

POWER MINERALS LIMITED
ACN 101 714 989

CLEANSING PROSPECTUS

For the offer of up to 1,000 Shares at an issue price of \$0.14 per Share to raise up to \$140 (**Offer**).

This Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Shares offered by this Prospectus should be considered as highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 17 July 2024 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares offered by this Prospectus should be considered as highly speculative.

Applications for Shares offered pursuant to this Prospectus can only be made by an Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation

issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

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

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

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

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

of applicable securities laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.powerminerals.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this

Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on + 61 8 8218 5000 during office hours or by emailing the Company at admin@powerminerals.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any

changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

All references to time in this Prospectus are references to Australian Central Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder 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, including 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.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in

this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offer or how to accept the Offer please call the Company Secretary on + 61 8 8218 5000.

CORPORATE DIRECTORY

Directors

Stephen Ross
Non-Executive Chair

Mena Habib
Managing Director

James Moses
Non-Executive Director

Company Secretary

Jay Stephenson

Registered Office

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Telephone: + 61 8 8218 5000

Email: admin@powerminerals.com.au

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Auditor*

BDO Audit Pty Ltd
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420 King William Street
ADELAIDE SA 5000

Share Registry*

Link Market Services Limited
Level 12
680 George Street
SYDNEY NSW 2000

Telephone: 1 300 554 474
Facsimile: +61 2 9287 0303

Legal Advisers

Steinepreis Paganin
Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

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

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1. KEY OFFER INFORMATION

1.1 Timetable

Action	Date
Lodgement of Prospectus with the ASIC and ASX	17 July 2024
Opening Date*	17 July 2024
Issue of Placement Shares	17 July 2024
Closing Date*	5:00pm on 18 July 2024
Expected date for quotation of Shares issued under the Offer on ASX*	19 July 2024

*The Offer will open immediately following lodgement of this Prospectus. These dates are indicative only and may change without notice. The Directors reserve the right to extend the Closing Date at any time after the Opening Date without notice. As such, the date the Shares issued under this Prospectus (if any) are expected to commence trading on ASX may vary.

1.2 Capital Raising

As announced on 8 July 2024, the Company is undertaking a capital raising to raise \$2,400,000 (before costs) comprising:

- (a) the issue of 17,142,858 Shares (**Placement Shares**) to unrelated institutional, sophisticated and professional investors (**Placement Participants**) at an issue price of \$0.14 per Share to raise \$2,400,000 (before costs) (**Placement**); and
- (b) subject to Shareholder approval, the issue of an additional 357,143 Shares at an issue price of \$0.14 per Share to Director, Mena Habib, to enable him to participate in the Placement (**Director Participation**). The Director Participation will enable the Company to raise an additional \$50,000 (before costs) and will be subject to Shareholder approval at a general meeting of shareholders (**General Meeting**).

Subject to Shareholder approval at the General Meeting, each Placement Participant (including Mena Habib in respect of the Director Participation) will also receive one quoted Option exercisable at \$0.30 each on or before 5 June 2029 (**PNNO Option**) for every Share subscribed for and issued under the Placement.

As outlined in the timetable set out in Section 1.1, the Company will issue the Placement Shares on 17 July 2024 to the Placement Participants pursuant to the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A.

The funds raised under the Placement (and the Director Participation, if approved) will be applied to advance exploration at its lithium, niobium and rare earths South American projects (including the Lítio Project located in Pariba state, Brazil if the Company elects to exercise the option to acquire this project), the costs of the Placement and for general working capital.

Lead Manager Mandate

Copeak Pty Ltd (ACN 607 161 900) (**Peak**) and GBA Capital Pty Ltd (ACN 643 039 123) (CAR 001285020 of AFSL 544680) (**GBA Capital**) were appointed as the joint lead managers of the Placement (**Joint Lead Managers**). The material terms of the joint lead manager mandate (**Joint Lead Manager Mandate**) and total fees payable to Peak and GBA Capital in respect of the Placement and the Director Participation are summarised below:

Fees	<p>The Company has agreed to:</p> <p>(a) pay Peak and GBA Capital a capital raising fee of 6.0% (excluding GST) of the total funds raised under the Placement split evenly between the two companies; and</p> <p>(b) subject to a minimum of \$1,500,000 raised under the Placement and obtaining Shareholder approval at the General Meeting, issue Peak and GBA Capital (or its nominee) to each be issued 4,000,000 PNNO Options each, totalling 8,000,000 PNNO Options. If Shareholder approval for the issue is not obtained, the Company will be required to settle this portion of the fee in cash.</p>
Termination	<p>The Joint Lead Manager Mandate will commence on 3 July and will continue until 31 December 2024.</p>
Alternative Capital Raising	<p>Under the Joint Lead Manager Mandate, if the Company decides to undertake a capital raising within 6 months of the execution of the mandate or within 180 days post the end of the engagement terms (Alternative Capital Raising), the Company agrees to offer GBA Capital and Peak the opportunity to act as joint lead manager to the Alternative Capital Raising and will pay a fee reasonably agreed between the parties. If the Company fails to do so, the Company will pay the joint lead managers a \$50,000 break fee to be split equally between them (Alternative Transaction Fee).</p>
Acquisition introduction fee	<p>Peak may bring an acquisition opportunity to the Company. By doing so, subject to Board and Shareholder approval, Peak will be paid 6% of the total transaction value in Shares and retain the first right of refusal to any capital raising activities undertaken in respect of the relevant acquisition.</p>
Other Terms	<p>The Joint Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations, warranties, indemnities and confidentiality provisions).</p>

1.3 Company Update

1.3.1 Salta Lithium Project

The Company has currently binding term sheets in place in respect of three of five of the salares (salt lakes) at its Salta Lithium Project, which outline the key commercial terms upon which the parties noted below have agreed, or propose to agree, to enter into incorporated joint venture agreements. An update in respect of the status of each of these binding term sheets is set out below.

Rincon Salar

As announced on 17 May 2024, the Company entered into a binding term sheet (**Rincon BTS**) and convertible loan agreement (**CLA**) with Legendary Star Investment Asia Pte. Ltd. (**Legendary Star**), Repenergy Investment Private Limited (**Repenergy**) and Li Energy Technology Limited (**Li Energy**), pursuant to which Legendary Star agreed to advance US\$1 million to the Company in two instalments to enable the Company to advance the Rincon Project (**Rincon JVA**). Further details in respect of the Rincon BTS, the CLA and the negotiation of the Rincon JVA are set out in the ASX announcement released on 17 May 2024.

The first instalment of US\$500,000 from Legendary Star was provided to the Company on 24 May 2024. The second instalment of US\$500,000 is payable after the parties enter into a binding incorporated joint venture agreement with respect to the Rincon JVA.

The parties to the CLA initially agreed to negotiate with the objective of entering into the Rincon JVA by no later than 30 June 2024 but have subsequently agreed to extend this date to 30 July 2024.

Pular Salar

As announced on 11 July 2024, the Company entered into a binding term sheet (**Pular BTS**) with Zhejiang Hengli New Energy Co, Ltd (**Heng Li**) which outlines the key commercial terms which will form the basis of negotiations in respect of the entry into an incorporated joint venture agreement in respect of the Pular Project, as summarised below:

- (a) The establishment of the joint venture will be conditional, amongst other things, on the parties being satisfied with their due diligence investigations, the receipt of any necessary regulatory approvals or third-party consents and no material adverse change occurring to the Pular Project, the Company or Heng Li.
- (b) Under the joint venture agreement:
 - (i) the Company will be responsible for will be responsible for securing all permits and approvals required for the development of the Pular Project including environmental impact assessment approvals, permits for the export of lithium concentrates in the form of lithium chloride or lithium carbonate from the Project, permits for importation of chemicals and equipment and necessary approvals for the construction of an evaporation pond and
 - (ii) Heng Li will be responsible for providing lithium enrichment/extraction technology and equipment, installing the equipment onsite, and providing technical training and support.
- (c) Heng Li will be granted an offtake right in respect of lithium chloride or lithium carbonate produced at the Pular Project with a lithium concentration equal to or greater than 5%.

Following execution of the Pular BTS, the parties have commenced due diligence investigations on the other party and, in respect of Heng Li, on the Pular Project. Further updates will be provided to the market in due course.

Incahuasi Salar

As announced on 27 December 2023, the Company entered into a binding term sheet (**Summit BTS**) with Summit Nanotech Corporation (**Summit**) which outlined the key commercial terms which will form the basis of an incorporated joint venture between the Company and Summit in respect of the Incahuasi Salar, as summarised below:

- (a) **First Option:** Summit may earn an initial 30% interest in the PNNJV, subject to and conditional on Summit:
- (i) subscribing for a strategic US\$2 million (A\$3.125 million) worth of Shares, which was completed in November 2023;
 - (ii) subject to Shareholder approval being obtained, subscribing for a further US\$1 million in Shares at a 25% premium to the 20-day volume weighted average price of Shares within 18 months from the execution of the Summit BTS;
 - (iii) completing pilot testing of Power's brines from the Incahuasi salar and delivering a performance report on the production of lithium chemical products to positively validate the use of Summit's denaLi™ technology on Incahuasi brine; and
 - (iv) completing a JORC (and/or NI 43-101) standard PFS at the Incahuasi Project,
- Upon completion of the First Option, the parties will enter into an incorporated joint venture agreement.
- (b) **Second Option:** Summit may earn a further 15% interest in the PNNJV by electing to participate in a JORC (and/or NI 43-101) standard Definitive Feasibility Study (**DFS**) at Incahuasi within one year of completing the First Option. This includes the completion of an onsite demonstration plant for the production of lithium chemical products at Incahuasi within a further three years from the date of such election.
- (c) **Additional Interest:** In addition, Summit may earn an additional 4.9% interest in the PNNJV, if the results of the product produced by denaLi™ meets specified quality requirements of one Tier-1 or two Tier-2 potential off-take partners.

As outlined above, the establishment of these joint ventures is conditional upon the counterparties contributing to the funding and/or development of the projects (through provision of services, equipment and/or preparation of JORC reports). If the joint ventures are established, the Company will also be required to satisfy its obligations under the joint venture, including through the provision of additional funding.

1.3.2 Waterlander Niobium-REE Project

As announced on 13, 21 and 24 May 2024, the Company and its wholly owned subsidiary Pepinnini Robinson Range Pty Ltd (ACN 142 023 023) (**PRR**) entered into an option agreement, pursuant to which PRR was granted an option to acquire exploration licence applications E80/6045 and E80/6005 (**Waterlander Project**)

from Bull Equities Pty Ltd (ACN 169 140 596). The Board has made a decision not to proceed to exercise the option following completion of its due diligence on the Waterlander Project.

1.3.3 Lítio Project

As announced on 3 July 2024, the Company has entered into an option agreement with ITA Iron Mineracao Ltda to acquire an interest in three tenements located in Paraiba state, Brazil (**Lítio Project**).

The consideration for the transaction comprises a \$30,000 option payment (which has been paid), and, if the Company elects to exercise the option, a \$300,000 cash payment and the issue of that number of Shares equal to \$270,000 with a deemed issue price per Share based on a 20-day VWAP prior to the date of issue (subject to Shareholder approval and a 6 month escrow period).

The Company is currently progressing its due diligence in respect of the Lítio Project. Further updates will be provided to the market in due course.

1.4 Key Risk Factors

Prospective investors should be aware that subscribing for Shares involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

The predominant risks relating to the Company and the Offer are summarised below:

Category of Risk	Risk
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Placement.</p> <p>The Company's capital requirements: include the obligation to repay any funds drawn down under the loan agreement entered into with Director Mena Habib and dated 24 January 2024 (as announced on 25 January 2024) (Habib Facility). As at the date of this Prospectus, \$500,000 has been drawn down under the Habib Facility, with a further \$500,000 available for drawn down. The Company has repaid \$50,000 of the \$500,000 that was draw down. Any funds drawn down, together with interest payable at a rate of 5% per annum, must be repaid within 90 days after receipt of written notice demanding repayment, or such later date as agreed. The maturity date of the loan has been extended by a period of 6 months to 24 January 2025.</p> <p>The Company may also be required to repay the principal outstanding and/or pay a penalty under the CLA in various circumstances (as outlined under the risk factor (Repayment obligations and penalty provisions under the CLA). Subject to various conditions being met including the parties to the CLA proceeding to enter into an incorporated joint venture and Shareholder approval being obtained, the principal outstanding</p>

Category of Risk	Risk
	<p>under the CLA will be converted into Shares. If such conditions are not met or Shareholder approval is not obtained, the Company anticipates that it will be able to raise funds through equity or debt financing to meet its contractual obligations under the CLA.</p> <p>Following completion of the Placement, the Board believes the Company will have sufficient working capital to adequately meet the Company's short-term capital requirements.</p> <p>The Company notes that additional funds are expected to be received on completion of the divestment of the Santa Ines Project. Further information in relation to this divestment is set out in Section 5.2 under the risk factor (Proposed Divestment of Santa Ines Project).</p> <p>The Company also provided a secured convertible loan of \$1.13 million to Ultra Lithium Inc in May 2023. The loan, together with accrued interest, was repayable on demand by the Company at any time by the issue of shares in Ultra Lithium Inc or in cash at any time after 30 June 2024 or in the event of a default. Further information in relation to this loan is set out under the risk factor (Proposed Acquisition of Argentinian Lithium Subsidiaries of Ultra Lithium Inc.) below.</p> <p>The Company is presently considering other fundraising initiatives to meet the medium-term working capital requirements of the Company, repayment of the Habib Facility and repayment of the CLA (if required). The Company is confident that it will be able to generate further funding as and when available.</p> <p>The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
<p>Repayment obligations and penalty provisions under the CLA</p>	<p>As announced on 17 May 2024, the Company has entered into the CLA which contains repayment events and penalties. Subject to various conditions being met including the parties to the CLA proceeding to enter into an incorporated joint venture and Shareholder approval being obtained, the principal outstanding under the CLA will be converted into Shares. If such conditions are not met or Shareholder approval is not obtained, the principal outstanding under the CLA will be repayable in cash.</p> <p>The principal outstanding under the CLA (including any accrued interest) will be repayable within 60 days upon receipt of a written demand from Legendary Star if (i) the Rincon joint venture agreement was not executed by 30 July 2024 (Rincon JVA); (ii) Li Energy is not satisfied with the results of its due diligence enquiries on the Company and the Rincon Project; or (iii) the Company has not incorporated a joint venture company (Rincon JV Entity) on or before 31 October 2024; or (iv) an event of default occurs.</p>

Category of Risk	Risk
	<p>Li Energy is currently undertaking on-site due diligence and is constructively advancing negotiations with the Company towards completing the Rincon JVA. The timing for completion of the Rincon JVA has been extended until 30 July 2024 to allow for completion of terms and the related work plan arising from due diligence undertaken to date.</p> <p>In addition to the requirement to repay the principal amount outstanding under the loan (as outlined above), the Company will be required to make a cash payment of US\$1 million to Legendary Star if the Company fails to incorporate the Rincon JV Entity (for reasons other than ODI Approval not being obtained, a failure of Legendary Star or Li Energy to comply with its obligations under the CLA or delays caused by a governmental authority).</p> <p>The Company anticipates that it will be able to raise funds through equity or debt financing to meet its contractual obligations under the CLA.</p>
<p>Proposed Acquisition of Argentinian Lithium Subsidiaries of Ultra Lithium Inc.</p>	<p>As announced on 16 May 2023, the Company entered into a binding term sheet to acquire 100% of the Argentinian lithium-brine Laguna Verde and Chepes Gold mineral projects of Ultra Lithium Inc. (TSXV: ULT) (Ultra), held by Ultra's wholly owned subsidiaries Ultra Argentina SRL and Ultra Minerals S.A. As part of the proposed transaction, the Company also provided funds under a convertible loan agreement to Ultra to provide working capital to facilitate the proposed transaction.</p> <p>In accordance with the binding term sheet, the Company attempted to negotiate an acquisition agreement with Ultra. As is standard for any acquisition of this nature, and after completing technical due diligence, the Company conducted commercial, financial and legal due diligence of Ultra and their lithium-brine subsidiaries in Argentina.</p> <p>As part of this due diligence, the Company identified key matters of concern, and attempted to constructively engage with Ultra. By its 19 July 2023 ASX announcement, the Company expressed serious concern as to whether the Proposed Transaction could be completed. Given these concerns and the Ultra convertible loan agreement indebtedness, the Company engaged in negotiations with Ultra as part of planning in relation to enforcement options to secure repayment of the loan and interest and the related exercise of security interests under the related general security agreement (GSA). The GSA provides for security of over certain Ultra Canadian mineral properties.</p> <p>A part payment of the convertible loan agreement of \$150,000 was received from Ultra by the Company on 25 October 2023, leaving an outstanding principal amount of \$980,000, together with interest accrued and due until final settlement of the loan (Outstanding Amount). Immediately upon the passing of the 30 June 2024, the cash notice repayment date, the Company exercised its right to demand repayment of the Outstanding Amount by issuing a cash notice dated 1 July 2024. The payment of the Outstanding Amount of principal and interest in the sum of AUD \$1,098,246.58 was due within 10 Business Days of the notice. As announced on 17 July 2024, the Company has issued</p>

Category of Risk	Risk
	<p>a default notice as it has not received the Outstanding Amount within this period.</p> <p>As part of ensuring the enforcement of its rights generally, the Company has obtained preliminary advice in respect of enforcement under the convertible loan agreement, including having taken procedural steps required by the Supreme Court of South Australia to commence proceedings in the event of breach. The Company is also investigating enforcing the general security interests, as well as security interests held over certain Ultra Argentinian mineral properties.</p> <p>Other than the issue of notices under the convertible loan agreement, which are essential procedural steps, the Company is yet to formally commence enforcement actions in exercise of its rights.</p>
Exploration and operating risks	<p>The mineral exploration licences comprising the Company's projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these mineral exploration licences, or any mining concessions that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that the required permits, consents and access agreements will be granted or that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the projects and obtaining all required mining concessions and other approvals for their contemplated activities at the projects. In the event that exploration programmes prove to be unsuccessful, this could lead to a diminution in the value of the projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the projects.</p>
Regulatory risk	<p>Changes in government policy (such as in relation to taxation, environmental protection, competition and pricing regulation and the methodologies permitted to be used for water use and brine disposal) or statutory changes may affect the Company's business operations and its financial position. A change in government regime may significantly result in changes to fiscal, monetary, property rights and other issues which may result in a material adverse impact on the Company' business and its operations.</p>

Category of Risk	Risk
	<p>Companies in the mining industry may also be required to pay direct and indirect taxes, royalties, and other imposts in addition to normal company taxes. The Company currently has operations or interests in Australia and Argentina. As set out in Section 1.3.3, the Company has also entered into an option agreement, pursuant to which the Company has been granted the option to acquire the Lítio Project, located in Brazil. Accordingly, its profitability may be affected by changes in government taxation and royalty policies or in the interpretation or application of such policies in these jurisdictions.</p> <p>The Company monitors changes in legislation, regulations, rules and procedures across the jurisdictions in which it operates.</p>
Commodity price risks	<p>If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price risk. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p>
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>

2. DETAILS OF THE OFFER

2.1 The Offer

Pursuant to this Prospectus, the Company invites investors identified by the Directors to apply for up to 1,000 Shares at an issue price of \$0.14 per Share, to raise up to \$140 (before expenses).

The Offer will only be extended, and Application Forms will only be provided to specific parties on invitation from the Directors.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4 for further information regarding the rights and liabilities attaching to the Shares.

2.2 Objective

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to the date of this Prospectus). In particular, the Offer is intended to remove any on-sale restrictions that may affect the Placement Shares. Accordingly, the Company is seeking to raise only a nominal amount of \$140 under the Offer as the purpose of the Offer is not to raise capital.

The Company is not currently able to issue a cleansing notice under section 708A(5) of the Corporations Act due to its Shares having been suspended from trading on ASX for more than 5 trading days within the last 12 months. Accordingly, the primary purpose of this Prospectus is to remove any on-sale restrictions that may affect Shares that may be issued by the Company prior to the Closing Date, in particular the Placement Shares.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

2.3 Application for Shares

Applications for Shares must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the Shares must be made in full at the issue price of \$0.14 per Share.

Completed Application Forms and accompanying cheques, made payable to "**Power Minerals Limited**" and crossed "**Not Negotiable**", must be mailed or delivered to the Company at the address set out in the Application Form by no later than the Closing Date.

2.4 Minimum subscription

There is no minimum subscription.

2.5 Oversubscriptions

No oversubscriptions will be accepted by the Company.

2.6 Underwriting

The Offer is not underwritten.

2.7 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within seven days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three months after the date of issue of this Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

2.8 Issue of Shares

The primary purpose of the Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to the date of this Prospectus).

If the Directors decide to issue Shares under the Offer, Shares will be issued as soon as practicable after the Closing Date.

Application monies will be held in a separate subscription account until the Shares are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether any Shares are issued and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Shares. The Directors reserve the right to reject any application or to allocate any Applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, the surplus monies will be returned by cheque as soon as practicable after the Closing Date. Where no issue of Shares is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on monies refunded.

The Company's decision on the number of Shares to be allocated to an Applicant will be final.

Holding statements for Shares issued under this Prospectus will be mailed as soon as practicable after the issue of Shares as soon as practicable after their issue.

2.9 Applicants outside Australia

The distribution of this Prospectus outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws.

The Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an Application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the Offer

The purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date (including prior to the date of this Prospectus).

Under the Offer, a nominal amount of approximately \$140 (before expenses) may be raised. The funds raised from the Offer will be applied towards the expenses of the Offer. Refer to Section 6.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

3.2 Effect of capital structure

The effect of the Offer on the capital structure of the Company assuming no Shares (other than the Placement Shares) are issued including on exercise or conversion of other Securities on issue prior to the Closing Date, is set out below.

	Shares ¹	Options	Performance Rights
Securities currently on issue ¹	92,962,180	52,692,404	7,801,717
Securities to be issued prior to the Closing Date ²	17,142,858	-	-
Securities to be issued under the Offer	-	-	-
Securities on issue after completion of the Offer³⁻⁸	110,105,038	52,692,404	7,801,717

Notes:

1. Refer to Section 4 for the terms of the Shares.
2. Assumes that no Shares are issued under the Cleansing Offer. It is noted that the purpose of the Offer is to fulfill a technical requirement of the Corporations Act, so that the Company can remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the closing date of the Offer (including prior to the date of this Prospectus).
3. This table excludes the issue PNNO Options to Placement Participants, the issue Shares and PNNO Options under the Director Participation and the issue of the PNNO Options to the Joint Lead Managers as these issues are subject to Shareholder approval at the General Meeting. Further information in relation to these proposed issues is set out in Section 1.2 and in the ASX announcement released on 8 July 2024.
4. The Company will be required to seek Shareholder approval for the conversion of the principal outstanding under the CLA within 90 days of:
 - (a) the later of the completion of the assignment of the obligations of Legendary Star under the CLA to Li Energy (**Assignment Date**) and the date that Li Energy advances US\$4 million to the incorporated entity established for the purposes of the Rincon joint venture; or
 - (b) 31 October 2024, if the Assignment Date has not occurred prior to this date; or
 - (c) the date that the outbound Overseas Direct Investment approval sought by LI Energy to enable it to assume the obligations of Legendary Star under the CLA and participate in the proposed joint venture (**ODI Approval**) is denied.

The conversion price will be the volume-weighted average price of Shares trading on the ASX for the 30 days immediately prior to the relevant date noted at paragraphs (a) to (c) above, with a premium of 20%, subject to a minimum price of \$0.14 and a maximum price \$0.20 per Share.

5. As announced on 3 July 2024, the Company has entered into an agreement with ITA Mineracao Ltda pursuant to which it has been granted an option to acquire an interest in three tenements located in Paraiba state, Brazil. If the Company elects to proceed to exercise the option, the Company will be required to make a 300,000 cash payment and the issue of that number of Shares equal to \$270,000 with a deemed issue price per Share based on a 20-day VWAP prior to the date of issue (subject to Shareholder approval and a 6 month voluntary escrow period).
6. The Company intends to seek Shareholder approval at an upcoming general meeting for the issue of:
 - (a) 17,142,858 PNNO Options to the Placement Participants;
 - (b) 357,143 Shares and 357,143 Shares PNNO Option to Mena Habib (or his nominee) in respect of the Director Participation;
 - (c) 4,000,000 Options to each of GBA Capital and Peak pursuant to the Joint Lead Manager Mandate;
 - (d) 178,572 Shares and 178,572 PNNO Options to Spark Plus Pte Ltd (or its nominee) as part consideration for the provision of investor relation services; and
 - (e) an aggregate of 7,000,000 PNNO Options to the Directors (comprising 4,000,000 PNNO Options to Director, Mena Habib (or his nominee), 2,000,000 PNNO Options to Director, Stephen Ross (or his nominee) and 2,000,000 PNNO Options to Director, James Moses (or his nominee)) as part of their respective remuneration packages.
7. The Company obtained Shareholder approval at the general meeting held on 28 June 2024 to issue 100,000 Performance Rights to Graeme Carlin. The Company intends to issue these Performance Rights within three months of the date of the meeting.
8. As set out in Section 1.3.1, the Company entered into the Pular BTS with Heng Li. The Company is proposing to issue USD\$50,000 worth of Shares to Heng Li under the Pular BTS, at \$0.14 per Share.

3.3 Financial effect of the Offer

After expenses of the Offer of approximately \$28,346, there will be no proceeds from the Offer. The expenses of the Offer of approximately \$28,346 will be met from the Company's existing cash reserves.

3.4 Pro-forma balance sheet

The unaudited balance sheet as at 31 May 2024 and the unaudited pro-forma balance sheet as at 31 May 2024 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared for illustrative purposes for inclusion in the Prospectus, has been derived from the unaudited balance sheet as at 31 May 2024, assuming the completion of the pro forma adjustments as set out in the notes to the pro-forma balance sheets as if those adjustments had occurred as at 31 May 2024 and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 31 MAY 2024	PROFORMA 31 MAY 2024
	\$	\$
CURRENT ASSETS		
Cash	642,412	2,917,066
Trade and other receivables	242,635	242,635
Financial assets	1,049,381	1,049,381
Held for sale asset	1,410,000	1,410,000
TOTAL CURRENT ASSETS	3,344,427	5,619,081
NON-CURRENT ASSETS		
Trade and other receivables	70,759	70,759
Exploration and evaluation expenditure	33,271,245	33,271,245
Right of Use asset	47,765	47,765
Property, plant and equipment	85,397	85,397
TOTAL NON-CURRENT ASSETS	33,475,166	33,475,166
TOTAL ASSETS	36,819,593	39,094,247
CURRENT LIABILITIES		
Trade and other payables	713,416	713,416
Financial liabilities	1,255,595	
Lease liabilities	48,225	48,225
Employee benefits	150,560	150,560
TOTAL CURRENT LIABILITIES	2,167,796	912,201
NON-CURRENT LIABILITIES		
Employee benefits	11,380	11,380
TOTAL NON-CURRENT LIABILITIES	11,380	11,380
TOTAL LIABILITIES	2,179,176	923,581
NET ASSETS	34,640,416	38,170,666
EQUITY		
Issued capital	52,337,458	54,444,112
Reserves	3,773,229	3,941,229

	UNAUDITED 31 MAY 2024	PROFORMA 31 MAY 2024
	\$	\$
Retained earnings	(21,470,269)	(21,470,269)
TOTAL EQUITY	34,640,417	36,915,071

Notes:

1. Proforma Adjustments include:
 - (a) Placement of \$2,400,000 less costs of \$172,346 for a net raise of \$2,227,654;
 - (b) Director Participation \$50,000 less costs of \$3,000 for a net raise of \$47,000; and
 - (c) Options issued to the Joint Lead Managers at a value of \$168,000.

4. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

General meetings of the Company may be called by the Board and held in the manner determined by the Board. Except as permitted by the Corporations Act and the Corporations Regulations 2001 (Cth) (**Corporations Regulations**), no other person may convene a general meeting of the Company.

By resolution of the Board, any general meeting (other than a general meeting which has been requisitioned or called by shareholders or by a single Director if permitted by the Corporations Act and the Corporations Regulations) may be cancelled or postponed prior to the date on which it is to be held.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

- (i) on a show of hands, each shareholder present has one vote;
- (ii) where a shareholder has appointed 2 persons as proxies for that shareholder, neither proxy may vote on a show of hands;
- (iii) where a person is entitled to vote by proxy in more than one capacity, that person is entitled only to one vote on a show of hands;
- (iv) if the person appointed as proxy has 2 or more appointments that specify different ways to vote on a resolution, the proxy must not vote on a show of hands; and
- (v) on a poll, each shareholder present:
 - (A) has one vote for each fully paid share held; and
 - (B) has for each share which is not fully paid a fraction of a vote equivalent to the proportion which the amount paid up, but not credited as paid up, on that share bears to the total of the amounts paid and payable (excluding amounts credited) on that share.

Any corporation, being a shareholder and entitled to vote, may by resolution of its directors or other governing body or by an instrument of proxy authorise any person, though not a shareholder of the Company, or any person occupying a particular office from time to time, to act as its representative at meetings, and such representative is, in accordance with their authority and until their authority is revoked by the corporation which they represent, entitled to exercise the same powers on behalf of the corporation which they represent as that corporation could exercise if it were a natural person who was a shareholder.

(c) **Dividend rights**

The Board may from time to time determine that a dividend is payable to the shareholders. The dividend is (subject to the rights of, or any restrictions on, the holders of shares created or raised under any special arrangement as to dividend) payable on all shares pro rata to the total amount for the time being paid, but not credited as paid, in respect of the shares as a proportion of the total of the amounts then paid and payable thereon, excluding amounts credited, and may be paid at a rate per annum in respect of a specified period provided that (for the purposes of this rule) no amount paid on a share in advance of calls is to be treated as paid on that share.

The Board may establish and maintain one or more dividend plans (including the establishment of rules) pursuant to which shareholders may elect with respect to some or all of their shares (subject to the rules of the relevant plan).

(d) **Winding-up**

If the Company is wound up, whether voluntarily or otherwise, the liquidator may divide among all or any of the contributories as the liquidator thinks fit in specie or in kind any part of the assets of the Company, and may vest any part of the assets of the Company in trustees upon any trusts for the benefit of all or any of the contributories as the liquidator thinks fit.

If thought expedient, any division may be otherwise than in accordance with the legal rights of the contributories and, in particular, any class may be given preferential or special rights or may be excluded altogether or in part, but in case any division otherwise than in accordance with the legal rights of the contributories is determined, any contributory who would be prejudiced by the division has a right to dissent and ancillary rights as if the determination were a special resolution passed pursuant to the Corporations Act and the Corporations Regulations, relating to the sale or transfer of the Company's assets by a liquidator in a voluntary winding up.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

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

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Securities as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

The rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, and subject to the ASX Listing Rules, be varied with the consent in writing of members with at least 75% of the votes in the class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights are, unless otherwise expressly provided by the terms of issue of the shares of that class, deemed not to be varied by the creation or issue of further shares ranking equally with the first-mentioned shares.

(i) **Alteration of constitution**

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

5. RISK FACTORS

5.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Company specific

Risk Category	Risk
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Placement.</p> <p>The Company's capital requirements: include the obligation to repay any funds drawn down under the loan agreement entered into with Director Mena Habib and dated 24 January 2024 (as announced on 25 January 2024) (Habib Facility). As at the date of this Prospectus, \$500,000 has been drawn down under the Habib Facility, with a further \$500,000 available for drawn down. The Company has repaid \$50,000 of the \$500,000 that was draw down. Any funds drawn down, together with interest payable at a rate of 5% per annum, must be repaid within 90 days after receipt of written notice demanding repayment, or such later date as agreed. The maturity date of the loan has been extended by a period of 6 months to 24 January 2025.</p> <p>The Company may also be required to repay the principal outstanding and/or pay a penalty under the CLA in various circumstances (as outlined under the risk factor (Repayment obligations and penalty provisions under the CLA). Subject to various conditions being met including the parties to the CLA</p>

Risk Category	Risk
	<p>proceeding to enter into an incorporated joint venture and Shareholder approval being obtained, the principal outstanding under the CLA will be converted into Shares. If such conditions are not met or Shareholder approval is not obtained, the Company anticipates that it will be able to raise funds through equity or debt financing to meet its contractual obligations under the CLA.</p> <p>Following completion of the Placement, the Board believes the Company will have sufficient working capital to adequately meet the Company's short-term capital requirements.</p> <p>The Company notes that additional funds are expected to be received on completion of the divestment of the Santa Ines Project. Further information in relation to this divestment is set out in Section 5.2 under the risk factor (Proposed Divestment of Santa Ines Project).</p> <p>The Company also provided a secured convertible loan of \$1.13 million to Ultra Lithium Inc in May 2023. The loan, together with accrued interest, was repayable on demand by the Company at any time by the issue of shares in Ultra Lithium Inc or in cash at any time after 30 June 2024 or in the event of a default. Further information in relation to this loan is set out under the risk factor (Proposed Acquisition of Argentinian Lithium Subsidiaries of Ultra Lithium Inc.) below.</p> <p>The Company is presently considering other fundraising initiatives to meet the medium-term working capital requirements of the Company, repayment of the Habib Facility and repayment of the CLA (if required). The Company is confident that it will be able to generate further funding as and when available.</p> <p>The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
<p>Repayment obligations and penalty provisions under the CLA</p>	<p>As announced on 17 May 2024, the Company has entered into the CLA which contains repayment events and penalties. Subject to various conditions being met including the parties to the CLA proceeding to enter into an incorporated joint venture and Shareholder approval being obtained, the principal outstanding under the CLA will be converted into Shares. If such conditions are not met or Shareholder approval is not obtained, the principal outstanding under the CLA will be repayable in cash.</p> <p>The principal outstanding under the CLA (including any accrued interest) will be repayable within 60 days upon receipt of a written demand from Legendary Star if (i) the Rincon joint venture agreement was not executed by 30 July</p>

Risk Category	Risk
	<p>2024 (Rincon JVA); (ii) Li Energy is not satisfied with the results of its due diligence enquiries on the Company and the Rincon Project; or (iii) the Company has not incorporated a joint venture company (Rincon JV Entity) on or before 31 October 2024; or (iv) an event of default occurs.</p> <p>Li Energy is currently undertaking on-site due diligence and is constructively advancing negotiations with the Company towards completing the Rincon JVA. The timing for completion of the Rincon JVA has been extended until 30 July 2024 to allow for completion of terms and the related work plan arising from due diligence undertaken to date.</p> <p>In addition to the requirement to repay the principal amount outstanding under the loan (as outlined above), the Company will be required to make a cash payment of US\$1 million to Legendary Star if the Company fails to incorporate the Rincon JV Entity (for reasons other than ODI Approval not being obtained, a failure of Legendary Star or Li Energy to comply with its obligations under the CLA or delays caused by a governmental authority).</p> <p>The Company anticipates that it will be able to raise funds through equity or debt financing to meet its contractual obligations under the CLA.</p>
Going Concern	<p>The Company's financial report for the half year ended 31 December 2023 (Financial Report) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>The Financial Report notes that for the period ended 31 December 2023 the Group recorded a loss after tax of \$2,487,949 and had net cash outflows from operating activities of \$1,599,650, while cash and cash equivalents amounted to \$1,992,087. The Group's ability to finance planned exploration and ongoing capital projects is reliant on third party funding sources. The uncertainty of obtaining said financing indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and realise its assets and discharge its liabilities in the normal course of business.</p> <p>The Directors believe that given the quality of the Group's assets, that the Group can, if required, fund future activities through a combination of existing cash and future capital raises to meet its obligations as and when they fall due. Additionally, the Directors believe that upon the successful completion of the Capital Raising, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short-term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long-term working capital costs of the Company.</p>

Risk Category	Risk
<p>Proposed Divestment of Santa Ines Project</p>	<p>As announced on 16 May 2023, the Company executed a binding sale and purchase agreement with Fuyang Mingjin New Energy Development Co., Ltd (Mingjin) for the sale of the Argentinian Santa Ines Project for an all-cash consideration of \$1.5 million. Mingjin successfully completed due diligence and agreed and executed all documentation required under the implementation agreement to complete the transaction. The remaining approval required for completion of the sale and purchase and Mingjin making the related \$1.5 million payment is the Chinese overseas direct investment approval (ODI). The pre-ODI application was submitted for approval on 8 March 2024, with an estimate by the Company's Chinese investment advisor as likely to be completed within a 90-day review period. This guidance suggested completion was anticipated not later than June, which was reinforced by advice received from Mingjin. Despite recent assurances following the passing of the June estimate for completion of ODI, which have been reiterated by Mingjin as part of the ongoing conferral between the Company and Mingjin, there is a risk that completion of the divestment will not occur, and a related risk that the Company will not have access to this funding. The risk of not completing is not considered likely and primarily a timing risk arising from an opaque Chinese regulatory process.</p>
<p>Proposed Acquisition of Argentinian Lithium Subsidiaries of Ultra Lithium Inc.</p>	<p>As announced on 16 May 2023, the Company entered into a binding term sheet to acquire 100% of the Argentinian lithium-brine Laguna Verde and Chepes Gold mineral projects of Ultra Lithium Inc. (TSXV: ULT) (Ultra), held by Ultra's wholly owned subsidiaries Ultra Argentina SRL and Ultra Minerals S.A. As part of the proposed transaction, the Company also provided funds under a convertible loan agreement to Ultra to provide working capital to facilitate the proposed transaction.</p> <p>In accordance with the binding term sheet, the Company attempted to negotiate an acquisition agreement with Ultra. As is standard for any acquisition of this nature, and after completing technical due diligence, the Company conducted commercial, financial and legal due diligence of Ultra and their lithium-brine subsidiaries in Argentina.</p> <p>As part of this due diligence, the Company identified key matters of concern, and attempted to constructively engage with Ultra. By its 19 July 2023 ASX announcement, the Company expressed serious concern as to whether the Proposed Transaction could be completed. Given these concerns and the Ultra convertible loan agreement indebtedness, the Company engaged in negotiations with Ultra as part of planning in relation to enforcement options to secure repayment of the loan and interest and the related exercise of security interests under the related general security agreement (GSA). The GSA provides for security of over certain Ultra Canadian mineral properties.</p> <p>A part payment of the convertible loan agreement of \$150,000 was received from Ultra by the Company on 25 October 2023, leaving an outstanding principal amount of \$980,000, together with interest accrued and due until final settlement of the loan (Outstanding Amount). Immediately</p>

Risk Category	Risk
	<p>upon the passing of the 30 June 2024, the cash notice repayment date, the Company exercised its right to demand repayment of the Outstanding Amount by issuing a cash notice dated 1 July 2024. The payment of the Outstanding Amount of principal and interest in the sum of AUD \$1,098,246.58 was due within 10 Business Days of the notice. As announced on 17 July 2024, the Company has issued a default notice as it has not received the Outstanding Amount within this period.</p> <p>As part of ensuring the enforcement of its rights generally, the Company has obtained preliminary advice in respect of enforcement under the convertible loan agreement, including having taken procedural steps required by the Supreme Court of South Australia to commence proceedings in the event of breach. The Company is also investigating enforcing the general security interests, as well as security interests held over certain Ultra Argentinian mineral properties.</p> <p>Other than the issue of notices under the convertible loan agreement, which are essential procedural steps, the Company is yet to formally commence enforcement actions in exercise of its rights.</p>
<p>Acquisition and of divestment projects</p>	<p>The Company has, to date, and will continue to actively pursue and assess other new business opportunities. This may involve the divestment of non-core assets, the acquisition of other projects or assets or other new business opportunities such as joint ventures, farm-ins, or direct equity participation. An example is the recent entry into the option agreement announced on 3 July 2024.</p> <p>The acquisition of projects or other assets (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.</p> <p>If a non-core asset is divested or an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects or assets, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.</p> <p>Furthermore, if a new investment or acquisition by the Company is completed, ASX may require the Company to seek Shareholder approval and to meet the admission requirements under Chapters 1 and 2 of the ASX Listing Rules as if the Company were a new listing. There would be costs associated in re-complying with the admission requirements. The Company may be required to incur these costs in any event, were it to proceed to seek to acquire a new project</p>

Risk Category	Risk
	<p>which is considered to result in a significant change to the nature or scale of its existing operations.</p> <p>If a new investment or acquisition is not completed, then the Company may not be in a position to comply with the ongoing ASX Listing Rules, which includes but is not limited to, maintaining a sufficient level of operations and financial position. Given the nature of resource exploration, this may also occur if the Company abandons and/or relinquishes a project which is no longer considered viable. Any divestment of non-core assets or new project or business acquisition may change the risk profile of the Company, particularly if any new project acquired is located in another jurisdiction, involving a new commodity and/or changes to the Company's capital/funding requirements. Should the Company propose or complete a divestment of non-core assets or the acquisition of a new project or business activity, investors should re-assess their investment in the Company in light of the Company's changed circumstances.</p>
Joint venture risk	<p>The Company is currently and may in the future become a party to joint venture agreements governing the exploration and development of its projects. There is a risk that one of the Company's joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. This may have an adverse effect on the interests and prospects of the Company.</p> <p>There can be no certainty that the parties will be able to settle the formal documentation in respect thereof. Failure to settle the terms of the formal documentation may result in termination of the joint venture and/or a potential dispute resolution process.</p>
Sovereign risk	<p>The Company's key projects are located in Argentina and Australia. As set out in Section 1.3.3, the Company has also entered into an option agreement, pursuant to which the Company has been granted the option to acquire the Lítio Project, located in Brazil. Adverse changes in the government policies or legislation in these jurisdictions may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in these jurisdictions may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares.</p>
Overseas assets	<p>Some of the Company's projects are located outside of Australia in Argentina. As set out in Section 1.3.3, the Company has also entered into an option agreement, pursuant to which the Company has been granted the option to acquire the Lítio Project, located in Brazil. As a result, it may be difficult to enforce judgments obtained in Australian courts against the projects. In addition, there is uncertainty as to whether the courts in these foreign jurisdictions or any other jurisdiction in which the Company may operate in the future</p>

Risk Category	Risk
	would recognise or enforce judgments of Australian courts based on provisions of the laws of Australia.
Resource and reserves and exploration targets	The Company has reported a mineral source at its Salta Lithium Project (as announced on 2 November 2023). Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

5.3 Industry specific

Risk Category	Risk
Exploration and operating risks	The mineral exploration licences comprising the Company's projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these mineral exploration licences, or any mining concessions that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that the required permits, consents and access agreements (including indigenous consents) will be granted or that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the projects and obtaining all required mining concessions and other approvals for their contemplated activities at the projects. In the event that exploration programmes prove to be unsuccessful, this could lead to a diminution in the value of the projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the projects.
Mine development	Possible future development of a mining operation at any of the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production

Risk Category	Risk
	<p>activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects.</p> <p>The risks associated with the development of a mine will be considered in full should the projects reach that stage and will be managed with ongoing consideration of stakeholder interests.</p>
<p>Environmental risk</p>	<p>The operations and proposed activities of the Company are subject to Australian State and Federal laws and regulations and Argentinian laws and regulations concerning the environment. As set out in Section 1.3.3, the Company has also entered into an option agreement, pursuant to which the Company has been granted the option to acquire the Lito Project, located in Brazil. If this option is exercised, the Company will become subject to Brazilian laws and regulations. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs.</p> <p>Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.</p> <p>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p>

Risk Category	Risk
<p>First nations and other community stakeholders</p>	<p>Several of the Company's projects are in land areas owned by First Nations people, or where they have significant rights over use of the land.</p> <p>The APY Lands are owned by the First Nations Anangu Pitjantjatjara Yankunytjatjara (APY) people under the APY Land Rights Act 1981 (SA). The Company must gain consent by way of a Deed of Exploration and individual heritage clearance consents with the APY People. The Company has executed APY land access agreements for Mt Harcus and Mt Caroline tenements, and has progressed negotiations for a Deed of Exploration access agreement over the Pink Slipper location Exploration Licence Application. If the Company is unable to execute a land access agreement or obtain consent to access land, the Company's ability to conduct exploration and development will be adversely impacted.</p> <p>In the Puna region of Argentina, the local communities are consulted as part of the environmental and social impact permitting process. The Company maintains strong relationships with the Tolar Grande, Pocitos and Olacapato communities, and to date has no adverse observations recorded against its tenements, and the Salta Government has recently granted extensions to current exploration permits. Any adverse observations made by these communities could adversely affect the granting of future permit extensions to the Company.</p> <p>The Company also consults with stakeholders on the Eyre Peninsula to ensure that input is received and any potential concerns are addressed. The Company's operating procedures and stakeholder engagement processes are used to manage land access, cultural heritage, native title and community stakeholder risks.</p>
<p>Regulatory risk</p>	<p>Changes in government policy (such as in relation to taxation, environmental protection, competition and pricing regulation and the methodologies permitted to be used for water use and brine disposal) or statutory changes may affect the Company's business operations and its financial position. A change in government regime may significantly result in changes to fiscal, monetary, property rights and other issues which may result in a material adverse impact on the Company's business and its operations.</p> <p>Companies in the mining industry may also be required to pay direct and indirect taxes, royalties, and other imposts in addition to normal company taxes. The Company currently has operations or interests in Australia and Argentina. As set out in Section 1.3.3, the Company has also entered into an option agreement, pursuant to which the Company has been granted the option to acquire the Litio Project, located in Brazil. Accordingly, its profitability may be affected by changes in government taxation and royalty policies or in the interpretation or application of such policies in these jurisdictions.</p> <p>The Company monitors changes in legislation, regulations, rules and procedures across the jurisdictions in which it operates.</p>

Risk Category	Risk
<p>Compliance risk</p>	<p>The Company's operating activities are subject to laws and regulations governing exploration of property, health and worker safety, employment standards, waste disposal, protection of the environment, land and water use, prospecting, taxes, labour standards, occupational health standards, toxic wastes, the protection of endangered and protected species and other matters.</p> <p>While the Company understands that it is currently in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects. Where required, obtaining necessary permits and licences can be a complex, time consuming process and the Company cannot be sure whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all.</p> <p>The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with any future exploration or development of its properties. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or other activities and could result in material fines, penalties or other liabilities.</p>
<p>Commodity price risks</p>	<p>If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price risk. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p>
<p>Foreign exchange</p>	<p>Contracts for exploration and construction expenditure and sales of commodities in Argentina are generally denominated in US dollars. This has adverse consequences on expenditure in Argentina if the Australian dollar falls against the US dollar, and adverse consequences on any future product sales if the Australian dollar rises against the US dollar.</p> <p>The Company may use derivative financial instruments to economically hedge material risk exposures.</p>
<p>Tenement renewal risk</p>	<p>Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of</p>

Risk Category	Risk
	<p>new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.</p> <p>The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Western Australia and Argentina and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted tenement for reasons beyond the control of the Company could be significant.</p>
Access risk	<p>The Company's access to the tenements may be affected by landholder and pastoralist approvals, native title rights and/or the terms of native title agreements. While the Company intends to do those things necessary to minimise these risks, it cannot guarantee that the access it has to tenements in which it has an interest will remain unfettered in the future.</p>

5.4 General risks

Risk Category	Risk
Economic	<p>General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p>
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (a) introduction of tax reform or other new legislation; (b) interest rates and inflation rates; (c) changes in investor sentiment toward particular market sectors; (d) the demand for, and supply of, capital; and (e) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Litigation risks	<p>The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the</p>

Risk Category	Risk
	Company's operations, financial performance and financial position.
Dividends	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
Taxation	<p>The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.
Climate Risk	<p>The impacts of climate change may affect the Company's operations and the markets in which the Company may sell its products through regulatory changes aimed at reducing the impact from or mitigations to climate change. This could include measures to limit carbon emissions such as a carbon tax, technological advances and other economic or market responses, such as consumer behaviour or competition for raw materials.</p> <p>Climate change may also result in more extreme weather events and physical impacts on the Company. Weather changes have the possibility of increased water stress, making management of water resources more critical for communities.</p> <p>The Company actively monitors current and potential areas of climate change and energy transition risk and takes actions to prevent and/or mitigate impacts on its objectives and activities.</p>
Global conflicts	<p>The current evolving conflict between Ukraine and Russia and Israel and Palestine (Ukraine and Gaza Conflicts) is impacting global economic markets. The nature and extent of the effect of the Ukraine and Gaza Conflicts on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine and Gaza Conflicts.</p> <p>The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of</p>

Risk Category	Risk
	<p>commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine and Gaza Conflicts, including limitations on travel and changes to import/export restrictions and arrangements involving the relevant countries may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>The Company is monitoring the situation closely and considers the impact of the Ukraine and Gaza Conflicts on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.</p>

5.5 Speculative investment

The risk factors described above, and other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

Other than as set out in this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

6.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
17/07/2024	Power issues Default Notice to Ultra Lithium
16/07/2024	Power confirms niobium, tantalum and REE at Lltio -with JORC
16/07/2024	Power confirms niobium, tantalum and REE at Lltio
11/07/2024	Proposed issue of securities - PNN

Date	Description of Announcement
11/07/2024	Binding Funding and Development Agreement for Polar Project
11/07/2024	Change of Director's Interest Notice - Amended
10/07/2024	Change of Director's Interest Notice
10/07/2024	Trading Halt
08/07/2024	Investor Presentation
08/07/2024	Proposed issue of securities – PNN
08/07/2024	Power raises \$2.4m to advance South America exploration
04/07/2024	Trading Halt
04/07/2024	Appendix 2A
04/07/2024	Application for quotation of securities – PNN
04/07/2024	Application for quotation of securities – PNN
03/07/2024	Reinstatement to Quotation
03/07/2024	Option to Acquire Strategic Niobium Project in Brazil
02/07/2024	Suspension from Quotation
01/07/2024	Power issues Cash notice to Ultra Lithium for Loan Repayment
28/06/2024	Results of Meeting
28/06/2024	Trading Halt
14/06/2024	Appendix 2A
06/06/2024	PNNO – Range of Unites and Top 20
06/06/2024	Appendix 2A
05/06/2024	Proposed Issue of Securities – Update
03/06/2024	Loyalty Option Shortfall Notice
30/05/2024	Notice of General Meeting/Proxy Form
24/05/2024	Proposed issue of securities – PNN
24/05/2024	Replacement Prospectus
24/05/2024	Company Update
21/05/2024	Strategic expansion of West Arunta niobium-REE project
17/05/2024	Extension of Loyalty Option Closing Date - Amended
17/05/2024	Extension of Loyalty Option Offer Closing Date
17/05/2024	Binding Agreement for Funding and Development of Rincon
15/05/2024	Trading Halt
14/05/2024	Extension of Loyalty Option Offer Closing Date
14/05/2024	Update - Proposed issue of securities
13/05/2024	Power expands portfolio with Niobium-REE Project in WA
7/05/2024	Extension of Loyalty Options Offer Closing Date
7/05/2024	Update - Proposed Issue of Securities

Date	Description of Announcement
1/05/2024	Update - Proposed Issue of Securities
1/05/2024	Extension of Loyalty Options Offer Closing Date
30/04/2024	Quarterly Activity and Cashflow Report
23/04/2024	Extension of Loyalty Options Offer Closing Date
23/04/2024	Update proposed issue of securities PNN
17/04/2024	Loyalty Option Prospectus Despatch
17/04/2024	DLE Pilot Plant test results - Amended
17/04/2024	DLE Pilot Plant tests deliver up to 96% lithium recoveries
11/04/2024	Application for quotation of securities - PNN
10/04/2024	Update - Proposed issue of securities - PNN
10/04/2024	Proposed issue of securities - PNN
10/04/2024	Proposed issue of securities - PNN
10/04/2024	Loyalty Option Offer and Secondary Offer Prospectus
9/04/2024	Power identifies new copper targets at Musgrave - Amended
8/04/2024	Power identifies new copper targets at Musgrave Project SA
5/04/2024	Update - Proposed issue of securities - PNN
5/04/2024	Proposed issue of securities - PNN
5/04/2024	Updated capital raise information and timetable
27/03/2024	Appointment of Company Secretary
27/03/2024	Power has Excellent Results from Pumping Well at Incahuasi
26/03/2024	Reinstatement to Official Quotation
26/03/2024	Proposed issue of securities - PNN
26/03/2024	Proposed issue of securities - PNN
26/03/2024	\$1.05M Capital Raise and Strategic Acquisition Rincon Salar
25/03/2024	Suspension from Quotation
21/03/2024	Trading Halt
21/03/2024	Pause in Trading
26/03/2024	Reinstatement to Official Quotation
26/03/2024	Proposed issue of securities - PNN
26/03/2024	Proposed issue of securities - PNN
26/03/2024	\$1.05M Capital Raise and Strategic Acquisition Rincon Salar
25/03/2024	Suspension from Quotation
21/03/2024	Trading Halt
21/03/2024	Pause in Trading
15/03/2024	Half Yearly Report and Accounts
12/03/2024	Change in substantial holding

Date	Description of Announcement
8/03/2024	Reinstatement to Official Quotation
8/03/2024	Court Orders Granted
8/03/2024	Cleansing Notice
7/03/2024	Notification regarding unquoted securities - PNN
7/03/2024	Proposed issue of securities - PNN
7/03/2024	PNN Extension of Voluntary Suspension
4/03/2024	Suspension from Quotation
29/02/2024	Trading Halt
23/02/2024	Becoming a substantial holder
2/02/2024	Drilling delivers up to 14,152ppm TREO REE at Eyre Peninsula
31/01/2024	Quarterly Activities/Appendix 5B Cash Flow Report
25/01/2024	Power Secures \$1m Funding Facility
22/01/2024	Power expands uranium exploration in South Australia
15/01/2024	Next Phase of Drilling to Commence at Incahuasi salar
5/01/2024	Notification of cessation of securities - PNN
5/01/2024	Notification of cessation of securities - PNN
5/01/2024	Notification of cessation of securities - PNN
5/01/2024	Update - Proposed issue of securities - PNN
28/12/2023	Application for quotation of securities - PNN
27/12/2023	Power and Summit execute Binding Term Sheet for Incahuasi
21/12/2023	Update - Proposed issue of securities - PNN
20/12/2023	Application for quotation of securities - PNN
18/12/2023	Notification of cessation of securities - PNN
18/12/2023	Notification of cessation of securities - PNN
15/12/2023	Application for quotation of securities - PNN
13/12/2023	Application for quotation of securities - PNN
13/12/2023	Change of Director's Interest Notice Update
13/12/2023	Becoming a substantial holder
12/12/2023	Power appoints Lithium Specialist Ricardo Piethé as GM
8/12/2023	Application for quotation of securities - PNN
6/12/2023	Xiamen Xiangyu Advances MOU with Power at Rincon Salar
5/12/2023	Appendix 3Y Change of Director's Interest Notice
4/12/2023	Final Director's Interest Notice
30/11/2023	2023 AGM Results
30/11/2023	Chairman's Address
30/11/2023	AGM Notice of Withdrawal of Resolution

Date	Description of Announcement
30/11/2023	David Turvey appointed Rincon Project Manager
29/11/2023	Appendix 3Y Change of Director's Interest Notice
29/11/2023	Update Rincon PEA delivers outstanding project economics
28/11/2023	Application for quotation of securities - PNN
27/11/2023	Trading Halt
27/11/2023	Pause in Trading
27/11/2023	Rincon PEA delivers outstanding project economics
24/11/2023	Application for quotation of securities - PNN
23/11/2023	Appendix 3Y Change of Director's Interest Notice
23/11/2023	Application for quotation of securities - PNN
22/11/2023	Appendix 3Y Change of Director's Interest Notice
21/11/2023	Application for quotation of securities - PNN
21/11/2023	Appendix 3Y Change of Director's Interest Notice
17/11/2023	Application for quotation of securities - PNN
17/11/2023	Application for quotation of securities - PNN
16/11/2023	Hatch to complete feasibility study DLE demo plant Incahuasi
14/11/2023	Notification regarding unquoted securities - PNN
14/11/2023	Notification regarding unquoted securities - PNN
9/11/2023	Update - Notification regarding unquoted securities - PNN
8/11/2023	Appendix 3Y Change of Directors Interest Notices
8/11/2023	Notification regarding unquoted securities - PNN
7/11/2023	Application for quotation of securities - PNN
7/11/2023	Update - Notification regarding unquoted securities - PNN
3/11/2023	Application for quotation of securities - PNN
2/11/2023	Proposed issue of securities - PNN
2/11/2023	Notification regarding unquoted securities - PNN
2/11/2023	Major JORC Mineral Resource at Salta Lithium Project Update
1/11/2023	Power Minerals' IMARC Presentation 2023
1/11/2023	Major JORC Mineral Resource at Salta Lithium Project
31/10/2023	Quarterly Activities/Appendix 5B Cash Flow Report
31/10/2023	\$3.125m First Tranche Summit Nanotech Strategic Investment
30/10/2023	Notification regarding unquoted securities - PNN
27/10/2023	Notice of Annual General Meeting/Proxy Form
26/10/2023	Results of Extraordinary General Meeting
20/10/2023	Preliminary Heritage Survey completed Pink Slipper Target
3/10/2023	Date of AGM & Closing Date for Director Nominations

Date	Description of Announcement
29/09/2023	Appendix 4G
29/09/2023	2023 Corporate Governance Statement
29/09/2023	2023 Annual Report

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website (www.powerminerals.com.au).

6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

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

	(\$)	Date
Highest	\$0.20	3 July 2024
Lowest	\$0.155	4 and 5 July 2024
Last	\$0.140	16 July 2024

6.4 Details of Substantial Holders

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

Shareholder	Shares	%
Fuyang Mingjin New Energy Development Co. Ltd	6,500,000	6.99%
Summit Nanotech Corporation	6,250,000	6.72%
Stephen Curtain, Trade Prestige & The Trustee For S & N Curtain Super Fund	6,118,857	6.58%

As the Offer involves the issue of a nominal number of Shares, there will be no change to the substantial holders on completion of the Offer. However, there may be a change to the substantial holders as a result of the issue of Shares under the Placement.

6.5 Interests of Directors

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

- (a) the formation or promotion of the Company;

- (b) any property acquired or proposed to be acquired by the Company in connection with:
- (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,
- and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:
- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
- (i) the formation or promotion of the Company; or
 - (i) the Offer.

Security holdings

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

Director	Shares	Options	Performance Rights
Stephen Ross ¹	250,000	-	1,600,000
Mena Habib ¹	1,497,435	443,535	3,100,000
James Moses ¹	125,000	-	920,000

Notes:

1. The Company will seek Shareholder approval at the General Meeting to issue:
 - (a) 357,142 Shares and 357,142 PNNO Options to Mena Habib at an issue price of \$0.14 per Share to enable Mr Habib to participate in the Placement on the same terms as unrelated professional, sophisticated and institutional investors; and
 - (b) an aggregate of 7,000,000 PNNO Options to the Directors (comprising 4,000,000 PNNO Options to Director, Mena Habib (or his nominee), 2,000,000 PNNO Options to Director, Stephen Ross (or his nominee) and 2,000,000 PNNO Options to Director, James Moses (or his nominee)) as part of their respective remuneration packages.

No Director nor any of their associates intends to participate in the Offer.

Remuneration

The Directors are to be paid out of the funds of the Company as remuneration for their services as Directors, such sum accruing from day to day as the Company in general meeting determines to be divided among them in such proportion and manner as they agree or in default of agreement equally.

Other than the managing director, the Directors' remuneration for their services as Directors is by fixed sum and not a commission on or percentage of profits or operating revenue and may not be increased except at a general meeting where particulars of the proposed increase have been given to the shareholders in the notice convening the meeting. The remuneration of an executive Director

is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by general meeting and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

Any Director who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Director, or who at the request of the Board engages in any journey on the business of the Company, may be paid extra remuneration as determined by the Board. In addition, Directors are also entitled to be paid retirement benefits and reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's Annual Report for the financial year ended 30 June 2023.

Director	Annual Remuneration Package	Proposed Annual Report FY ended 30 June 2024	Annual Report FY ended 30 June 2023
Stephen Ross	\$99,900 ¹	\$420,777 ⁴	\$226,570 ⁷
Mena Habib	\$288,092 ²	\$872,985 ⁵	\$433,412 ⁸
James Moses	\$45,409 ³	\$288,374 ⁶	\$192,590 ⁹

Notes:

1. Comprising directors' fees of \$90,000 and superannuation of \$9,900.
2. Comprising consulting fees of \$288,092.
3. Comprising directors' fees of \$40,909 and superannuation of \$4,500.
4. Comprising directors' fees of \$90,000, consulting fees of \$9,000, superannuation of \$9,900 and share-based payments value of performance rights of \$311,877 (vested \$61,250 and unvested \$250,627).
5. Comprising salary of \$180,900, superannuation of \$19,800 whilst on payroll, consulting fees of \$72,024 with no obligation to pay superannuation and share-based payments value of performance rights of \$600,261 (vested \$122,500 and unvested \$477,761). From 1 April 2024 Mena Habib's terms of engagement changed from payroll employee to provision of consulting services to the Company as managing director through his consulting entity Excelhealth Pty Ltd (ABN 87 642 319 248).
6. Comprising directors' fees of \$40,909, consulting fees of \$66,000, superannuation of \$4,500 and share-based payments value of performance rights of \$176,965 (vested \$30,625 and unvested \$146,340).
7. Comprising directors' fees of \$75,000, consulting fees of \$35,000, superannuation of \$7,875 and share-based payments value of performance rights of \$107,695.
8. Comprising salary of \$219,874, superannuation of \$23,005 and share-based payments value of performance rights of \$190,533.
9. Comprising directors' fees of \$40,909, consulting fees of \$72,000, superannuation of \$4,295 and share-based payments value of performance rights of \$75,386.

6.6 Interests of experts and advisers

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$86,023 (excluding GST and disbursements) for legal services provided to the Company.

6.7 Consents

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

Each of the parties referred to in this Section:

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

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

6.8 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$28,346 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	\$3,206
ASX fees	\$140
Legal fees	\$10,000
Share registry fees	\$10,000
Printing and distribution	\$3,500
Miscellaneous	\$1,500
Total	\$28,346

7. DIRECTORS' AUTHORISATION

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

8. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

ACST means Australian Central Standard Time as observed in Adelaide, South Australia.

Alternative Capital Raising has the meaning set out in Section 1.2.

Alternative Transaction Fee has the meaning set out in Section 1.2.

Applicant means an investor who applies for Shares pursuant to the Offer.

Application Form means an application form either attached to or accompanying this Prospectus.

Application means an application for Shares made on an Application Form.

ASIC means the Australian Securities and Investments Commission.

ASX Listing Rules means the listing rules of the ASX.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESSE.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

CLA has the meaning set out in Section 1.3.

Closing Date means the closing date of the Offer specified in the timetable set out at Section 1.1 (unless extended).

Company means Power Minerals Limited (ACN 101 714 989).

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

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

Director Participation has the meaning set out in Section 1.2.

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

GBA Capital or **GBA** means GBA Capital Pty Ltd (ACN 643 039 123) (CAR 001285020 of AFSL 544680).

General Meeting has the meaning set out in Section 1.2.

Joint Lead Manager Mandate has the meaning set out in Section 1.2.

Joint Lead Managers means GBA and Peak.

Legendary Star means Legendary Star Investment Asia Pte. Ltd.

Li Energy means Li Energy Technology Limited.

Offer has the meaning given on the cover page of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Peak means Copeak Pty Ltd (ACN 607 161 900).

Performance Right means a right to acquire a Share, subject to satisfaction of any vesting conditions, and the corresponding obligation of the Company to provide the Share.

Placement has the meaning set out in Section 1.2

Placement Participants has the meaning set out in Section 1.2

PNNO Option means a quoted option to acquire a Share exercisable at \$0.30 each on or before 5 June 2029 with ASX code PNNO.

Prospectus means this prospectus.

PRR means Pepinnini Robinson Range Pty Ltd (ACN 142 023 023)

Repenergy means Repenergy Investment Private Limited.

Rincon JVA has the meaning set out in Section 1.3.

Section means a section of this Prospectus.

Securities means Shares, Options and/or Performance Rights as the context requires.

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

Shareholder means a holder of a Share.

Subsidiary has the meaning given to that term in the Corporations Act.