance Form – see Section 3.9; or
- make a payment by EFT for all of their Entitlement and the number of additional New Shares that the Eligible Shareholder wishes to apply for in accordance with the instructions on the Entitlement and Acceptance Form – see Section 3.10.

The allocation and issue of New Shares under the Shortfall Facility will be determined by the Directors in their discretion. The allocation policy in relation to the Shortfall Facility is set out in Section 2.5.

#### 3.4 Sell Entitlement on ASX

Entitlements under Offer are renounceable. This means that Eligible Shareholders may sell or transfer all or part of their Entitlements on ASX.



If Eligible Shareholders wish to sell all of their Entitlement on ASX, they will need to instruct their stockbroker to do so and accordingly, may incur brokerage costs.

Trading of Entitlements on ASX will commence on Wednesday, 6 November 2024 (on a deferred settlement basis) and cease on Wednesday, 13 November 2024.

There is no guarantee that Eligible Shareholders will be able to sell all or any part of their Entitlement on ASX or that any particular price will be paid for the Entitlements sold.

To the maximum extent permitted by law, the Company will not be responsible and disclaims all liability to Eligible Shareholders if they trade their Entitlements before Entitlements are allotted, or before Eligible Shareholders receive their Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by the Company or otherwise.

### **3.5 Sell all or part of Entitlement other than on ASX**

Eligible Shareholders may elect to sell or transfer all or a portion of their Entitlement to another person other than on ASX.

If the purchaser of an Entitlement is an Ineligible Shareholder, or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to take up the Entitlement they have purchased. It is the responsibility of purchasers of Entitlements to inform themselves of the eligibility criteria for exercising Entitlements.

Eligible Shareholders on the Company's issuer sponsored sub-register who wish to sell or transfer all or a proportion of their Entitlement to another person other than on ASX must complete a standard renunciation form. This can be provided by contacting the Share Registry at [corporate.actions@automicgroup.com.au](mailto:corporate.actions@automicgroup.com.au) or by phone to 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

Eligible Shareholders who wish to transfer all or a proportion of their Entitlement to or from another person on the CHESS sub-register must engage their CHESS controlling participant (usually their stockbroker). If the transferee wants to exercise some or all of the Entitlement, the Eligible Shareholder should follow their stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf.

If the Company receives both a completed renunciation form and a completed Entitlement and Acceptance Form or Application Monies via BPAY in respect of the same rights, the renunciation will be given effect in priority.

### **3.6 Accept part of Entitlement and sell the balance on ASX**

Eligible Shareholders who wish to accept part of their Entitlement and sell the balance on ASX must:

- must make a payment by direct transfer or through the BPAY facility for the number of New Shares that the Eligible Shareholder wishes to apply for in accordance with the instructions on their personalised Entitlement and Acceptance Form— see Section 3.2 for further details; and
- instruct their stockbroker to sell the balance of their Entitlement on ASX – see Section 3.4 for further details.

### **3.7 Allowing Entitlement to lapse**

Eligible Shareholders who do not wish to accept any of their Entitlement are not required to take any action.

If an Eligible Shareholder does not accept all of their Entitlement, then:

- the balance of their Entitlement will lapse and the New Shares that are not subscribed for will form part of the Shortfall; and
- their percentage shareholding in the Company will be diluted and reduce.

### 3.8 Payment

Payment should be made using BPAY® (see Section 3.9).

If you are based in New Zealand and/or unable to pay using BPAY®, payments can be made by Electronic Funds Transfer (EFT) (see Section 3.10).

Cash, cheques, bank drafts and money order payments will not be accepted. Receipts for payments will not be issued.

The Company will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement. If your payment will pay for more than your full Entitlement, the Company will treat you as applying for your full Entitlement and in respect of any excess amount, applying for as many additional New Shares under the Shortfall Facility as it will pay for in full.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

### 3.9 Payment by BPay®

Eligible Shareholders who wish to accept their Entitlement, or accept their Entitlement in full and apply for New Shares under the Shortfall Facility, using BPay® should follow the instructions on the Entitlement and Acceptance Form which includes including the 'Biller Code' and the Eligible Shareholder's individual 'Customer Reference Number'.

Eligible Shareholders can only make payment using BPay® if they have an account with an Australian financial institution that supports such transactions.

Eligible Shareholders must ensure to use the specific 'Biller Code' and 'Customer Reference Number' on their individual Entitlement and Acceptance Form. An application may not be accepted if these details are incorrect. The 'Customer Reference Number' is used to identify each Eligible Shareholder's holding.

Eligible Shareholders with more than one holding of Shares may receive multiple 'Customer Reference Numbers'. Such Eligible Shareholders can apply under one or more of their holdings.

Payments must be made in Australian dollars for an amount equal to the number of New Shares for which the Eligible Shareholder wishes to apply, multiplied by the Offer Price (i.e. \$0.04 per New Share).

If BPay® is used, an Entitlement and Acceptance Form **does not** need to be submitted to the Company. However, by paying Application Monies, the Eligible Shareholder will be taken to have made the declarations on the Entitlement and Acceptance Form. If payment is not received for the full Entitlement, an Eligible Shareholder will be deemed to have taken up their Entitlement in respect of such whole number of New Shares that is covered by their Application Monies.

The Company will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement. If your payment will pay for more than your full Entitlement, the Company will treat

you as applying for your full Entitlement and in respect of any excess amount, applying for as many additional New Shares under the Shortfall Facility as it will pay for in full.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

BPay® payments of Application Monies must be received before **5.00pm (AWST) on the Closing Date**.

Eligible Shareholders should take into account, when making an application for New Shares, that their individual financial institutions may implement earlier cut-off times for BPay® payments. It is an Eligible Shareholder's responsibility to ensure that the Application Monies are received before the Closing Date.

### **3.10 Payment by Electronic Funds Transfer (EFT)**

Payment by electronic funds transfer (EFT) should be made according to the instructions set out on the Entitlement and Acceptance Form using the unique payment reference number shown on the form.

The reference number shown on each Entitlement and Acceptance Form (**Reference Number**) is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number to pay for each holding separately. Failure to do so may result in an underpayment. If you pay by EFT and do not pay for your full Entitlement, the remaining Entitlement will form part of the Shortfall.

Payments must be made in Australian dollars for an amount equal to the number of New Shares for which the Eligible Shareholder wishes to apply, multiplied by the Offer Price (i.e. \$0.04 per New Share).

If EFT is used, an Entitlement and Acceptance Form **does not** need to be submitted to the Company. However, by paying Application Monies, the Eligible Shareholder will be taken to have made the declarations on the Entitlement and Acceptance Form. If payment is not received for the full Entitlement, an Eligible Shareholder will be deemed to have taken up their Entitlement in respect of such whole number of New Shares that is covered by their Application Monies.

The Company will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement. If your payment will pay for more than your full Entitlement, the Company will treat you as applying for your full Entitlement and in respect of any excess amount, applying for as many additional New Shares under the Shortfall Facility as it will pay for in full.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

EFT payments of Application Monies must be received before **5.00pm (AWST) on the Closing Date**.

### **3.11 Entitlement and Acceptance Form is binding**

A payment made through BPAY® or by EFT constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Offer Document and, once paid, cannot be withdrawn. The Company's decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By making a payment by BPAY® or by EFT, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you are (or the person on whose account you are acting is) an Eligible Shareholder;
- (b) you have read and understand this Offer Document and your personalised Entitlement and Acceptance Form in their entirety;

- (c) you agree to be bound by the terms of the Entitlement Offer, the provisions of this Offer Document (and accompanying Entitlement and Acceptance Form), and the Company's constitution;
- (d) you authorise the Company to register you as the holder(s) of New Shares allotted to you;
- (e) you declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- (f) you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- (g) once the Company receives any payment of Application Monies via BPAY® or by direct transfer, you may not withdraw your Acceptance or Application Monies provided except as allowed by law;
- (h) you agree to apply for and be issued up to the number of New Shares for which you have submitted payment of any Application Monies via BPAY® or by direct transfer, at the Offer Price per New Share;
- (i) you authorise the Company, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- (j) you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (k) the information contained in this Offer Document and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (l) this Offer Document is not a prospectus, does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- (m) you understand the statement of risks in Section 5, and that investments in the Company are subject to risk;
- (n) neither the Company, its related bodies corporate and affiliates and its directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the Company, the performance of the New Shares offered under the Entitlement Offer, nor do they guarantee the repayment of capital;
- (o) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Shares on the Record Date;
- (p) you authorise the Company to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (q) you agree that determination of eligibility of investors for the purposes of the Entitlement Offer was determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company, and the Company, its related bodies corporate and affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise of that discretion to the maximum extent permitted by law;

- (r) the law of any place does not prohibit you from being given this Offer Document and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Entitlement Offer; and
- (s) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or, subject to the restrictions in Section 2.9, New Zealand.

### **3.12 Application Money to be held on trust**

Application Money will be held by the Company on trust in accordance with the requirements of the Corporations Act until the New Shares to which the Application Money pertains are issued under the Offer, or a refund of Application Money occurs in the circumstances described in this Offer Document.

The Company will retain any interest earned on Application Money, including in the event of any refund of Application Money.

### **3.13 ASX quotation of New Shares**

New Shares under the Offer are expected to be issued, and Holding Statements despatched, as soon as practicable after the Closing Date, in accordance with the ASX Listing Rules and the timetable set out in the Key dates section on page 2.

New Shares issued under the Shortfall Facility will be issued on a progressive basis.

New Shares will not be issued unless and until ASX grants permission for quotation of the New Shares.

The Company has applied to ASX for the New Shares offered pursuant to this Offer Document to be quoted. If ASX does not grant quotation to the New Shares, then the Company will not issue any of the New Shares and will refund all Application Monies without interest as soon as practicable.

It is an Eligible Shareholder's responsibility to determine their holdings before trading in New Shares. Any person who sells New Shares before receiving confirmation of their holding will do so at their own risk.

### **3.14 No brokerage**

No brokerage is payable in relation to the Offer.

### **3.15 CHESS**

The Company participates in CHESS operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the ASX Listing Rules and ASX Settlement Rules. The Company operates an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of Securities.

Under CHESS, the Company will not issue certificates to Eligible Shareholder who accept their Entitlement. Instead, the Company will provide Eligible Shareholder with a Holding Statement (similar to a bank account statement) that sets out the number of Offer Securities allotted to them under this Offer Document.

This statement also advises Shareholders of either their Holder Identification Number (**HIN**) in the case of a holding on the CHESS sub-register or Security Holder Reference Number (**SRN**) in the case of a holding on the issuer sponsored sub-register.

A statement will be routinely sent to holders at the end of any calendar month during which their holding changes. A holder may request a statement at any other time. However, a charge may be incurred for additional statements.

### 3.16 Privacy

If you apply for New Shares you will be providing personal information to the Company and the Share Registry. The Company and the Share Registry collect, hold and use your personal information in order to assess your application, service your needs as an investor, provide facilities and services that you request, carry out appropriate administration and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, 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.

Collection, maintenance and disclosure of certain personal information are governed by legislation including the Privacy Act (as amended), the Corporations Act and certain rules of ASX. If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

Under the Privacy Act, you may request access to your personal information held by, or on behalf of, the Company or the Share Registry. You can request access to your personal information by writing to the Company through the Share Registry at:

Star Minerals Limited  
C/- Automic Group Pty Ltd  
GPO Box 5193  
Sydney NSW 2001  
T: 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia)  
Email: [hello@automic.com.au](mailto:hello@automic.com.au)

## 4. Purpose and effect of the Offer

### 4.1 Purpose of the Offer and use of funds from the Offer

The purpose of the Offer is to raise up to approximately \$2,525,000 before costs, which, together with the Company's existing cash and tradeable securities, will be used to:

- assuming Shareholders approve the issue of Consideration Shares and Performance Share to Madison at the General Meeting, the Company raises at least \$2,000,000 in capital by the issue of Shares and the Company acquires an equity interest in the Cobra Project (see Section 1.7 above under the heading "Proposed project – Cobra Project, Namibia") (**Cobra Project Acquisition Conditions**), commencement of exploration activity at the Cobra Project;
- exploration at the Company's existing Tumblegum South and West Bryah projects; and
- corporate costs and general working capital requirements.

The Company proposes to use the funds from the Offer as set out in the tables below (amounts are rounded to the nearest \$1,000) and based on two scenarios, being:

- (a) **Scenario 1:** the Cobra Project Acquisition Conditions are satisfied and Company raises at least \$2,000,000 from the issue of Shares under the Offer and any Shortfall Placement; and
- (b) **Scenario 2:** the Cobra Project Conditions are not satisfied (i.e. Shareholders do not approve the issue of Consideration Shares and Performance Share to Madison at the General Meeting or the Company does not raise at least \$2,000,000 from the issue of Shares under the Offer and any Shortfall Placement - in which case, the Company will not acquire an equity interest in the Cobra Project under the Earn-In Agreement).

Notwithstanding the proposed allocation of funds to exploration activity at the Cobra Project under Scenario 1 below, the Offer is not conditional on the Cobra Project Acquisition Conditions being satisfied, and if the Cobra Project Acquisition Conditions are not satisfied, the funds raised from the Offer will be allocated in accordance with the Scenario 2 table below.

#### Scenario 1

Use	\$2,000,00 raised under the Offer and Shortfall Placement	100% subscription to the Offer (\$2.526 million)
Cash Consideration payable to Madison under Earn-In Agreement to acquire equity interest in Cobra Project (US\$300,000)	\$456,000	\$456,000
Cobra Project exploration activities, including: <ul style="list-style-type: none"> <li>• Reverse Circulation (RC) drilling for extensional exploration targets</li> <li>• Infill RC drilling for resource definition</li> <li>• Twin RC drill holes for comparison with 2015 drilling</li> <li>• Mineral resource estimates to convert foreign estimates to JORC 2012</li> </ul>	\$912,000	\$1,244,000

<ul style="list-style-type: none"> <li>• Diamond drill holes for metallurgical testing</li> <li>• Ground radiometric surveys</li> </ul>		
Tumblegum South exploration activity including: <ul style="list-style-type: none"> <li>• Optimisation studies</li> </ul>	\$50,000	\$50,000
West Bryah exploration activity, including: <ul style="list-style-type: none"> <li>• Soil sampling</li> <li>• Exploration target definition</li> </ul>	\$50,000	\$50,000
Estimated costs of the Offer <sup>1</sup>	\$182,000	\$214,000
General working capital <sup>2</sup>	\$350,000	\$511,000
<b>Total</b>	<b>\$2,000,000</b>	<b>\$2,525,000</b>

**Scenario 2**

Use	50% subscription to the Offer (\$1.263 million)	100% subscription to the Offer (\$2.526 million)
Tumblegum South exploration activity, including: <ul style="list-style-type: none"> <li>• Optimisation studies</li> <li>• RC drilling western structural targets</li> <li>• Mining Works approval documentation</li> <li>• Environmental application documentation</li> </ul>	\$523,000	\$1,000,000
West Bryah exploration activity, including: <ul style="list-style-type: none"> <li>• Soil sampling</li> <li>• Exploration target definition</li> <li>• RC drilling</li> </ul>	\$250,000	\$850,000
Estimated costs of the Offer <sup>1</sup>	\$140,000	\$214,000
General working capital <sup>2</sup>	\$350,000	\$461,000
<b>Total</b>	<b>\$1,263,000</b>	<b>\$2,525,000</b>

**Notes:**

1. The Company has not paid any costs of the Offer as at the Offer Document Date.
2. Working capital costs comprises the Company's administrative and overhead costs, including operating expenses, accounting costs, auditing costs, insurance costs, legal costs, Share Registry costs, Directors' fees, ASX fees and regulatory compliance costs.

The information set out in the above table is a statement of present intention as at the Offer Document Date. The exact amount of funds spent by the Company will depend on many factors that cannot be presently ascertained. Accordingly, the Directors reserve the right to alter how the funds raised will be applied.



#### 4.2 Principal effects of the Offer on the Company

The principal effect of the Offer if fully subscribed will be to:

- (a) increase the number of Shares on issue by up to approximately 63,148,527 Shares, from 94,722,791 Shares at the Record Date to up to 157,871,318 Shares; and
- (b) increase the Company's cash position by up to approximately \$2,525,000 (before costs).

#### 4.3 Capital structure

The table below sets out the potential effect of the Offer on the Company's capital structure, assuming full (100%) subscription to the Offer.

Security	Full Subscription to Offer (100%)
<b>Shares</b>	
Shares on issue prior to Offer	94,722,791
New Shares offered under the Offer (approximately)	63,148,527
<b>Shares on issue after the Offer (approximately)</b>	<b>157,871,318</b>
<b>Convertible securities</b>	
Unlisted Options on issue <sup>1</sup>	36,599,992
Performance Rights <sup>2</sup>	13,375,000

**Notes:**

- 1 The unlisted Options are all Options expiring 31 October 2026 and exercisable at \$0.06 each (SMSAE).
- 2 The Performance Rights have been granted in 5 classes on various conditions – SMSPPRA 3,000,000, SMSPPRB 5,125,000, SMSPPR1 1,750,000, SMSPPR2 1,750,000 and SMS PR3 1,750,000.

#### 4.4 Substantial Shareholders

Based on latest publicly available information, the Shareholders (and their Associates) in the table below have a substantial holding (i.e. control 5% or more of the issued Shares) in the Company at the Offer Document Date.

Name	Latest available holding	Percentage of total Shares on issue
Jalein Pty Ltd <Elbaja A/C>	14,132,000	14.92%
Bryah Resources Limited	11,000,000	11.61%
Pinny Pty Ltd	6,190,500	6.54%
Annbrook Capital Pty Ltd and Hugh James Pilgrim <The HJP Family A/C>	5,215,993	5.51%

**Note:**

The table above does not include interests pursuant to Options or performance rights (if any), nor the potential holdings if Shares are issued on the exercise of Options or performance rights (if any).

As at the Offer Document Date the Company has been informed of the following intentions from its substantial shareholders in respect of the Offer:

- (a) Jalein Pty Ltd intends to take up an Entitlement of up to a maximum of \$100,000, representing 2,500,000 New Shares; and
- (b) Bryah Resources Limited does not intend to participate in the Offer.

The Company otherwise has not received any commitments from existing substantial Shareholders as to whether they will accept their Entitlements.

#### 4.5 Directors' interests

The table below sets out the Relevant Interest of each of Director in the Securities of the Company at the Offer Document Date.

Director	Shares	Options	Performance Rights
Ian Stuart	1,363,333 <sup>1</sup>	1,333,333 <sup>2</sup>	3,000,000
Ashley Jones	988,333 <sup>3</sup>	958,333 <sup>4</sup>	1,875,000 <sup>5</sup>
Gemma Lee	176,666 <sup>6</sup>	166,666 <sup>7</sup>	1,500,000 <sup>8</sup>
<b>Total</b>	<b>2,528,332</b>	<b>2,458,332</b>	<b>6,375,000</b>

**Notes:**

- Held indirectly through Scarfell Pty Ltd as trustee for the Stuart Superannuation Fund A/C.
- Unlisted options exercisable at 0.06 expiring 31 October 2026, held indirectly through Scarfell Pty Ltd as trustee for the Stuart Superannuation Fund A/C.
- Held indirectly through Ashley Jones as trustee for the Jones Family A/C.
- Unlisted options exercisable at \$0.06 expiring 31 October 2026, held indirectly through Ashley Jones as trustee for the Jones Family A/C.
- 375,000 held directly and 1,500,000 held indirectly through Ashley Jones as trustee for the Jones Family A/C.
- Held indirectly through Ms Gemma Michelle Lee and Mr Bradley Edwin Jeffrey.
- 166,666 unlisted options exercisable at \$0.06 expiring 31 October 2026, held indirectly through Ms Gemma Michelle Lee and Mr Bradley Edwin Jeffrey.
- Held indirectly through Gem Geological Services Pty Ltd as trustee for the Abacus Trust.

#### 4.6 Directors' Entitlements and commitments

The table below sets out the Entitlements of Directors (and their associates) and intentions of Directors who have committed to accepting their full Entitlements.

Director Name	Current Shareholding <sup>1</sup>	Entitlement	Entitlement committed to	Estimated post-Offer Shareholding	Estimated post-Offer percentage holding <sup>2</sup>
Ian Stuart	1,363,333	908,888	908,888	2,272,221	1.44%
Ashley Jones	988,333	658,888	361,667	1,350,000	0.86%
Gemma Lee	176,666	117,777	117,777	294,443	0.19%

<b>Total</b>	<b>2,528,332</b>	<b>1,685,553</b>	<b>1,388,332</b>	<b>3,916,664</b>	<b>2.48%</b>
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**Notes:**

1. The holdings shown in this table do not include holdings of convertible securities (refer table in Section 4.5 for holdings of existing options and performance rights).
2. Assumes that the maximum of 63,148,527 New Shares are issued under the Offer.

**4.7 Effect on control**

The potential effect that the Offer could have on the control of the Company, and the consequences of that effect, will depend upon a number of factors, including investor demand and Existing Shareholdings.

If all Eligible Shareholders subscribe for their Entitlements in full, each Eligible Shareholder's percentage shareholding should remain substantially the same as at the Record Date, save for adjustments as a result of Ineligible Shareholders not being able to subscribe under the Entitlement Offer. In such instance, the Offer should not have a material effect on control of the Company.

The Offer is not expected to have any material effect on control of the Company.

The Company has not appointed a sale nominee for Ineligible Shareholders under section 615 of the Corporations Act. Accordingly, Eligible Shareholders may not rely on the rights issue exception to the takeover restrictions set out in item 10 of section 611 of the Corporations Act in relation to the Entitlement Offer. Therefore, the Company will not issue New Shares under either Offer in circumstances where it is aware doing so will result in a person's voting power increasing above 20% or increasing an existing voting power of more than 20%.

**4.8 Effect on interests of Existing Shareholders**

The potential effect the Offer will have on each Shareholder's relevant interest in Shares and voting power in the Company is summarised as follows:

- If all Eligible Shareholders take up their Entitlement in full, each Eligible Shareholder's percentage interest in the total issued Shares will remain the same and not be diluted.
- In the more likely event that not all Eligible Shareholders subscribe for their full Entitlement and a Shortfall remains, Eligible Shareholders who do not subscribe for their full Entitlement under the Entitlement Offer and Ineligible Shareholders unable to participate in the Entitlement Offer will be diluted relative to those Shareholders who subscribe for some or all of their Entitlement. The extent of the dilution will depend on the degree to which Eligible Shareholders take up their Entitlement.
- Eligible Shareholders may apply for additional New Shares under the Shortfall Facility. However, as noted above, the Company will not issue New Shares under the Shortfall Facility to the extent it may result in the voting power of a person and their Associates exceeding 20%, or increasing an existing voting power of more than 20%.

The table below sets out the estimated maximum dilutive effect of the Offer on Existing Shareholders, assuming various subscription scenarios and that other Shares are not issued (including on the exercise of Options or vesting of Performance Rights) prior to the close of the Offer.

Scenario	New Shares issued to Eligible Shareholders	Maximum Shortfall Shares issued	Dilution to Existing Shareholders as a result of Shortfall only <sup>1</sup>
100% subscription under Entitlement Offer	63,148,527	0	0.00%
75% subscription under Entitlement Offer	47,361,395	15,787,132	10.00%
50% subscription under Entitlement Offer	31,574,264	31,574,264	20.00%
25% subscription under Entitlement Offer	15,787,132	47,361,395	30.00%
0% subscription under Entitlement Offer	0	63,148,527	40.00%

**Notes:**

1. The dilution percentages assume that all Shortfall Shares are issued to investors other than Eligible Shareholders.
2. Calculations are based on 94,722,791 Shares on issue and assumes a maximum of 63,148,527 New Shares are issued.

**4.9 Effect on financial position**

The Company will raise up to approximately \$2,525,000 from the Offer (before costs).

**4.10 Effects of the Offer on activities**

The issue of New Shares under the Offer will provide funds for the purposes set out in Section 4.1.

## 5. Risk factors

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### 5.1 Introduction

Activities in the Company and its subsidiaries (the **Group**), as in any business, are subject to risks, which may impact on the Company's future performance. The Group has implemented appropriate frameworks, strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which potential Applicants and Shareholders need to be aware in evaluating the Company's business and risks of increasing your investment in the Company.

### 5.2 Specific risks relating to the Company

The following risks have been identified as being key risks relevant to Star Minerals' business. These risks have the potential to have a significant adverse impact on Star Minerals and may affect Star Minerals' financial position or prospects or the price or value of Star Minerals' securities.

Star Minerals is a mineral exploration company and mineral exploration, development and mining activities are high-risk undertakings. There can be no assurance that any exploration or development activity in regard to the Projects, or any tenements or assets that may be acquired in the future, will result in the discovery or exploitation of an economic Mineral Resource. Star Minerals' mineral exploration, development and mining activities may be hampered by circumstances beyond the control of Star Minerals. By their nature, these activities are speculative operations which are subject to a number of risks.

Star Minerals' business, financial condition, results of operations or prospects could also be harmed by risks and uncertainties that are not presently known to Star Minerals or that Star Minerals currently believes are not material. If any of the risks actually occur, Star Minerals' business, financial condition, results of operations and prospects could be materially and adversely affected.

#### (a) Nature of mineral exploration, project development and mining

The business of mineral exploration, development and production is subject to risk by its nature. Potential investors should understand that mineral exploration, project development and mining (the activities undertaken or intended to be undertaken by Star Minerals) are high-risk enterprises, only occasionally providing high rewards. Mineral exploration and development requires large amounts of expenditure over extended periods of time and may be impeded by circumstances and factors beyond Star Minerals' control.

Star Minerals' ability to succeed at its activities involves (amongst other things) the discovery and proving-up, or acquiring, an economically recoverable Mineral Resource or Ore Reserve, accessing adequate capital throughout the acquisition or discovery and project development phases of the project, maintaining title to relevant areas, obtaining required development consents and approvals necessary for the acquisition, exploration, development and production phases of a project and accessing the necessary experienced operational staff and recruiting skilled contractors, consultants and employees. At the same time, Star Minerals' exploration activities are subject to all the hazards and risks normally encountered in the exploration of minerals (such as geological and climatic conditions, operational and technical risks and risks associated with operating in remote areas and other similar considerations).

There is no assurance that exploration and development of the Projects or any other projects that may be acquired by Star Minerals in the future will result in the discovery of mineral deposits which are capable of being exploited economically. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited. If such commercial viability is never attained, Star Minerals may seek to transfer its property interests or otherwise realise

value, or Star Minerals may even be required to abandon its business and fail as a “going concern”.

Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices, which fluctuate widely and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, exporting of minerals and environmental protection. The combination of these factors may result in Star Minerals expending significant resources (financial and otherwise) on tenements without receiving a return. There is no certainty that expenditures made by Star Minerals towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

Star Minerals has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. Star Minerals believes that those consultants and others are competent and that they have carried out their work in accordance with internationally recognised industry standards. However, if the work conducted by those consultants or others is ultimately found to be incorrect or inadequate in any material respect, Star Minerals may experience delays or increased costs in exploring or developing its tenements.

(b) **Agents and contractors**

The ability of Star Minerals to achieve its business objectives will depend on the performance by Star Minerals and counterparties of their contractual obligations. If any party defaults in the performance of its obligations under a contract, it may be necessary for either party to approach a court to seek a legal remedy, which could be costly for Star Minerals.

The Company intends to outsource substantial parts of its exploration activities pursuant to services contracts with third party contractors. The Company is yet to enter into these formal arrangements. The Directors are unable to predict the risk of financial failure or default or the insolvency of any of the contractors that will be used by the Company in any of its activities or other managerial failure by any of the other service providers used by the Company for any activity.

Contractors may also underperform their obligations of their contract and in the event that their contract is terminated, the Company may not be able to find a suitable replacement on satisfactory terms.

(c) **Acquisitions**

Star Minerals may make acquisitions of, or significant investments in, companies or assets that are complementary to its business in the future as part of future growth plans. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies or assets, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving mineral exploration success and retaining key staff.

(d) **Litigation**

Star Minerals is exposed to possible litigation risks, including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, Star Minerals may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on Star Minerals’ operations, financial performance and financial position. As at the Prospectus Date, there are no material legal proceedings affecting Star Minerals and the Directors are not aware of any legal proceedings pending or threatened against or affecting Star Minerals.

**(e) Operational risks**

The operations of the Company may be affected by various factors, including:

- failure to locate or identify mineral deposits;
- failure to achieve predicted grades in exploration and mining;
- operational and technical difficulties encountered in mining;
- insufficient or unreliable infrastructure, such as power, water and transport;
- difficulties in commissioning and operating plant and equipment;
- mechanical failure or plant breakdown;
- unanticipated metallurgical problems which may affect extraction costs;
- adverse weather conditions;
- industrial disputes and unexpected shortages;
- delays or unavailability of third-party service providers;
- delays in procuring, or increases in the costs of consumables, spare parts and plant and equipment; and
- other incidents beyond the control of Star Minerals.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. These factors are substantially beyond the control of Star Minerals and, if they eventuate, may have an adverse effect on the financial performance of Star Minerals.

**(f) Conditions to Tenements**

Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of leases and licences by the State. The Company is subject to the *Mining Act 1978* (WA) (**Mining Act**) and the *Mining Regulations 1981* (WA) and the Company has an obligation to meet conditions that apply to the Tenements, including the payment of rent and prescribed annual expenditure commitments.

If a tenement holder fails to comply with the terms and conditions of a tenement, the Warden or Minister (as applicable) may impose a fine or order that the tenement be forfeited. In most cases an order for forfeiture can only be made where the breach is of sufficient gravity to justify forfeiture of the tenement. In certain cases, a third party can institute administrative proceedings under the Mining Act before the Warden seeks forfeiture of the tenement.

**(g) Grant of future authorisations to explore and mine**

If Star Minerals discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licences and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licences and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.

**(h) Results of studies**

Subject to the results of any future exploration and testing programs, Star Minerals may progressively undertake a number of studies in respect to the Projects or any new projects of Star Minerals. These studies may include scoping studies, pre-feasibility studies and bankable feasibility studies.

These studies will be completed within certain parameters designed to determine the economic feasibility of the relevant project within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of Star Minerals' projects or the results of other studies undertaken by Star Minerals (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

Further, even if a study determines the economics of any of Star Minerals' projects, there can be no guarantee that the projects will be successfully brought into production as assumed or within the estimated parameters in the feasibility study, once production commences, including but not limited to operating costs, mineral recoveries and commodity prices. In addition, the ability of Star Minerals to complete a study may be dependent on Star Minerals' ability to raise further funds to complete the study if required.

**(i) Reliance on key personnel**

Star Minerals' success depends to a significant extent upon its key management personnel, as well as other employees and technical personnel, including sub-contractors. Star Minerals has a small management team. The loss of the services of one or more of these key personnel could have an adverse effect on Star Minerals.

It may be difficult for Star Minerals to attract and retain suitably qualified and experienced people, due to the relatively small size of Star Minerals compared with other industry participants and the inability to attract and retain the services of a sufficient number of suitably qualified personnel could adversely affect Star Minerals' operating results and financial performance.

**(j) Native title agreements**

The effect of present laws in respect of native title that apply in Australia is that mining tenements and tenement applications may be affected by native title claims or procedures. This may prevent or delay the granting of exploration and mining tenements, or affect the ability of the Company to explore, develop and commercialise the Mineral Resources on the tenements comprising the Projects (Tenements). The Company may incur significant expenses to negotiate and resolve any native title issues, including compensation arrangements reached in settling native title claims lodged over any tenements held or acquired by the Company.

The Tumblegum South Project is not subject to native title.

The West Bryah Project held by Star Minerals is subject to native title granted to the Nharnuwangga Wajarri and Ngarlawangga People.

Star Minerals, as registered holder of the Tenements, operates under a native title agreement for exploration between Star and the Jidi Jidi Aboriginal Corporation (JJAC).

In order to advance any mining on the Tenements, Star Minerals will require to enter into a formal agreement with JJAC for mining to commence.

**(k) Completion risk – acquisition of interest in Cobra Project, Namibia**

The Company's proposed acquisition of an equity interest in the exploration permit comprising the Cobra Project in Namibia, is subject to Shareholders in a general meeting proposed to be



held on or about 12 December 2024 (**General Meeting**) approving the issue of Shares to the value of US\$200,000 (up to 5,600,000 Shares) (**Consideration Shares**) and 4,316,667 Performance Shares (**Performance Shares**) to Madison under the terms of the Earn-In Agreement (refer Section 1.7 for further information on the Cobra Project and Earn-In Agreement).

If Shareholders do not approve the issue of the Consideration Shares and the Performance Shares to Madison at the General Meeting, then the Company will not be able to proceed with an acquisition of an equity interest in the Cobra Project under the Earn-In Agreement and the Company will not acquire or hold any equity interest in the Cobra Project.

The Offer is not conditional upon Shareholder approval of the issue of the Consideration Shares and the Performance Shares to Madison, the completion of the Earn In Agreement and the acquisition of an equity interest in the Cobra Project. If the Company does not acquire an equity interest in the Cobra Project, funds raised from the Offer will be applied in accordance with the “Scenario 2” table in Section 1.2.

(l) **Risks associated with Namibia and the Cobra Project**

The Cobra Project is located in Namibia, which is a developing country. Possible sovereign risks associated with operating in Namibia include, without limitation, changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares. Further, a change in these factors may in turn affect the Company’s ability to undertake exploration activities on the Cobra Project in the manner currently contemplated.

A condition on the environmental clearance certificate issued in relation to any exploration licence granted under the Minerals Act, 1992 (Namibia) (**Minerals Act**) is to the effect that any heritage remains uncovered during exploration activities or any further actions over the licence must be immediately reported to the National Heritage Council of Namibia in accordance with the provisions of the *National Heritage Act 27 of 2004 (Namibia)* (**Namibian Heritage Act**). Heritage remains uncovered during such activities cannot be further disturbed until the relevant heritage approvals are obtained from the National Heritage Council of Namibia. If heritage remains are uncovered during the conduct of exploration on the Cobra Project, there is no guarantee that the Company will be able to obtain relevant heritage approvals in a satisfactory or timely manner. Accordingly, this may increase the time periods for the Company to undertake its proposed activities at the Cobra Project, which may result in increased costs being incurred.

The Minerals Act requires a licence holder to notify and engage with community stakeholders prior to undertaking exploration activities or otherwise exercising its rights over the licence area. The land area covered by EPL8531 (**Permit**) is partly situated within areas of the Dorob National Park, the communal land of the Damaraland Communal Land (!Oe-+Gan Traditional Authority) and the Gaingu Communal Conservancy. The local municipality of Arrandis is within the Permit area. The requirement to enter into agreements with communal stakeholders to permit the conduct of exploration over communal land areas may delay the undertaking of exploration activities and may restrict the areas within the Permit which the Company can explore for any potential minerals.

**5.3 Industry specific risks**

(a) **Contamination risks**

The mineral exploration sector operates under Australian State and Federal environmental laws. The Company’s operations may use hazardous materials and produce hazardous waste which may have an adverse impact on the environment or cause exposure to hazardous materials. Despite efforts to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, the Company may be subject to claims for toxic torts, natural

resources damages and other damages. In addition, the Company may be subject to the investigation and clean-up of contaminated soil, surface water and groundwater. This may delay the timetable of the Projects and may subject the Company to substantial penalties including fines, damages, clean-up costs or other penalties. The Company is also subject to environmental protection legislation, which may affect the Company's access to certain areas of its properties and could result in unforeseen expenses and areas of moratorium.

(b) **Metallurgy risk**

When compared with many industrial and commercial operations, mining exploration projects are high risk. Each ore body is unique and the nature of the mineralisation, the occurrence and grade of the ore, as well as its behaviour during mining can never be wholly predicted. Estimations of a mineral deposit are not precise calculations, but are based on interpretation and on samples from drilling which represent a very small sample of the entire ore body.

The applications of metallurgical test work results and conclusions to the process design, recoveries and throughput depend on the accuracy of the test work and assumption that the sample tests are representative of the ore body as a whole. There is a risk associated with the scale-up of laboratory and pilot plant results to a commercial scale and with the subsequent design and construction of any plant.

(c) **Mineral Resource estimates**

Mineral Resource estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Determining Mineral Resource estimates is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature, Mineral Resource estimates are imprecise and depend to some extent on interpretation which may prove to be inaccurate.

The actual quality and characteristics of ore deposits cannot be known until mining takes place and will almost always differ from the assumptions used to develop Mineral Resources.

Should Star Minerals encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, Mineral Resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect Star Minerals' operations.

(d) **Land access**

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Negotiations with both native title and land owners (or occupiers) are generally required before the Company can access land for exploration or mining activities. Inability to access, or delays experienced in accessing, the land may impact on the Company's activities.

(e) **Title risk, native title and Aboriginal heritage**

Star Minerals may lose title to, or interests in, its tenements if the conditions to which those tenements are subject are not satisfied or if insufficient funds are available to meet expenditure commitments.

In the jurisdictions in which Star Minerals operates or will operate in the future, both the conduct of operations and the steps involved in acquiring title to, or interests in, tenements involve compliance with numerous procedures and formalities. It is not always possible to comply with, or obtain waivers from, all such requirements, nor is it always clear whether requirements have

been properly completed, or possible or practical to obtain evidence of compliance. In some cases, failure to follow such requirements or obtain relevant evidence may call into question the validity of the actions taken.

Further, it is possible that tenements in which Star Minerals has an interest may be subject to a native title claim. If native title rights do exist, the ability of Star Minerals to gain access to tenements, or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected.

(f) **Environmental risks**

The operations and proposed activities of Star Minerals are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, Star Minerals' proposed activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Such impact can give rise to substantial costs for environmental rehabilitation, damage, control and losses. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent Star Minerals from being able to develop potentially economically viable mineral deposits. Further, Star Minerals may require additional approvals from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent Star Minerals from undertaking its desired activities. Star Minerals is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase Star Minerals' cost of doing business or affect its operations in any area.

(g) **Environmental impact constraints**

The Company's exploration programs will, in general, be subject to approval by governmental authorities. Development of any of the Company's properties will be dependent on the relevant project meeting environmental guidelines and, where required, being approved by governmental authorities.

(h) **Rehabilitation of tenements**

In relation to the Company's proposed operations, issues could arise from time to time with respect to abandonment costs, consequential clean-up costs, environmental concerns and other liabilities. In these instances, the Company could become subject to liability if, for example, there is environmental pollution or damage from the Company's exploration activities and there are consequential clean-up costs at a later point in time.

(i) **Climate change regulation**

Mining of Mineral Resources is relatively energy intensive and is dependent on the consumption of fossil fuels. Increased regulation and government policy designed to mitigate climate change may adversely affect the Company's cost of operations and adversely impact the financial performance of the Company.

(j) **Insurance**

Insurance coverage of all risks associated with minerals exploration, development and production is not always available and, where available, the cost can be high. Star Minerals will have insurance in place considered appropriate for the Company's needs. Star Minerals will not be insured against all possible losses, either because of the unavailability of cover or because the Directors believe the premiums are excessive relative to the benefits that would accrue. The

Directors believe that the insurance they have in place is appropriate. The Directors will continue to review the insurance cover in place to ensure that it is adequate.

(k) **Safety**

Safety is a fundamental risk for any exploration and production company in regard to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against Star Minerals and substantial losses to Star Minerals due to injury or loss of life, damage or destruction of property, regulatory investigation and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against Star Minerals.

**5.4 General investment risks**

(a) **Investment risk**

The New Shares offered pursuant to this Prospectus should be considered speculative due to the nature of the Company's business. There cannot be any assurance as to payment of dividends, return of capital or the market value of Shares in the future. In particular, the price at which an investor may be able to trade Shares may fluctuate in response to a number of factors, including the risk factors identified in this Section.

Prospective investors must make their own assessments of the likely risks and determine whether an investment in the Company is appropriate having regard to their own particular circumstances.

(b) **Liquidity and volatility**

There is a risk that, particularly in times of security market turbulence or negative investor sentiment, there will not be a highly liquid market for the Company's Shares or that the price of the Company's Shares may decrease considerably. There may be relatively few buyers or sellers of Securities on ASX at any given time and the market price may be highly volatile.

(c) **Equity market conditions**

Shares quoted on a securities market, and in particular shares of small companies at any early stage of mining development, can experience extreme price and volume fluctuations that are often been unrelated to the operating performances of such companies. The market price of Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. These security market conditions may affect the value of Shares regardless of the Company's operating performance.

General factors that may affect the market price of Shares and the Company's future possible revenue include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, supply and demand and industrial disruption, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(d) **Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities

after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Company.

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## 6. Rights attaching to New Shares

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The New Shares issued under this Offer Document will be fully paid ordinary shares in the capital of the Company and will rank equally with the existing Shares.

Full details of the rights and liabilities attaching to the Shares are contained in the Constitution of the Company and, in certain circumstances, are regulated by the Corporations Act, the ASX Listing Rules and the common law. The Constitution is available for inspection free of charge at the Company's registered office.

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to the Shares:

- (a) **Share capital:** all issued Shares rank equally in all respects.
- (b) **Voting rights:** At a general meeting of the Company, every holder of Shares present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for each Share held, and for every contributing share (i.e. partly paid) held, a fraction of a vote equal to the proportion which the amount paid up bears to the total issue price of the contributing share.
- (c) **Dividend rights:** Subject to the Corporations Act, the ASX Listing Rules and any rights of persons entitled to shares with special rights to dividends, all dividends as declared by the Directors are to be payable on all such shares in proportion to the amount of capital paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividends is paid, unless the share is issued on terms providing to the contrary.
- (d) **Payment of dividends:** Dividends are payable out of the assets of the Company in accordance with section 254T of the Corporations Act and as determined by the Directors, which shall be conclusive. The Directors may direct that payment of the dividend be made wholly or in part by the distribution of specific assets or other Securities of the Company.
- (e) **Dividend reinvestment plan:** The Directors may establish a dividend reinvestment plan on any terms, under which participants may elect in respect of all or part of their Shares to apply the whole or any part of a dividend from the Company in subscribing for Securities of the Company.
- (f) **Rights on winding-up:** Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of Shares, the liquidator may on winding-up of the Company, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair upon any property to be so divided and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.
- (g) **Transfer of Shares** Subject to the Constitution, Shares in the Company may be transferred by:
  - (i) any method of transferring or dealing in Shares introduced by the ASX or operated in accordance with the ASX Listing Rules as recognised under the Corporations Act; or
  - (ii) an instrument in writing in any usual or common form or in any other form that the Directors, in their absolute discretion, approve from time to time.

- (h) **Further increases in capital:** Subject to the Constitution, the Corporations Act and the ASX Listing Rules:
  - (i) Shares in the Company are under the control of the Directors, who may allot or dispose of all or any of the Shares to such persons, and on such terms, as the Directors determine; and
  - (ii) the Directors have the right to grant options to subscribe for Shares, to any person, for any consideration.
- (i) **Variation of rights attaching to shares:** The rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or in certain circumstances, with the written consent of the holders of at least seventy-five percent (75%) of the issued shares of that class.
- (j) **General meeting:** Each holder of Shares will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules.

## 7. Additional information

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### 7.1 Continuous disclosure obligations

The Company is a “disclosing entity” for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. As a company listed on ASX, the Company is subject to the Chapter 6CA of the Corporations Act and the ASX Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Shares, subject to certain exceptions.

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Eligible Shareholders should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to subscribe for New Shares under this Offer Document.

Copies of documents lodged with ASX in relation to the Company (including its corporate governance policies) may be obtained free of charge from the Company’s website (<https://www.starminerals.com.au/>) or at the ASX market announcements platform (<https://www.asx.com.au/markets/trade-our-cash-market/historical-announcements>) using the Company’s ASX code ‘SMS’.

### 7.2 Lead Manager Mandate

Under the Lead Manager Mandate, the Lead Manager was engaged to manage the Offer and to provide corporate advisory and due diligence services in respect of the Offer.

Additionally, the Lead Manager has also been engaged to act as nominee to sell Entitlements for Ineligible Shareholders.

For performing these services, the Lead Manager:

- (a) has been paid, or is entitled to be paid:
  - (i) \$60,000, which the Lead Manager (or its nominees) will have the right to subscribe for as Shares under the Offer;
  - (ii) a fee totalling 1% of the total amount raised under the Offer, which the Lead Manager (or its nominees) will have the right to subscribe for as Shares under the Offer; and
  - (iii) a fee totalling 5% of any Shortfall placed, including any amount that might be placed under the Company’s Listing Rule 7.1 and 7.1A placement capacities (if applicable), with all selling fees in connection with the same paid for by the Lead Manager; and
- (b) is entitled to a quantity of 2 (two) options to subscribe for Shares for every \$1 raised under the Offer (including through the Shortfall Facility, if any), with such options to have a term of three years and an exercise price of 200% of the Entitlement Offer price (i.e., \$0.08). The precise quantity of these options, and issue of such, will take place at a later date, and will be subject to Shareholder approval.

In addition to the above, the Company will pay the Lead Manager any expenses associated with the Offer including legal fees for the Lead Manager’s legal advisors, travel, accommodation, communication, couriers and other. The Lead Manager will obtain the Company’s consent prior to incurring any single expense greater than \$1,500.

The Lead Manager Mandate is otherwise on terms and conditions standard for an agreement of its kind.



**7.3 No legal proceedings**

As at the Offer Document Date, the Company is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company.

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## 8. Definitions

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In this Offer Document, the following terms have the meanings below:

<b>Acceptance</b>	A valid acceptance of an Entitlement and application for New Shares by an Eligible Shareholder.
<b>Application Money</b>	The money payable by Eligible Shareholders who apply for New Shares under the Offer.
<b>ASIC</b>	The Australian Securities & Investments Commission.
<b>Associate</b>	Has the meaning given to that term in sections 10 to 17 of the Corporations Act.
<b>ASX</b>	ASX Limited (ACN 008 624 691), including the financial market operated by it as the Australian Securities Exchange.
<b>ASX Listing Rules</b>	The listing rules of ASX.
<b>ASX Settlement</b>	ASX Settlement Pty Ltd (ACN 008 504 532).
<b>ASX Settlement Rules</b>	The ASX Settlement Operating Rules.
<b>AWST</b>	Australian Western Standard Time, being the time in Perth, Western Australia.
<b>Board</b>	The Company's Board of Directors.
<b>Business Day</b>	A day: <ul style="list-style-type: none"> <li>(a) that is a business day as defined in the ASX Listing Rules; and</li> <li>(b) which is not a Saturday, Sunday, public holiday or bank holiday in Perth, Western Australia.</li> </ul>
<b>CHESS</b>	Clearing House Electronic Sub-register System operated by ASX Settlement.
<b>Closing Date</b>	The closing date of the Offer, being 5.00pm (AWST) on 20 November 2024.
<b>Cobra Project</b>	Has the meaning given in Section 1.7.
<b>Company</b>	Star Minerals Limited ACN 648 048 631.
<b>Constitution</b>	The constitution of the Company.
<b>Corporations Act</b>	The <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	A director of the Company as at the Offer Document Date.
<b>Earn-In Agreement</b>	Has the meaning given in Section 1.7, the terms of which are described in Section 1.7.
<b>Eligible Jurisdictions</b>	Australia and New Zealand.

<b>Eligible Shareholder</b>	A Shareholder who is: <ul style="list-style-type: none"> <li>(a) a registered holder of Shares on the Record Date;</li> <li>(b) has a registered address in Australia or New Zealand as shown in the Share Registry;</li> <li>(c) not in the United States or a US Person or acting for the account of or benefit of a US Person; and</li> <li>(d) eligible under all applicable securities laws to receive an offer under the Offer.</li> </ul>
<b>Entitlement</b>	The number of New Shares for which an Eligible Shareholder is entitled to apply under the Entitlement Offer, as determined by the number of Shares held by that Shareholder at the Record Date.
<b>Entitlement and Acceptance Form</b>	The Entitlement and Acceptance Form accompanying this Offer Document.
<b>Entitlement Offer</b>	A renounceable, pro-rata Entitlement Offer to Eligible Shareholders under this Offer Document to subscribe for 2 (two) New Shares for every 3 (three) Shares held at the Record Date, at an issue price of \$0.04 per New Share, to raise up to approximately \$2,525,000 before costs.
<b>Entitlement Trading Period</b>	The period from Wednesday, 6 November 2024 to Wednesday, 13 November 2024.
<b>Existing Share</b>	A share issued before the Offer Document Date.
<b>Existing Shareholder</b>	A holder of an Existing Share.
<b>GST</b>	Goods and services tax levied under the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
<b>Holding Statement</b>	A holding statement for Securities under CHESS or Security Holder Reference Number.
<b>JORC Code</b>	The JORC Code 2012 Edition as contained in the ASX Listing Rules.
<b>Ineligible Shareholder</b>	A Shareholder as at the Record Date whose registered address is not situated in an Eligible Jurisdiction.
<b>Lead Manager</b>	Mahe Capital Pty Ltd (ABN 91 634 087 684) (AFSL: 517246).
<b>Lead Manager Mandate</b>	The agreement between the Company and Lead Manager dated 25 October 2024 in relation to the Offer, as summarised in Section 7.2.
<b>Madison</b>	Madison Metals Inc. (BC 1226731).
<b>New Shares</b>	The Shares that may be issued under this Offer Document pursuant to the Offer.
<b>Offer</b>	The Entitlement Offer and the Shortfall Facility, or either one of those offers as the context requires.
<b>Offer Document</b>	This offer document dated 4 November 2024, including any electronic or online version of this offer document.

<b>Offer Period</b>	The period commencing on the Opening Date and ending on the Closing Date.
<b>Offer Price</b>	The price at which a New Share is offered to Eligible Shareholders under the Offer, being \$0.04 per New Share.
<b>Opening Date</b>	The opening date of the Offer, being 11 November 2024.
<b>Option</b>	An option to subscribe for a Share.
<b>Performance Right</b>	A contractual right granted by the Company entitling the holder to be issued with a Share on satisfaction of stated performance, service or other vesting conditions.
<b>Performance Shares</b>	Has the meaning given in Section 1.7.
<b>Record Date</b>	The date at which eligibility of Shareholders to participate in the Offer is determined, being 5.00pm (AWST) on 7 November 2024 or such other date as may be determined by the Directors, subject to the ASX Listing Rules.
<b>Relevant Interests</b>	A 'relevant interest' in a security within the meaning given by sections 608 and 609 of the Corporations Act.
<b>Section</b>	A section of this Offer Document.
<b>Securities</b>	Has the meaning given to that term in section 92(4) of the Corporations Act, including a Share and an option to subscribe for a Share.
<b>Share</b>	A fully paid ordinary share in the capital of the Company.
<b>Share Registry</b>	The Company's share registry, Automic Pty Ltd (ACN 152 260 814) trading as Automic Group.
<b>Shareholder</b>	The holder of a Share.
<b>Shortfall</b>	The New Shares offered under the Entitlement Offer for which valid Acceptances in respect of Entitlements are not received from Eligible Shareholders before the Closing Date.
<b>Shortfall Facility</b>	An offer under this Offer Document to Eligible Shareholders to subscribe for the New Shares which comprise the Shortfall at an issue price of \$0.04 per New Share.
<b>Shortfall Placement</b>	The Placement of the remaining Shortfall (after the allocation of New Shares under the Shortfall Facility) to professional and sophisticated investors who reside in Australia or New Zealand.
<b>US Person</b>	Any person in the United States or any person that is, or is acting for the account or benefit of, a "U.S. person" (as defined in Regulation S under the United States Securities Act of 1933, as amended).
<b>VWAP</b>	The volume-weighted average price of Shares (calculated to four decimal places) traded on ASX, 'on-market', excluding special crossings, overseas trades, trades pursuant to the exercise of options, or overnight trades, as determined in accordance with ASX's customary price.