

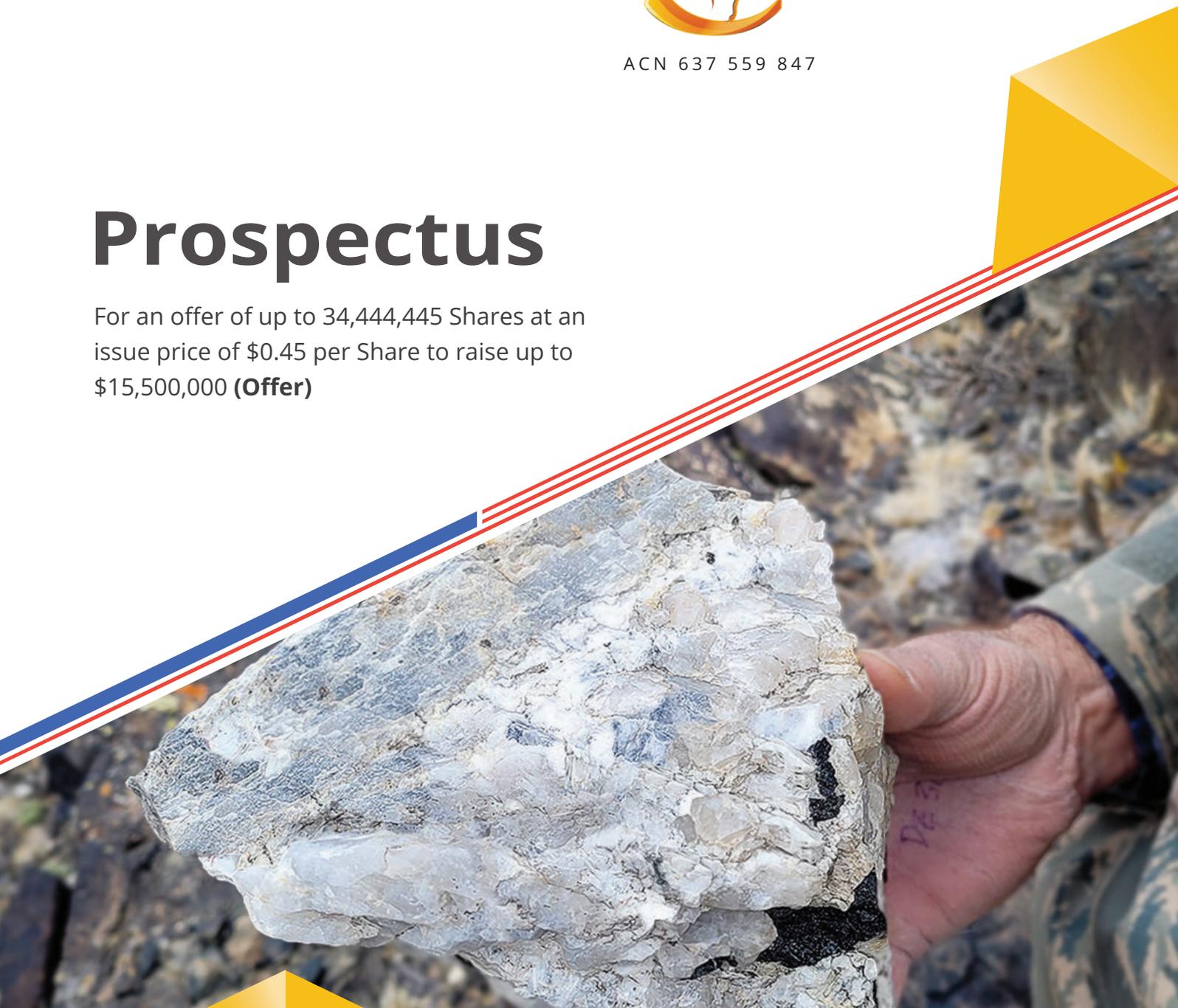


**CHARIOT**  
CORPORATION.

ACN 637 559 847

# Prospectus

For an offer of up to 34,444,445 Shares at an issue price of \$0.45 per Share to raise up to \$15,500,000 (**Offer**)



Joint Lead Managers

**WILSONS**

 **JETT CAPITAL**  
ADVISORS

Lead Legal Advisor

**STEINPREIS PAGANIN**  
Lawyers & Consultants 

**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. Please note that capitalised terms not otherwise defined in the text of the Prospectus have the meaning given to them in the Glossary (Section 10 of this Prospectus).

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

# Important Information

## PROSPECTUS

This Prospectus is dated, 23 August 2023 and was lodged with ASIC on that date. Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The expiry date of this Prospectus is 5.00pm AWST on the date which is 13 months after the date this Prospectus was lodged with ASIC and no Shares will be issued on the basis of this Prospectus after that date.

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 you read this Prospectus in its entirety and seek professional advice where necessary. The Shares offered under this Prospectus should be considered as highly speculative. Application will be made to ASX within seven days of the date of this Prospectus for Official Quotation of the Shares the subject of this Prospectus.

## EXPOSURE PERIOD

This Prospectus will be circulated during the Exposure Period, the purpose for which is to enable this Prospectus to be examined by market participants prior to the raising of funds. This examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Shares under this Prospectus will not be accepted by the Company until after the expiry of the Exposure Period. No preference will be given for Applications made during the Exposure Period.

## NO COOLING-OFF RIGHTS

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

## CONDITIONAL OFFER

The Offers contained in this Prospectus are conditional on certain events occurring. If these events do not occur, the Offers will not proceed and investors will be refunded their Application Monies without interest. Please refer to Section 1.7 for further details on the condition attaching to the Offers.

## ELECTRONIC PROSPECTUS AND APPLICATION FORMS

During the Exposure Period, an electronic version of this Prospectus (without an Application Form) will be available from the Company's website at [www.chariotcorporation.com](http://www.chariotcorporation.com). Application Forms will not be made available until after the Exposure Period has expired.

The Offers constituted by this Prospectus in electronic form are only available to persons receiving an electronic version of this Prospectus and relevant Application Form within Australia and the Permitted Jurisdictions. Persons who access the electronic version of this Prospectus should ensure that they download and read the Prospectus in its entirety.

Persons having received an electronic version of this Prospectus may obtain an additional paper copy (including any supplementary or replacement document) and the relevant Application Form (free of charge) from the Company's registered office during the offer period by contacting the Company as detailed in the Corporate Directory.

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

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

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 document or information included on the Company's website is incorporated by reference into this Prospectus.

## OFFERS OUTSIDE AUSTRALIA

No action or formality has been taken to register or qualify the Shares the subject of this Prospectus, or the Offer, or otherwise to permit the public offering of the Shares, in any jurisdiction outside Australia and New Zealand. The distribution of this

Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus outside of Australia should observe any such restrictions. This Prospectus does not constitute an offer to sell, or a solicitation of any offer to buy, securities in the United States. In particular, the Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any State of the United States, and may not be offered or sold in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable United States state securities laws.

Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This document does not constitute an offer of Shares in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed or securities offered or sold, in any country outside Australia except to the extent permitted in the relevant jurisdictions. For details of selling restrictions that apply to Shares in certain jurisdictions outside of Australia, please see below. This Prospectus may only be distributed in the United States to Institutional Investors by Jett Capital and only if this Prospectus is accompanied by the U.S. Offering Circular.

This Prospectus does not constitute an offer or invitation to apply for Shares in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Prospectus may not be distributed to any person, and the Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

## NEW ZEALAND

The Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

The Offer and the content of this Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the Offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to the Offer. If you need to make a complaint about the Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

## UNITED KINGDOM

Neither this Prospectus nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (FSMA)) has been published or is intended to be published in respect of the Shares.

The Shares may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not

require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to “qualified investors” within the meaning of Article 2(e) of the UK Prospectus Regulation. This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (FPO), (ii) who fall within the categories of persons referred to in Article 49(2) (a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together **relevant persons**). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

## EUROPEAN UNION (EXCLUDING AUSTRIA)

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the **Prospectus Regulation**).

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Shares in the European Union is limited to persons who are “qualified investors” (as defined in Article 2(e) of the Prospectus Regulation).

## SINGAPORE

This Prospectus and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with

the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the **SFA**) or another exemption under the SFA.

This Prospectus has been given to you on the basis that you are an “institutional investor” or an “accredited investor” (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## HONG KONG

**WARNING:** This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). Accordingly, this Prospectus may not be distributed, and the Shares may not be offered or sold, in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

## Important Information (cont.)

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

### UNITED STATES

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable United States state securities laws.

This Prospectus may only be distributed in the United States by Jett Capital to Institutional Investors and only if this Prospectus is accompanied by the U.S. Offering Circular.

### RISKS

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Shares. There are risks associated with an investment in the Company. The Shares offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Shares. Refer to the Key Risks section of the Investment Overview as well as Section 3 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

### SPECULATIVE INVESTMENT

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

Prospective investors should carefully consider whether the Shares offered pursuant to this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial taxation position. Refer to Section 3 for details relating to the key risks applicable to an investment in the Shares offered.

### USING THIS PROSPECTUS

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).

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

### FORWARD-LOOKING STATEMENTS

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

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the 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 management of the Company.

These forward looking statements are subject to various risk factors that could cause the Company's performance and actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are detailed in Section 3.

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

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements

contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

### CAUTIONARY STATEMENT ON VISUAL ESTIMATES

Visual estimates of mineral abundance should never be considered a proxy for laboratory analysis where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or delirious physical properties relevant to valuations.

### 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 this 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. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available as at the date of this Prospectus.

### 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.

### COMPETENT PERSONS STATEMENTS

The information in the Investment Overview Section of this Prospectus, the Company and Projects Overview, included at Section 2, and the Independent Technical Assessment Report (Wyoming and Nyamukono Projects) included at Annexure A of the Prospectus, which relate to technical assessment of the mineral assets, exploration targets and exploration results is based on information compiled by the Company and CSA Global and reviewed and conclusions derived by Michael Cronwright. Michael Cronwright is a Member of the South African Council for Natural Scientific Professions and a Fellow of the Geological Society of South Africa and employed by CSA Global. Michael Cronwright has sufficient experience that is relevant to the technical assessment of

the mineral assets under consideration, the style of mineralisation, the types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Michael Cronwright consents to the inclusion of these Sections of this Prospectus and Annexure A hereof of the matters based on his information and analysis in the form and context in which it appears.

The information in the Investment Overview Section of this Prospectus, the Company and Projects Overview, included at Section 2, and the Independent Technical Assessment Report (Resurgent Project) included at Annexures B of the Prospectus, which relate to exploration results at the Resurgent Project is based on information and supporting documentation prepared by FMSL and the Company which has been compiled by Mr Martin Pittuck who is a Member of The Institute of Materials, Minerals and Mining (Membership Number 49186). Mr Pittuck is a full time employee of SRK Consulting (UK) Ltd. Mr Pittuck has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves'. Mr Pittuck consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

### **CLEARING HOUSE ELECTRONIC SUB-REGISTER SYSTEM (CHESS) AND ISSUER SPONSORSHIP**

The Company will apply to participate in the Clearing House Electronic Sub-register System ("CHESS"). ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX, operates CHESS. Investors who do not wish to participate through CHESS 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 holding statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The holding statements will also advise holders of their Holder Identification Number (if the holder is broker sponsored) or Security Holder Reference Number (if the holder is issuer sponsored) and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of Shares 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. Shareholders may request a holding statement at any other time however, a fee may be charged for such additional statements.

### **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 Shares 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 using the relevant contact details set out in this Prospectus.

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

### **MISCELLANEOUS**

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. Conversions may not reconcile due to rounding. All references to '\$' or 'dollar' are regarding Australian dollars, and all references to 'US\$' are references to U.S. dollars. All references to time in this Prospectus are references to AWST, being the time in Perth, Western Australia, unless stated otherwise.

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 Glossary in Section 10

### **ENQUIRIES**

If you are unclear in relation to the matters raised in this Prospectus or are in doubt as to how to deal with it, you should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser without delay. Should you have any questions in relation to the Offer or how to accept the Offer please contact the Company Secretary on +61 8 9481 0389.

# Corporate Directory

## DIRECTORS

Murray Edward Bleach  
*Non-Executive Chairman*

Shanthar Pathmanathan  
*Managing Director*

Frederick Forni  
*Executive Director*

Neil Stuart  
*Non-Executive Director*

## COMPANY SECRETARY

Craig McNab

## PROPOSED ASX CODE

CC9

## REGISTERED OFFICE

Mining Corporate Pty Ltd  
Level 8, 216 St Georges Terrace, Perth WA 6000

Email: [ir@chariotcorporation.com](mailto:ir@chariotcorporation.com)

Website: [www.chariotcorporation.com](http://www.chariotcorporation.com)

## JOINT LEAD MANAGERS

Wilson Corporate Finance Limited  
L32, Governor Macquarie Tower,  
1 Farrer Place, Sydney NSW 2000, Australia

Jett Capital Advisors LLC  
712 5<sup>th</sup> Ave, 11<sup>th</sup> Floor, New York, NY 10019, United States

## AUDITOR

Moore Australia Audit (WA)  
Level, 15, Exchange Plaza, 2 The Esplanade, Perth WA 6000,  
Australia

## INVESTIGATING ACCOUNTANT

Moore Australia Corporate Finance (WA) Pty Ltd  
Level 15, Exchange Plaza, 2 The Esplanade, Perth WA 6000,  
Australia

## INDEPENDENT GEOLOGISTS

*Wyoming and Nyamukono Projects*

ERM Australia Consultants Pty Ltd  
trading as CSA Global (CSA Global)  
Level 3, 1-5 Havelock Street, West Perth WA 6005, Australia

*Resurgent Project*

SRK Consulting (UK) Ltd  
5<sup>th</sup> Floor, Churchill House, 17 Churchill Way, Cardiff,  
United Kingdom, CF10 2HH

## AUSTRALIAN LEGAL ADVISERS

Steinepreis Paganin  
Level 4, The Read Buildings, 16 Milligan Street, Perth WA 6000,  
Australia

## AUTHORS OF SOLICITOR'S REPORT ON TITLE (WYOMING LITHIUM PROJECTS)

Crowley Fleck PLLP  
490 North 31<sup>st</sup> Street, Suite 500, Billings, MT 59101,  
United States

## AUTHORS OF SOLICITOR'S REPORT ON TITLE (RESURGENT PROJECT)

Erwin Thompson Faillers  
241 Ridge Street, Suite 210, Reno, Nevada 89501, United States

## AUTHORS OF SOLICITOR'S REPORT ON TITLE (NYAMUKONO PROJECT)

Costa & Madzonga  
6 Premium Close, Delken Complex, Block E, Mount Pleasant  
Business Park, P.O Box CY1221 Causeway, Harare, Zimbabwe

## SHARE REGISTRY\*

Automatic Group Share Registry  
Telephone: 1300 288 664 (within Australia toll Free)

*\*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.*

# Table of Contents

Important Information .....	i
Corporate Directory .....	v
Table of Contents .....	vi
Letter from the Chairman .....	1
Key Offer Information .....	3
Investment Overview .....	7
<b>1 Details of Offers .....</b>	<b>25</b>
<b>2 Company and Projects Overview .....</b>	<b>37</b>
<b>3 Risk Factors .....</b>	<b>69</b>
<b>4 Financial Information .....</b>	<b>81</b>
<b>5 Board, Senior Management, Team &amp; Corporate Governance .....</b>	<b>109</b>
<b>6 Material Contracts .....</b>	<b>119</b>
<b>7 Taxation .....</b>	<b>133</b>
<b>8 Additional Information .....</b>	<b>139</b>
<b>9 Authorisation .....</b>	<b>161</b>
<b>10 Glossary of Terms .....</b>	<b>165</b>
Annexure A: Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) .....	173
Annexure B: Independent Technical Assessment Report (Resurgent Project) .....	293
Annexure C: Solicitor’s Report on Title (Wyoming Lithium Projects) .....	355
Annexure D: Solicitor’s Report on Title (Resurgent Project) .....	387
Annexure E: Solicitor’s Report on Title (Nyamukono Project) .....	459
Annexure F: Independent Limited Assurance Report .....	469

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# Letter from the Chairman



## Dear Investor,

On behalf of the board of Chariot Corporation Limited (**Chariot** or the **Company**), it is my pleasure to present this Prospectus and invite you to become a shareholder in the Company.

Chariot was established to explore and develop lithium opportunities that are critical to the transition to clean energy. Through the combination of systematic project acquisition, strategic M&A initiatives and geological analysis, we have accumulated one of the largest portfolios of lithium assets in the United States.

Upon Listing, and subject to completion of the Acquisitions, the Company's flagship assets will be the Black Mountain Project (Hard Rock Lithium) located in Central Wyoming and the Resurgent Project (Claystone Lithium), located in the McDermitt Caldera (NV, OR). Both projects feature early results indicating high-grade lithium mineralisation at surface<sup>1,2</sup> which, with our large and strategic land position<sup>3</sup>, underpins Chariot's objective to discover and define mineral resources that have the potential to scale into a globally significant lithium project. The Company believes these two core projects represent early, prospective lithium opportunities in the United States.

Under this Prospectus, the Company is seeking to raise \$15,500,000 (before costs) by the issue of 34,444,445 ordinary shares at an issue price of \$0.45 per Share. The purpose of the Offer is to provide funds to implement the Company's business strategies (explained in Section 2).

The Joint Lead Managers of the Offer are Wilsons Corporate Finance Limited and Jett Capital Advisors LLC (see Section 6.3 for further details). The proceeds from the Offer will enable Chariot to accelerate its exploration activities at its flagship projects and demonstrate the value of its portfolio in the near-term.

The Company has assembled a leadership team with extensive expertise and experience in mineral exploration, project development and finance. The team is well-qualified with a substantial track-record to effectively deploy capital and extract maximum value for Shareholders from the Company's U.S. lithium assets.

This Prospectus is issued for the purpose of supporting an application to list the Company on the ASX. This Prospectus contains detailed information about the Offer and the current and proposed activities of the Company, as well as the risks pertaining to an investment in the Company (detailed in Section 3). Potential investors in the Company should carefully consider those risks before making an investment decision.

I look forward to you joining us as a Shareholder and sharing in what we believe are exciting and prospective times ahead for the Company.

Yours faithfully,

**Murray Bleach**  
Non-Executive Chairman

#### Notes:

- <sup>1</sup> Refer to Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) Table 5-3.
- <sup>2</sup> Refer to Independent Technical Assessment Report (Resurgent Project) Appendix B.
- <sup>3</sup> Based on number of Chariot claims holds in Wyoming, Nevada and Oregon. Refer to Annexure C and Annexure D of the Prospectus.

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Black Mountain  
HARDROCK LITHIUM

# Key Offer Information



Approved by the relevant authorities  
Approved by the relevant authorities  
Approved by the relevant authorities  
Approved by the relevant authorities



BASE

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# Key Offer Information

## INDICATIVE TIMETABLE<sup>1,2</sup>

	Date
Lodgement of this Prospectus with ASIC	23 August 2023
Exposure Period begins	23 August 2023
Opening Date of the Offers	31 August 2023
Closing Date of the Offers	5:00pm (AWST) 14 September 2023
Settlement of Acquisitions Issue Date of Shares under the Offer	21 September 2023
Despatch of Holding Statements	25 September 2023
Expected date for Official Quotation on ASX	2 October 2023

### Notes:

- The above dates are indicative only and may change without notice. Unless otherwise indicated, all times given are AWST. The Exposure Period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Shares to applicants.*
- If the Offer is cancelled or withdrawn before completion of the Offer, then Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offer opens.*

## KEY STATISTICS OF THE OFFER

	<b>Minimum and Full Subscription (A\$15,500,000)<sup>1</sup></b>
Offer Price	\$0.45
Shares currently on issue	92,331,445
Shares to be issued pursuant to the RHPL Acquisition	15,733,837
Shares to be issued pursuant to the FMSL Acquisition	13,435,486
Shares to be issued pursuant to the WLPL Acquisition	1,385,207
Shares to be issued pursuant to the Black Mountain Option Agreement	4,328,779
Conversion of Class A Performance Rights <sup>2</sup>	3,100,000
Number of Shares to be issued to a consultant upon listing <sup>3</sup>	250,000
Number of Shares to be issued under the Offer	34,444,445
Gross Proceeds of the Offer	\$15,500,000
Shares on issue at Listing (undiluted) <sup>4</sup>	165,009,199
Market Capitalisation at Listing (undiluted) <sup>5</sup>	\$74,254,140
Enterprise Value at Listing (undiluted)	\$56,330,714
Performance Rights on issue at Listing <sup>6</sup>	9,450,000
Options on issue at Listing <sup>7</sup>	8,954,111
Shares on Issue at Listing (fully diluted) <sup>6,8</sup>	183,413,310
Market Capitalisation at Listing (fully diluted) <sup>6,8</sup>	\$82,535,990
Cash balance at Listing	\$17,923,425
Debt at Listing	Nil
Enterprise Value at Listing (fully diluted) <sup>6,8</sup>	\$61,388,389

**Note:**

- 1 Assumes the Minimum Subscription of \$15,500,000 is consummated under the Offer.
- 2 Conversion of 3,100,000 Class A Performance Rights vesting upon receipt of conditional listing approval from ASX (on terms satisfactory to Chariot).
- 3 Chariot to issue 250,000 Shares to a consultant upon Listing.
- 4 Certain Shares on issue post-listing will be subject to ASX-imposed escrow or voluntary escrow. Refer to Section 1.16 for further details regarding the likely escrow position.
- 5 Assumes a Share price of \$0.45, however the Company notes that the Shares may trade above or below this price.
- 6 Refer to Section 8.4 for the terms of the Performance Rights on issue at Listing.
- 7 Refer to Section 8.3 for the terms of the Options on issue at Listing.
- 8 Assumes exercise of all options and conversion of performance rights on issue at Listing.

**HOW TO INVEST**

Applications for Shares can only be made by completing and lodging an Application Form. Instructions on how to apply for Shares are set out in Section 1.12 and on the Application Form.

The image features a background of a vast, rolling landscape with green and brown hills under a clear sky. A stylized line graphic, composed of a blue line with a yellow outline and a red and white striped interior, runs diagonally from the bottom left towards the top right. The text 'Investment Overview' is centered in white. A small blue triangle is in the top right corner, and a yellow square is on the left side.

# Investment Overview

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# Investment Overview

This Section is a summary only and is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Topic	Summary	More information
<b>Introduction</b>		
<b>Who is the issuer of this Prospectus?</b>	Chariot Corporation Limited ( <b>Chariot</b> or the <b>Company</b> ) was incorporated as a private company on 19 November 2019 in the State of Western Australia and converted to a public company limited by shares on 1 July 2021.	Section 2.1
<b>What does the Company do?</b>	The Company is a mineral exploration company focused on discovering and developing high grade and near surface lithium opportunities in the USA.	Section 2.1
<b>What are the Company's projects?</b>	<p>Upon Listing, and subject to completion of the Acquisitions, the Company will own a diversified lithium exploration portfolio with a focus on the United States. The Company's flagship assets (<b>Core Projects</b>) will be:</p> <p>(a) the "Black Mountain Project" (prospective for hard rock lithium) which comprises of 134 unpatented lode mining claims (<b>Claims</b>) located in Wyoming, USA (<b>Black Mountain Project</b>); and</p> <p>(b) the "Resurgent Project" (prospective for claystone lithium) which comprises of 1,450 Claims located in Humboldt County Nevada and Malheur County Oregon, USA (<b>Resurgent Project</b>).</p> <p>Both of these projects have early assay results indicating high-grade lithium mineralisation at surface.<sup>1,2</sup></p> <p>The Company will also have a pipeline of exploration projects as follows (<b>Exploration Pipeline Projects</b>):</p> <p>(a) the "Copper Mountain Project" which comprises of 83 Claims located in Wyoming, USA (<b>Copper Mountain Project</b>);</p> <p>(b) the "South Pass Project" which comprises of 214 Claims located in Wyoming, USA (<b>South Pass Project</b>); and</p> <p>(c) four other hard rock lithium projects comprising of 146 Claims located in Wyoming, USA (the <b>Regional Wyoming Projects</b>).</p> <p>The Black Mountain Project, Copper Mountain Project, South Pass Project and Regional Wyoming Projects are together referred to as the <b>Wyoming Lithium Projects</b>. The Core Projects and Exploration Pipeline Projects are together referred to as the <b>Projects</b>.</p> <p>The Company has an interest in additional projects in Nevada, Western Australia and Zimbabwe that it does not consider material to its prospects and is pursuing divestment opportunities (<b>Proposed Divestment Projects</b>); accordingly, no funds to be derived from the Offer have been allocated to these projects other than to keep the tenure in good standing. Refer to Section 2.7 for further details with respect to the Proposed Divestment Projects.</p> <p><b>Note:</b></p> <p><sup>1</sup> Refer to Independent Geologist – Wyoming Lithium and Nyamukono Projects Section 5.7.1.</p> <p><sup>2</sup> Refer to Independent Geologist – Resurgent Project Section 7.4.1.</p>	Section 2.1, 2.4-2.8, Annexure A, B, C, D & E

Topic	Summary	More information
<p><b>What is the nature of the Company's interests in its projects?</b></p>	<p>At Listing, and subject to completion of the Acquisitions, the Company will hold an interest in the Core Projects through the following subsidiaries:</p> <p>(a) Wyoming Lithium Pty Ltd (ACN 658 647 717) (<b>WLPL</b>) which holds 100% of the Wyoming Lithium Projects through its wholly-owned subsidiary Panther Lithium Corporation (an entity incorporated in Delaware, USA) (<b>PLC</b>). As at the date of this Prospectus, the Company holds an 81.9% interest in WLPL, which will increase to 91.9% following completion of the WLPL Acquisition.</p> <p>(b) FMS Lithium Corporation (an entity incorporated in Nevada, USA) (<b>FMSL</b>) which holds 100% of the Resurgent Project. As at the date of this Prospectus, the Company holds a 17.3% interest in FMSL, which will increase to 25% following completion of the FMSL Subscription and 80.4% following completion of the FMSL Acquisition and RHPL Acquisition.</p> <p>Refer to Section 2 for further information regarding the Company's interests in its Projects, including details of the proposed transactions by which the Company will consolidate its interest in the Projects (<b>Acquisitions</b>). The Company has entered into a number of agreements in order to implement the proposed Acquisitions, the material terms of which are summarised in Section 6.1.</p> <p>Refer to Section 2.2 for further details with respect to the Company's group structure at Listing.</p>	<p>Sections 2 and 6.1</p>
<p><b>Business Model</b></p>		
<p><b>What is the Company's business model?</b></p>	<p>Chariot is a mineral exploration company with a primary focus on the exploration of lithium assets in the United States. Following admission to the Official List, the Company's priority will be to systematically explore its Core Projects, with the aim of identifying mineralisation at levels large enough to be commercially extracted.</p> <p>In addition to its exploration programs, the Company will continue to investigate and evaluate (where appropriate and if/when such opportunities arise) strategic transactions and commercial opportunities that enhance shareholder value.</p>	
<p><b>What are the key business objectives of the Company?</b></p>	<p>Upon Listing, the Company's main objectives will be to:</p> <p>(a) complete a phase 1 and 2 Diamond Drill Hole (<b>DDH</b>) program at the Black Mountain Project;</p> <p>(b) complete a phase 1 DDH program at the Resurgent Project;</p> <p>(c) complete a reconnaissance DDH program at the Copper Mountain Project;</p> <p>(d) continue early exploration efforts at the South Pass Project and the Regional Wyoming Projects with geological mapping, surface sampling and ground magnetic surveys;</p> <p>(e) implement a growth strategy and actively seek out mineral exploration and resource opportunities which have the potential to generate growth and value for Shareholders;</p> <p>(f) evaluate and pursue selected acquisitions complementary to the Company's strategy; and</p> <p>(g) investigate and evaluate, where appropriate and if/when opportunities arise, strategic transactions and commercial opportunities that enhance shareholder value.</p> <p>Refer to the use of funds table in Section 2.9 for further details with respect to how the Company proposes to deploy its funds in the first 24 months following listing.</p>	<p>Section 2.3 and 2.9</p>

Topic	Summary	More information
<b>What are the key dependencies of the Company's business model?</b>	<p>The key dependencies influencing the viability of the Company's business model are:</p> <ul style="list-style-type: none"> <li>(a) completion of the Acquisitions;</li> <li>(b) maintaining title to the Claims;</li> <li>(c) the Company's ability to obtain and retain all necessary approvals (including any regulatory or third-party approvals) required to undertake its proposed exploration programs;</li> <li>(d) establishing the commercial viability of the Core Projects through further exploration and drilling;</li> <li>(e) retaining and recruiting key personnel skilled in the mining and resources sector;</li> <li>(f) sufficient worldwide demand for lithium;</li> <li>(g) the market price of lithium remaining higher than the Company's costs of any future production (assuming successful exploration and development of the Projects by the Company); and</li> <li>(h) minimising environmental impacts and complying with environmental, health and safety requirements.</li> </ul>	
<b>Key Advantages</b>		
<b>What are the key advantages of an investment in the Company?</b>	<p>The Directors are of the view that an investment in the Company provides the following principal advantages:</p> <ul style="list-style-type: none"> <li>(a) exposure to the Company's Core Projects which are considered by the Board to be highly prospective for lithium; and</li> <li>(b) stewardship of invested capital by a highly credible and experienced team implementing the Company's strategy.</li> </ul>	
<b>Summary of Key Risks</b>		
<p>Prospective investors should be aware that subscribing for Shares involves a number of risks. The risk factors set out in Section 3, and other general risks applicable to all investments in listed securities, may affect the value of the Shares in the future. The Shares offered under this Prospectus should be considered highly speculative. This section summarises the key risks. Investors should refer to Section 3 for more detail on the risks involved.</p>		
<b>Conditional Prospectus</b>	<p>The obligation of the Company to issue the Shares under the Offers is conditional on the Conditions as set out in Section 1.7.</p> <p>There is no certainty that the Conditions will be satisfied. In the event that these Conditions are not met then the listing of the Company on ASX will not proceed, and all Application Monies received will be returned to applicants without interest.</p>	Section 3.1.1
<b>Limited history</b>	<p>The Company was incorporated on 19 November 2019 and therefore has limited operational and financial history on which to evaluate the business and its prospects. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its mineral claims. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p>	Section 3.1.2

Topic	Summary	More information
<p><b>Project Ownership will be less than 100% upon Listing</b></p>	<p>While the Company will have effective control over its Core Projects upon Listing, Shareholders should be aware that the implementation of the Company's intentions in the event that it has a beneficial interest in less than 100% of WLPL and FMSL will be subject to, and may be impeded by, the applicable securities and corporate laws in the relevant jurisdictions (including those provisions intended for the protection of minority shareholders), the ASX Listing Rules, the constituent documents of each company and the statutory and fiduciary obligations of the directors to act in the best interests of the company and its shareholders.</p> <p>While it can independently determine the Board's composition and make critical decisions, considering minority shareholder perspectives may impede the swift implementation of strategic initiatives or pursuit of specific opportunities related to the Core Projects. Despite lacking material power, disagreements or conflicts of interest among and with minority shareholders may arise.</p> <p>The Company's financial performance may be affected by not having full ownership control. Profit distribution or revenue-sharing arrangements could reduce the Company's share of any Project profits.</p> <p>Finally, owning a controlling stake, without full ownership, may entail additional regulatory and compliance obligations. The Company must navigate relevant laws and regulations concerning corporate governance, shareholder rights, and disclosure requirements, ensuring alignment with minority shareholder rights.</p>	<p>Section 3.1.3</p>

Topic	Summary	More information
Title to mining claims	<p>Interests in mining claims and permits in Nevada, Oregon and Wyoming are governed by the mining laws in each state and the laws of the United States generally. These interests include, (a) patented mining claims, for which the United States has issued patents which transfer title to the lands and the minerals in the lands to private ownership, and (b) unpatented mining claims, located and maintained under the USA Mining Law of 1872.</p> <p>The Company's Core Projects comprise entirely of unpatented mining claims. The holder of a valid unpatented mining claim has possessory rights to the land covered thereby, which include possession of the surface for mining purposes and the right to mine and remove minerals from the claim. Legal title to land encompassed by an unpatented mining claim remains in the United States, and the government can contest the validity of an unpatented mining claim.</p> <p>Each unpatented mining claim is subject to various conditions with which the mining claim owner and permittee of operations on the unpatented mining claim must comply, including a federal annual mining claim maintenance fee in respect of each unpatented mining claim (in lieu of performing annual assessment work and making annual filings). The federal annual mining claim fee must be paid annually or the mining claim will be forfeited automatically. The operator of a mine in Nevada must pay a tax on the net proceeds from the sale of the minerals produced. The maximum rate of the tax currently is five percent of the net proceeds of minerals.</p> <p>The Company will follow the mandated processes under the relevant legislation to ensure continuity of its mining tenure and planned activities. However, the Company could lose title to, or its interest in, its unpatented mining claims (or any additional mining claims, permits or other interests acquired by the Company in the future) if the claims are not properly maintained or the conditions attaching to the claims are not satisfied.</p> <p>The Company notes that the federal annual mining claim maintenance fees have been paid for the unpatented lode claims comprising the Resurgent Project for the annual assessment year 1 September 2023 to 1 September 2024.</p> <p>Please refer to the Solicitor's Report on Title (Wyoming Lithium Projects) at Annexure C and the Solicitor's Report on Title (Resurgent Project) at Annexure D of this Prospectus for further details.</p>	Section 3.1.4

Topic	Summary	More information
Access and third party interests	<p>The unpatented mining claims comprising the Core Projects are located on federal public lands which may adjoin or are near fee lands, patented mining claims or senior unpatented mining claims. Such fee lands and patented mining claims are not open for the location of unpatented mining claims and a validly located and perfected senior mining claim bars mineral entry by a junior valid claimant.</p> <p>If the monument of location for an unpatented mining claim is constructed on fee lands, a patented mining claim or within the boundaries of a valid senior unpatented mining claim, the unpatented mining claim will be void.</p> <p>If the monument of location is on federal public lands which are open for mineral entry and the location of unpatented mining claims, the mining claim is valid except to the extent it overlaps fee land, patented mining claims or valid senior unpatented mining claims. To the extent junior claims were located over valid third party claims or lands, mining operations in the conflicting area are to be avoided. If any activity is conducted in the conflicting area, the senior mineral rights holders may bring trespass and quiet title actions against the junior claimant or its lessees or licensees.</p> <p>Specifically, a number of the claims comprising the Core Projects overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities including:</p> <ul style="list-style-type: none"> <li>(a) valid senior unpatented or patented mining claims; and</li> <li>(b) stock-raising homestead and lands withdrawn from mineral entry.</li> </ul> <p>The specific overlap of these areas over the Core Projects are detailed in the Solicitor's Report on Title (Wyoming Lithium Projects) at Annexure C and the Solicitor's Report on Title (Resurgent Project) at Annexure D of this Prospectus.</p> <p>In order to mitigate this risk, the Company is relying on the previous engagement of competent and experienced mining claim stakers and surveyors to locate the claims and to assure that the claims do not conflict with patented mining claims or valid unpatented mining claims owned by other parties. The Company has examined the specific overlaps of the Core Projects into senior claims and acquired land and where potentially conflicting claims were identified, the Company has re-allocated its tenure or taken actions to secure its interest in its claims. The Company otherwise considers any overlap to be minimal and not prohibitive to the Company's proposed exploration programme.</p> <p>The Company does not currently anticipate any limitations to access, based on the Title Reports annexed to this Prospectus and previous on-ground investigations including those completed at the time of pegging the tenure.</p> <p>However, there is a risk that minerals explored and located may extend into the areas of overlap, and subsequent leases or agreements may not be forthcoming to permit the Company to extend its mining activities into these areas of overlap, thereby restricting the Company's ability to mine all minerals and resources within the claims.</p> <p>Please refer to the Solicitor's Report on Title (Wyoming Lithium Projects) at Annexure C and the Solicitor's Report on Title (Resurgent Project) at Annexure D of this Prospectus for further details.</p>	Section 3.1.6

Topic	Summary	More information
<b>Future capital requirements</b>	<p>The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its corporate development activities. The Company believes its available cash and the net proceeds of the Offer should be adequate to fund its corporate development activities, exploration program and other Company initiatives in the short term as stated in this Prospectus.</p> <p>In order to successfully develop the Projects and for production to commence, the Company will require further financing in the future in addition to amounts raised pursuant to the Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or Offer Price), and may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.</p>	Section 3.1.7
<b>Experience developing and putting a mining project into production</b>	<p>The Company has never commenced production on a mining development project. The future development of properties found to be economically feasible will require the construction and operation of mines, processing plants and related infrastructure and the Company does not have any experience in taking a mining project to production. As a result of these factors, it is difficult to evaluate the Company's prospects, and the Company's future success is more uncertain than if it had a more proven history. In addition, the Company is and will continue to be subject to all the risks associated with establishing new mining operations, including:</p> <ul style="list-style-type: none"> <li>(a) the timing and cost, which can be considerable, of the construction of mining and processing facilities;</li> <li>(b) the availability and cost of skilled labour and mining equipment;</li> <li>(c) the need to obtain necessary environmental and other governmental approvals and permits and the timing of the receipt of those approvals and permits;</li> <li>(d) the availability of funds to finance construction and development activities;</li> <li>(e) potential opposition from non-governmental organisations, indigenous peoples, environmental groups or local groups which may delay or prevent development activities; and</li> <li>(f) potential increases in construction and operating costs due to changes in the costs of fuel, power, materials and supplies.</li> </ul>	Section 3.1.8
<b>General risks associated with operating overseas</b>	<p>The Company's Core Projects are located in the United States. Consequently, the Company will be subject to the risks associated with operating in the United States. Such risks can include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, restrictions and costs associated with repatriation of income or return of capital, onerous environmental protection and mine safety rules, labour relations difficulties and problems associated with government control over mineral properties or government regulations.</p> <p>Changes to mining or investment policies and legislation or a shift in political attitude may adversely affect the Company's operations and profitability.</p>	Section 3.1.11

Topic	Summary	More information
<b>Exploration and development</b>	<p>The mining claims of the Company 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 exploration of these mining claims, or any other mining claims that may be acquired in the future, will result in the discovery of an economically viable ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>The future activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title/indigenous lands process, changing government regulations and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its mining claims comprising the Projects and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the mining claims, a reduction in the cash reserves of the Company and possible relinquishment of the mining claims comprising the Projects.</p>	Section 3.2.1
<b>Other risks</b>	<p>For additional specific risks please refer to Section 3.1. Refer to Sections 3.2 and 3.3 for other risks with respect to the industry in which the Company operates and general investment risks, including but not limited to the following:</p> <ul style="list-style-type: none"> <li>(a) economic risk;</li> <li>(b) market conditions risk;</li> <li>(c) force majeure risk;</li> <li>(d) taxation;</li> <li>(e) global pandemics; and</li> <li>(f) climate change risk.</li> </ul>	Section 3
<b>Directors, Related Party Interests and Substantial Holders</b>		
<b>Who are the Directors?</b>	<p>The Board of the Company comprises:</p> <ul style="list-style-type: none"> <li>(a) Murray Bleach – Non-Executive Chairman;</li> <li>(b) Shanthar Pathmanathan – Managing Director;</li> <li>(c) Frederick Forni – Executive Director; and</li> <li>(d) Neil Stuart – Non-Executive Director.</li> </ul> <p>Information about the experience, background and independence of each Director is set out in Section 5.2.</p> <p>Other key personnel include:</p> <ul style="list-style-type: none"> <li>(a) Craig McNab – Company Secretary; and</li> <li>(b) Ramesh Chakrapani – Chief Strategy Officer.</li> </ul>	Section 5.1 and 5.3

Topic	Summary	More information																				
<b>What benefits are being paid to the Directors?</b>	<p>The Directors are entitled to the following remuneration and fees in conjunction with the Offer:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d9e1f2;"> <th style="text-align: left;">Director</th> <th style="text-align: center;">Remuneration/ Fees (per annum)</th> <th style="text-align: center;">Other</th> </tr> </thead> <tbody> <tr> <td>Shanthar Pathmanathan</td> <td style="text-align: center;">\$280,000</td> <td style="text-align: center;">Nil</td> </tr> <tr> <td>Frederick Forni</td> <td style="text-align: center;">\$220,000</td> <td style="text-align: center;">4,000,000 Performance Rights 500,000 Shares</td> </tr> <tr> <td>Murray Bleach</td> <td style="text-align: center;">\$84,000</td> <td style="text-align: center;">4,000,000 Performance Rights</td> </tr> <tr> <td>Neil Stuart</td> <td style="text-align: center;">\$60,000</td> <td style="text-align: center;">1,250,000 Performance Rights</td> </tr> </tbody> </table>	Director	Remuneration/ Fees (per annum)	Other	Shanthar Pathmanathan	\$280,000	Nil	Frederick Forni	\$220,000	4,000,000 Performance Rights 500,000 Shares	Murray Bleach	\$84,000	4,000,000 Performance Rights	Neil Stuart	\$60,000	1,250,000 Performance Rights	Sections 5.8 and 6.4					
Director	Remuneration/ Fees (per annum)	Other																				
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Neil Stuart	\$60,000	1,250,000 Performance Rights																				
<b>What interest do the Directors have in the Securities of the Company?</b>	<p>The Directors' (and their associates') interests in Shares and other Securities in the Company on completion of the Acquisitions and the Offer are set out below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d9e1f2;"> <th style="text-align: left;">Director</th> <th style="text-align: center;">Shares<sup>1</sup></th> <th style="text-align: center;">Options</th> <th style="text-align: center;">Performance Rights<sup>2</sup></th> </tr> </thead> <tbody> <tr> <td>Shanthar Pathmanathan</td> <td style="text-align: center;">28,727,202</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> </tr> <tr> <td>Frederick Forni</td> <td style="text-align: center;">1,076,607</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">4,000,000</td> </tr> <tr> <td>Murray Bleach</td> <td style="text-align: center;">3,200,000</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">4,000,000</td> </tr> <tr> <td>Neil Stuart</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">1,250,000</td> </tr> </tbody> </table> <p><b>Notes:</b></p> <p>1 The table assumes that the Directors do not subscribe for Shares under the Offer.</p> <p>2 Certain of these Performance Rights will convert to Shares upon receipt of conditional listing approval from ASX. Refer to section 8.4 for further details of Performance Rights.</p>	Director	Shares <sup>1</sup>	Options	Performance Rights <sup>2</sup>	Shanthar Pathmanathan	28,727,202	Nil	Nil	Frederick Forni	1,076,607	Nil	4,000,000	Murray Bleach	3,200,000	Nil	4,000,000	Neil Stuart	Nil	Nil	1,250,000	Section 5.7
Director	Shares <sup>1</sup>	Options	Performance Rights <sup>2</sup>																			
Shanthar Pathmanathan	28,727,202	Nil	Nil																			
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Murray Bleach	3,200,000	Nil	4,000,000																			
Neil Stuart	Nil	Nil	1,250,000																			

Topic	Summary	More information												
<b>Are there any related party transactions?</b>	<p>As set out above, the Company is proposing to consolidate its existing interest in FMSL pursuant to the FMSL Acquisition and the RHPL Acquisition and has entered into the following agreements with related parties in connection with these transactions:</p> <p>(a) The Company has entered into a RHPL SPA with Director, Shanthar Pathmanathan, to acquire 100% of his RHPL shares (being 2,552 RHPL shares). As Mr Pathmanathan is a related party of the Company (on account of being a Director), the RHPL SPA with Mr Pathmanathan is conditional on receipt of Shareholder approval for the purposes of Chapter 2E of the Corporations Act. Shareholder approval was obtained at the Company's general meeting held on 15 August 2023.</p> <p>(b) The Company has entered into a RHPL SPA with former Director, Jasveer Jessy, to acquire 55% of his RHPL shares (being 880 RHPL shares). As Mr Jessy is still considered a related party of the Company (on account of being a director in the past 6 months), the RHPL SPA with Mr Jessy is conditional on receipt of Shareholder approval for the purposes of Chapter 2E of the Corporations Act. Shareholder approval was obtained at the Company's general meeting held on 15 August 2023.</p> <p>(c) The Company has entered into a FMSL SPA with PSNHO Pty Ltd (an entity controlled by Mr Jessy), to acquire 100% of its FMSL Shares (being 55 FMSL Shares). As Mr Jessy controls PSNHO Pty Ltd, this entity is considered a related party of the Company, as such, the FMSL SPA with PSNHO Pty Ltd is conditional on receipt of Shareholder approval for the purposes of Chapter 2E of the Corporations Act. Shareholder approval was obtained at the Company's general meeting held on 15 August 2023.</p> <p>The material terms and conditions of the FMSL SPAs and RHPL SPAs entered into with Messrs Pathmanathan and Jessy are summarised in Section 6.1.</p> <p>Other agreements between the Company and related parties are summarised in Section 6.4.</p>	Sections 5.9, 6.1.2, 6.1.3 and 6.4												
<b>Who will be substantial holders of the Company?</b>	<p>Those Shareholders holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d9e1f2;"> <th style="text-align: left;">Shareholder</th> <th style="text-align: right;">Ordinary Shares</th> <th style="text-align: right;">Voting Power</th> </tr> </thead> <tbody> <tr> <td>Shanthar Pathmanathan</td> <td style="text-align: right;">19,009,691</td> <td style="text-align: right;">20.6%</td> </tr> </tbody> </table> <p>Based on the information known as at the date of this Prospectus, and assuming completion of the Offer and Acquisitions, on Admission the following persons will have an interest in 5% or more of the Shares on issue:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d9e1f2;"> <th style="text-align: left;">Shareholder</th> <th style="text-align: right;">Ordinary Shares</th> <th style="text-align: right;">Voting Power</th> </tr> </thead> <tbody> <tr> <td>Shanthar Pathmanathan</td> <td style="text-align: right;">28,727,202</td> <td style="text-align: right;">17.4%</td> </tr> </tbody> </table>	Shareholder	Ordinary Shares	Voting Power	Shanthar Pathmanathan	19,009,691	20.6%	Shareholder	Ordinary Shares	Voting Power	Shanthar Pathmanathan	28,727,202	17.4%	Section 1.10
Shareholder	Ordinary Shares	Voting Power												
Shanthar Pathmanathan	19,009,691	20.6%												
Shareholder	Ordinary Shares	Voting Power												
Shanthar Pathmanathan	28,727,202	17.4%												
<b>What fees are payable to the Joint Lead Managers?</b>	<p>The Company has appointed Wilsons Corporate Finance Limited (<b>Wilsons</b>) and Jett Capital Advisors LLC (<b>Jett Capital</b>) (together the <b>Joint Lead Managers</b>, or <b>JLM</b>) as lead managers of the Offer.</p> <p>The Joint Lead Managers will receive fees for this engagement, as detailed in Section 6.3.</p>	Sections 1.11 and 6.3												
<b>What are the JLM's interests in the Securities of the Company?</b>	As at the date of this Prospectus, Jett Capital holds 83,973 Shares. Otherwise, the Joint Lead Managers and their associates do not have any interest in the Securities of the Company,	Section 1.11												

Topic	Summary	More information
<b>Overview of the Offers</b>		
<b>What is the Offer and who is eligible to participate?</b>	<p>The Offer is an offer of 34,444,445 Shares at an issue price of \$0.45 per Share to raise \$15,500,000 (before costs).</p> <p>The Offer comprises:</p> <ul style="list-style-type: none"> <li>(a) the Broker Firm Offer, which is open to Australian and New Zealand retail clients of Brokers who have received a firm allocation from their Broker; and</li> <li>(b) the Institutional Offer, which consists of an invitation to bid for Shares made to Institutional Investors in Australia and certain Institutional Investors in the Permitted Jurisdictions other than Australia.</li> </ul> <p>No Shares will be offered to the general public under the Offer.</p>	Section 1.1 and 1.17
<b>What is the Consideration Offer?</b>	<p>This Prospectus also contains a secondary offer (the <b>Consideration Offer</b>), of up to 30,554,530 Shares, comprising:</p> <ul style="list-style-type: none"> <li>(a) up to 15,733,837 Shares to selected shareholders of RHPL (or their nominee/s) pursuant to the RHPL SPAs;</li> <li>(b) 13,435,486 Shares to selected shareholders of FMSL (or their nominee/s) pursuant to the FMSL SPAs; and</li> <li>(c) 1,385,207 Shares to selected shareholders of WLPL (or their nominee/s) pursuant to the WLPL SPAs.</li> </ul> <p>The Consideration Offer will only be extended to selected shareholders of RHPL, FMSL and WLPL (or their nominee/s) who are resident in Australia and are not otherwise exempt from the disclosure requirement under section 706 of the Corporations Act. A personalised application form in relation to the Consideration Offer will be issued to these parties.</p>	Sections 1.8 and 6.1
<b>What is the minimum subscription amount under the Offer?</b>	<p>The Minimum Subscription for the Offer is \$15,500,000 (being 34,444,445 Shares).</p> <p>If the Minimum Subscription has not been raised within four (4) months after the date of this Prospectus, 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.</p>	Section 1.2

Topic	Summary	More information
<b>Why is the Offer being conducted?</b>	<p>The Offer is being conducted primarily to:</p> <ul style="list-style-type: none"> <li>(a) provide the Company with funding for: <ul style="list-style-type: none"> <li>(i) the proposed exploration programs at the Core Projects (as further detailed in Section 2);</li> <li>(ii) corporate overhead and administrative costs, operating costs and other working capital requirements of the Company while it is implementing its business strategies;</li> <li>(iii) transaction costs associated with the Offers; and</li> <li>(iv) acquisition opportunities that may be presented to the Board from time to time;</li> </ul> </li> <li>(b) provide a liquid market for the Shares;</li> <li>(c) assist the Company to meet the admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules to facilitate the Company's application for Admission;</li> <li>(d) enhance the Company's visibility and public profile with associated potential benefits that arises from being listed; and</li> <li>(e) increase the Company's financial flexibility and access to capital markets to assist with pursuing its strategic objectives.</li> </ul>	Section 1.6
<b>What is the proposed use of funds raised under the Offer?</b>	The Company intends to apply funds raised under the Offer, together with existing cash reserves post-Admission, as set out in Section 2.9 to advance the Company's main objectives upon Admission.	Section 2.9
<b>What is the Offer Price?</b>	The price payable under the Offer is \$0.45 per Share.	
<b>Is the Offer underwritten?</b>	The Offer is not underwritten.	Section 1.4
<b>Will the Shares be quoted</b>	Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus.	Section 1.15
<b>What is the Offer period?</b>	An indicative timetable for the Offers is set out on page 3 of this Prospectus.	"Indicative Timetable"

Topic	Summary	More information
<p><b>Will any Shares be subject to escrow?</b></p>	<p>As at the date of this Prospectus, the Company has 92,331,445 Shares on issue, which is expected to increase to 165,009,199 Shares on Listing, subject to completion of the Offer and Acquisitions.</p> <p>With respect to the existing Shares on issue:</p> <p>(a) it is proposed that up to 44,010,357 of the existing Shares on issue as at the date of this Prospectus will be subject to voluntary escrow for a period of 6 months from the date of Official Quotation, subject to the applicable Shareholders agreeing to enter into customary voluntary escrow deeds with the Company. As at the date of this Prospectus, existing Shareholders holding an aggregate of 24,972,018 Shares have entered into voluntary escrow deeds on such terms; and</p> <p>(b) to the extent that existing Shares are not subject to voluntary escrow, such Shares are not anticipated to attract ASX escrow if they were issued to unrelated parties for cash consideration more than 12 months ago or are otherwise eligible for cash formula relief, as prescribed by Appendix 9B of the ASX Listing Rules. Otherwise, it is anticipated that the balance of the Shares already on issue will be required to be held in escrow for up to 24 months from the date of Official Quotation.</p> <p>None of the Shares issued under the Offer will be subject to escrow.</p> <p>It is anticipated that all Shares issued pursuant to the Acquisitions (a total of 30,554,530 Shares, which includes any Shares issued under the Consideration Offer) will be subject to ASX imposed escrow for a minimum of 12 months from their date of issue (for unrelated vendors) and up to 24 months from the date of Official Quotation (for related party vendors).</p> <p>During the period in which restricted Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.</p> <p>The Company will announce to the ASX full details (including the quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on the ASX.</p> <p>The Company confirms its 'free float' (the percentage of the Shares that are not restricted and are held by shareholders who are not related parties (or their associates) of the Company at the time of Admission) will be not less than 20% in compliance with ASX Listing Rule 1.1 Condition 7.</p>	<p>Section 1.16</p>
<p><b>Are there any conditions to the Offer?</b></p>	<p>The Offer is conditional on:</p> <p>(a) the Minimum Subscription to the Offer being reached;</p> <p>(b) settlement of the Acquisitions (which in turn, are conditional on the conditions precedent set out in the summaries of the WLPL, FMSL and RHPL SPAs contained in Sections 6.1.1 to 6.1.3); and</p> <p>(c) ASX granting conditional approval for the Company to be admitted to the Official List, (together, the <b>Conditions</b>).</p> <p>The Offer will only proceed if all Conditions are satisfied. Further details are set out in Section 1.7.</p>	<p>Section 1.7</p>

Topic	Summary	More information								
What is the minimum application size under the General Offer?	Applications for Shares under the Offer must be for a minimum of \$2,025 worth of Shares (4,500 Shares) and thereafter, in multiples of \$450 worth of Shares (1,000 Shares) and payment for the Shares must be made in full at the Offer Price of \$0.45 per Share.	Section 1.5								
What is the financial outlook for the Company?	Given the current status of the Projects and the speculative nature of the Company's business, the Directors do not consider it to be appropriate to forecast future earnings.  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 on a reasonable basis.									
What is the Company's dividend policy?	As at the date of the Prospectus, the Company does not have a dividend policy.  Payment of dividends by the Company is at the discretion of the Board. Given the stage of development of the Company, the Board anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the Company's Admission.  Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on matters such as the availability of distributable earnings, the operating results and financial condition of the company, future capital requirements and general business and other factors considered relevant by the Directors.	Section 4.1.2								
<b>Capital Structure</b>										
Who are the existing Shareholders of the Company?	The existing Shareholders of the Company include various seed capital providers and certain Directors, employees and contractors (and/or their associates).  The current capital structure of the Company is detailed in Section 1.9.	Section 1.9								
What will the Company's capital structure be on completion of the Offers and Listing?	At Listing, the Company will have the following Securities on issue (assuming completion of the Offer and Acquisitions). <table border="1" data-bbox="384 1305 1265 1464"> <thead> <tr> <th>Security</th> <th>Minimum Subscription</th> </tr> </thead> <tbody> <tr> <td>Shares</td> <td>165,009,199</td> </tr> <tr> <td>Options</td> <td>8,954,111</td> </tr> <tr> <td>Performance Rights</td> <td>9,450,000</td> </tr> </tbody> </table> The capital structure of the Company on Admission is detailed in Section 1.9.	Security	Minimum Subscription	Shares	165,009,199	Options	8,954,111	Performance Rights	9,450,000	Section 1.9
Security	Minimum Subscription									
Shares	165,009,199									
Options	8,954,111									
Performance Rights	9,450,000									
<b>Additional information</b>										
What rights and liabilities attach to the Securities on issue?	All Shares issued under the Offers will rank equally in all respects with existing Shares on issue. The rights and liabilities attaching to the Shares are described in Section 8.2.  The terms and conditions of the Options proposed to be on issue at Listing are set out in Section 8.3.  The terms and conditions of the Performance Rights proposed to be on issue at Listing are set out in Section 8.4.	Sections 8.2, 8.3 and 8.4								
How do I apply for Shares under the Offer?	Applicants under the Broker Firm Offer should follow the instructions provided by their Broker. The Joint Lead Managers will separately advise Institutional Investors of the application procedures for the Institutional Offer.	Section 1.12								

Topic	Summary	More information
<p><b>What is the allocation policy?</b></p>	<p>The allocation of Shares between the Broker Firm Offer and the Institutional Offer was determined by the Joint Lead Managers, the Company, having regard to the results of the Bookbuild and the allocation policies outlined in Sections 1.13 (as applicable).</p> <p>For Broker Firm Offer participants, the relevant Broker will decide as to how they allocate Shares among their retail clients.</p> <p>The Joint Lead Managers and the Company have absolute discretion regarding the allocation of Shares to applicants under the Offer and may reject an Application or allocate a lesser number of Shares than applied for. The Joint Lead Managers and the Company also reserve the right to aggregate any Applications that they believe may be multiple Applications from the same person.</p>	<p>Section 1.13</p>
<p><b>Is there any brokerage, commission or duty payable by applicants?</b></p>	<p>No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offers.</p> <p>However, the Company will pay to the Joint Lead Managers 6.25% (ex GST) of the total amount raised under the Offer.</p> <p>For further details of the fees payable to the Joint Lead Managers refer to Sections 1.11 and 6.3.</p>	<p>Sections 1.11 and 6.3</p>
<p><b>Can the Offers be withdrawn?</b></p>	<p>Yes. The Company reserves the right not to proceed with the Offers at any time before the issue of Shares to successful applicants.</p> <p>If the Offers do not proceed, Application Monies will be refunded (without interest) in accordance with applicable laws.</p>	<p>Section 1.19</p>
<p><b>What are the tax implications of investing in Shares?</b></p>	<p>The taxation implications of the Offer will vary depending upon your particular circumstances. Section 7 contains a general summary of the Australian income tax (including capital gains tax), goods and services tax and stamp duty implications for Australian resident individuals, complying superannuation entities, trusts, partnerships and corporate investors.</p>	<p>Section 7</p>
<p><b>What are the corporate governance principles and policies of the Company?</b></p>	<p>To the extent applicable, in light of the Company's size and nature, the Company has adopted <i>The Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition)</i> as published by ASX Corporate Governance Council (<b>Recommendations</b>).</p> <p>The Company's full Corporate Governance Plan is available in a dedicated corporate governance information section on the Company's website at <a href="https://www.chariotcorporation.com">https://www.chariotcorporation.com</a>.</p> <p>Prior to Listing, the Company will announce its main corporate governance policies and practices and the Company's compliance and departures from the Recommendations.</p>	<p>Section 5.10</p>
<p><b>Where can I find more information about this Prospectus or the Offers?</b></p>	<p>(a) By speaking to your accountant, financial adviser, stockbroker, lawyer or other professional adviser;</p> <p>(b) by contacting the Company Secretary, on +61 8 9481 0389; or</p> <p>(c) by contacting the Share Registry on +61 1300 288 664.</p>	

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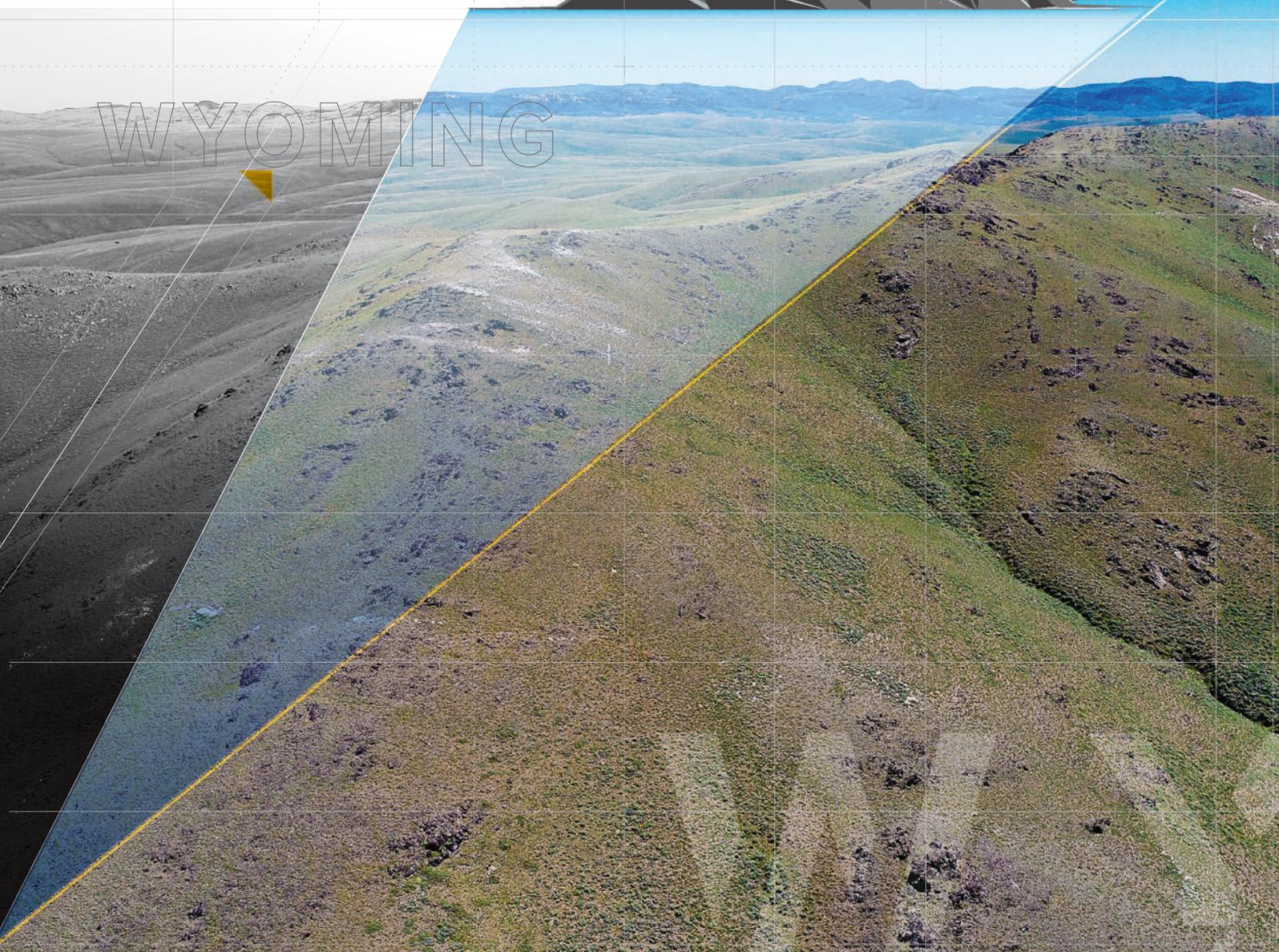
# 1 Details of Offers

Black Mountain

BLACK MOUNTAIN

HARDROCK LITHIUM

WYOMING



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# 1 Details of Offers

## 1.1 THE OFFER

This Prospectus constitutes an initial public offering (**Offer**) of 34,444,445 Shares at an issue price of \$0.45 to raise up to \$15,500,000 (before costs).

The Offer comprises:

- (a) the Broker Firm Offer, which is open to Australian retail clients of Brokers who have received a firm allocation from their Broker; and
- (b) the Institutional Offer, which consisted of an invitation to bid for Shares made to Institutional Investors in Australia and certain Institutional Investors in the Permitted Jurisdictions other than Australia.

No Shares will be offered to the general public under the Offer. Shares offered under the Offer are offered and issued with disclosure under this Prospectus.

The Shares offered by this Prospectus will be issued as fully paid ordinary shares and when issued will rank equally in all respects with existing shares. Please refer to Section 8.2 for a summary of the material rights and liabilities attaching to the Shares.

The Offer is made on the terms and is subject to the conditions set out in this Prospectus. Details of the allocation policy with respect to the Offer is set out in Section 1.13.

## 1.2 MINIMUM SUBSCRIPTION

The Minimum Subscription for the Offer is \$15,500,000 (34,444,445 Shares) (**Minimum Subscription**).

If the Minimum Subscription has not been raised within four months after the date 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.

## 1.3 OVERSUBSCRIPTIONS

No oversubscriptions above the Minimum Subscription will be accepted by the Company under the Offer.

## 1.4 UNDERWRITER

The Offer is not underwritten.

## 1.5 MINIMUM APPLICATION AMOUNT

Applications under the Offer must be for a minimum of \$2,025 worth of Shares (4,500 Shares) and, thereafter, in multiples of \$450 worth of Shares (1,000 Shares).

## 1.6 PURPOSE OF THE OFFER

The principal purposes of the Offer are to:

- (a) raise \$15,500,000 to fund:
  - (i) exploration and development at the Core Projects being:
    - (a) the Black Mountain Project; and
    - (b) the Resurgent Project,  
(as further detailed in Section 2);

## 1 Details of Offers (cont.)

- (ii) exploration and development of Exploration Pipeline Projects including:
    - (a) the Copper Mountain Project;
    - (b) the South Pass Project; and
    - (c) the Regional Wyoming Projects,  
(as further detailed in Section 2);
  - (iii) landholding costs for projects to be divested;
  - (iv) acquisition opportunities that may be presented to the Board from time to time;
  - (v) corporate overhead and administrative costs, operating costs and other working capital requirements of the Company while it is implementing its business strategies; and
  - (vi) transaction costs associated with the Offers;
- (b) provide a liquid market for the Shares;
  - (c) assist the Company to meet the admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules to facilitate the Company's application for Admission;
  - (d) enhance the Company's visibility and public profile with associated potential benefits that arise from being listed; and
  - (e) increase the Company's financial flexibility and access to capital markets to assist with pursuing its growth strategy.

The Company intends to apply the funds raised under the Offer together with its existing cash reserves in the manner detailed in Section 2.9.

### 1.7 CONDITIONS OF THE OFFER

The Offers are conditional upon the following conditions being satisfied:

- (a) the Minimum Subscription to the Offer being reached;
- (b) settlement of the Acquisitions (which in turn, are conditional on the conditions precedent set out in the summaries of the WLPL, FMSL and RHPL SPAs contained in Sections 6.1.1 to 6.1.3); and
- (c) ASX granting conditional approval for the Company to be admitted to the Official List,  
(together, the Conditions).

If the Conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Offers within the time prescribed under the Corporations Act, without interest.

### 1.8 CONSIDERATION OFFER

The Prospectus also contains the Consideration Offer, being an offer of up to 30,554,530 Shares comprising:

- (a) up to 15,733,837 Shares to selected shareholders of RHPL (or their nominee/s) pursuant to the RHPL SPAs;
- (b) 13,435,486 Shares to selected shareholders of FMSL (or their nominee/s) pursuant to the FMSL SPAs; and
- (c) 1,385,207 Shares to selected shareholders of WLPL (or their nominee/s) pursuant to the WLPL SPAs.

The Consideration Offer will only be extended to selected shareholders of RHPL, FMSL and WLPL (or their nominee/s) who are resident in Australia and are not otherwise exempt from the disclosure requirement under section 706 of the Corporations Act. A personalised application form in relation to the Consideration Offer will be issued to these parties.

No monies are payable for the Shares offered under the Consideration Offer.

The Shares issued under the Consideration Offer will be fully paid and will rank equally with all other existing Shares currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 8.2.

### 1.9 CAPITAL STRUCTURE

Upon admission to the Official List of the ASX, and subject to completion of the Offer and Acquisitions, the Company's capital structure is set out in the table below:

	<b>Minimum Subscription</b>
	<b>\$15,500,000</b>
<b>Shares<sup>1</sup></b>	
Shares currently on issue <sup>2</sup>	92,331,445
Shares to be issued under the RHPL Acquisition <sup>3</sup>	15,733,837
Shares to be issued under the FMSL Acquisition <sup>4</sup>	13,435,486
Shares to be issued under WLPL Acquisition <sup>5</sup>	1,385,207
Shares to be issued under Black Mountain Option Agreement <sup>6</sup>	4,328,779
Shares to be issued to a consultant prior to Listing <sup>11</sup>	250,000
Conversion of Class A Performance Rights prior to Listing <sup>7</sup>	3,100,000
Shares to be issued under the Offer	34,444,445
<b>Total Shares on Listing</b>	<b>165,009,199</b>
<b>Options</b>	
Options currently on issue	6,981,889
Options to be issued to a consultant prior to Listing	250,000
Options to be issued to Joint Lead Managers prior to Listing <sup>9</sup>	1,722,222
<b>Total Options on Listing<sup>8</sup></b>	<b>8,954,111</b>
<b>Performance Rights</b>	
Performance Rights to be issued to Directors and consultants in connection with the Listing	9,450,000
<b>Total Performance Rights on Listing<sup>10</sup></b>	<b>9,450,000</b>

**Notes:**

- 1 The material rights and liabilities attaching to the Shares are summarised in Section 8.2.
- 2 Comprising:
  - (a) 19,009,691 Shares are held by Director, Shanthar Pathmanathan and associates (20.6%);
  - (b) 1,076,607 Shares are held by Director, Frederick Forni (1.2%);
  - (c) 3,200,000 Shares held by Director, Murray Bleach (3.47%); and
  - (d) 68,995,147 Shares held by other non-related party investors (74.77%).
- 3 Shares to be issued to the shareholders of RHPL pursuant to the RHPL SPAs as consideration for 4,132 RHPL shares at a ratio of 3,807.802 Shares per RHPL share.
- 4 Shares to be issued to shareholders of FMSL pursuant to the FMSL SPAs as consideration for 3,527 FMSL shares at a ratio of 3,809.325 Shares per FMSL share.
- 5 Shares to be issued to shareholders of WLPL pursuant to the WLPL SPAs as consideration for 10,000,000 WLPL shares at a ratio of 0.1385 Shares per WLPL share.
- 6 Shares to be issued to Black Mountain Lithium Corporation pursuant to the Black Mountain Agreement, US\$1,250,000 payable in Shares upon Listing.
- 7 Class A Performance Rights will vest and convert to Shares upon receipt of conditional listing approval from ASX.
- 8 Refer to Section 8.3 for a summary of the terms and conditions of the Options on issue at Listing.
- 9 Options issued in an amount equal to 5% of the number of Shares issued to investors procured by the Joint Lead Managers under the Offer (being a 1,722,222 Options), exercisable at \$0.585 on or before the date that is three (3) years from the date of Official Quotation, pursuant to the Offer Management Agreement. Refer to Sections 1.11 and 8.3 for further details of fees paid to the Joint Lead Managers and a summary of the terms and conditions of the JLM Options, respectively.
- 10 Refer to Section 8.4 for a summary of the terms and conditions of the Performance Rights. The issue of the Performance Rights is subject to ASX granting in-principle confirmation in respect of ASX Listing Rule 6.1 to allow the Company to issue the Performance Rights on the proposed terms. If ASX does not accept the proposed terms of the Performance Rights, the recipients acknowledge and agree that the Company will amend the terms of the Performance Rights in the manner required by ASX.
- 11 Refer to Section 6.4.6 for further details.

In addition, the free float of Shares at the time of Listing will not be less than 20% of Shares on issue at that time.

## 1.10 SUBSTANTIAL SHAREHOLDERS

Those Shareholders holding a relevant interest (together with their associates) in 5% or more of the Shares on issue as at the date of this Prospectus are as follows:

Shareholder	Shares	% of shareholding
Shanthar Pathmanathan	19,009,691	20.6%

Based on the information known as at the date of this Prospectus, and assuming completion of the issue of all Shares proposed to be issued under the Offers and Acquisitions (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offers), the following persons (together with their associates) will have a relevant interest in 5% or more of the Shares on issue:

Name	Shares	Minimum Subscription (%)
Shanthar Pathmanathan	28,727,202	17.4%

The Company will announce to the ASX details of its top-20 Shareholders following completion of the Offers prior to the Shares commencing trading on the ASX.

## 1.11 JOINT LEAD MANAGERS

Wilsons Corporate Finance Limited (**Wilsons**) and Jett Capital Advisors LLC (**Jett Capital**) have been appointed as Joint Lead Managers to the Offer.

The Company and the Joint Lead Managers are parties to the Offer Management Agreement that is summarised in Section 6.3.

Pursuant to the Offer Management Agreement, the Company will pay the JLMs the fees detailed in Section 6.3.

As at the date of this Prospectus, Jett Capital holds 83,973 Shares. Otherwise, the JLMs and their associates do not have an interest in Securities of the Company.

## 1.12 APPLICATIONS

### 1.12.1 BROKER FIRM OFFER

#### Who may apply:

The Broker Firm Offer is open to persons who have received a firm allocation of Shares from their Broker and who have a registered address in Australia or New Zealand. If you have received a firm allocation of Shares from your Broker, you will be treated as a Broker Firm Offer Applicant in respect of that allocation. You should contact your Broker to determine whether you can receive an allocation of Shares from them under the Broker Firm Offer. The Broker Firm Offer is not open to persons in the United States.

#### How to apply:

If you have received an allocation of Shares from your Broker and wish to apply for those Shares under the Broker Firm Offer, you should contact your Broker for information about how to submit your Broker Firm Offer Application Form and for payment instructions. Applicants under the Broker Firm Offer must not send their Application Forms or payment to the Share Registry.

Applicants under the Broker Firm Offer should contact their Broker to request a copy of this Prospectus and Application Form. Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Application Form and Application Monies are received before 5.00pm (AWST) on the Closing Date or any earlier closing date as determined by your Broker.

If you are an investor applying under the Broker Firm Offer, you should complete and lodge your Broker Firm Offer Application Form with the Broker from whom you received your firm allocation. Broker Firm Offer Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Application Form.

Applications for Shares under the Offer must be for a minimum of \$2,025 worth of Shares (4,500 Shares) and thereafter, in multiples of \$450 worth of Shares (1,000 Shares) and payment for the Shares must be made in full at the Offer Price of \$0.45 per Share.

The Company and the Joint Lead Managers reserve the right to aggregate any applications that they believe may be multiple applications from the same person or reject or scale back any applications in the Broker Firm Offer. The Company may determine a person to be eligible to participate in the Broker Firm Offer, and may amend or waive the Broker Firm Offer application procedures or requirements, in their discretion in compliance with applicable laws.

By making an Application, you declare that you were given access to this Prospectus, together with an Application Form.

The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

The Company, the Joint Lead Managers and the Share Registry take no responsibility for any acts or omissions committed by your Broker in connection with your Application.

The Company and the Joint Lead Managers may elect to close the Offer or any part of it early, extend the Offer or any part of it, or accept late Applications either generally or in particular cases. The Offer or any part of it may be closed at any earlier time and date, without further notice. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their Applications as early as possible. Please contact your Broker for instructions.

**Payment methods:**

Applicants under the Broker Firm Offer must pay their application monies to their Broker in accordance with instructions provided by that Broker.

### 1.12.2 INSTITUTIONAL OFFER

The Company invites certain Institutional Investors in Australia and certain Institutional Investors in the Permitted Jurisdictions other than Australia to bid for an allocation of Shares at the Offer Price. The Joint Lead Managers will separately advise Institutional Investors of the application procedures for the Institutional Offer.

## 1.13 ALLOCATION POLICY

The Board, in consultation with the Joint Lead Managers, reserves the right, in its absolute discretion, 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, or where no issue is made, surplus Application Monies will be refunded (without interest) to the Applicant as soon as practicable after the Closing Date.

The Company's decision on the number of Shares to be allocated to an Applicant will be final. There is no guaranteed allocation of Shares under the Offer and the Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

The allocation of Shares under the Offer will be determined by the Board, in consultation with the Joint Lead Managers. The allocation of Shares by Board (in consultation with the Joint Lead Managers) will be influenced by the following factors.

**Broker Firm Offer:**

The allocation of Shares to the Broker Firm Offer, and the identity and level of participation of Brokers participating in the Broker Firm Offer, will be determined by agreement between the Joint Lead Managers and the Company.

Shares that are allocated to Brokers for allocation to their clients will be issued or transferred to the applicants nominated by those Brokers (subject to the right of the Joint Lead Managers to reject, aggregate or scale back applications). It will be a matter for each Broker as to how they allocate Shares among their retail clients, and they (and not the Company or the Joint Lead Managers) will be responsible for ensuring that retail clients who have received an allocation from them receive the relevant Shares.

Applicants under the Broker Firm Offer will be able to confirm their allocation through the Broker from whom they received their allocation.

**Institutional Offer:**

The allocation of Shares among bidders in the Institutional Offer will be determined by agreement between the Joint Lead Managers and the Company. The Company and the Joint Lead Managers have absolute discretion regarding the basis of allocation of Shares among Institutional Investors.

The allocation policy will be influenced, but not constrained, by the following factors:

## 1 Details of Offers (cont.)

- (a) number of Shares bid for by particular applicants;
- (b) the timeliness of the bid by particular applicants;
- (c) the desire for an informed and active trading market following Listing;
- (d) the desire to establish a wide spread of institutional Shareholders;
- (e) overall level of demand under the Broker Firm Offer and Institutional Offer;
- (f) the size and type of funds under management of particular applicants;
- (g) the likelihood that particular applicants will be long-term Shareholders; and
- (h) any other factors that the Company and the Joint Lead Managers consider appropriate.

### 1.14 ISSUE

Subject to the Conditions set out in Section 1.7 being satisfied, the issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all Application Monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. However, the Company will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

### 1.15 QUOTATION AND TRADING

The Company will apply for Official Quotation of the Shares offered pursuant to this Prospectus within 7 days after the date of this Prospectus. However, applicants should be aware that the ASX will not commence Official Quotation of any Shares until the Company has complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of the ASX to be admitted to the Official List. As such, the Shares may not be able to be traded for some time after the close of the Offers.

If the Shares are not admitted to Official Quotation by the ASX before the expiration of 3 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 under this Prospectus.

### 1.16 RESTRICTED SECURITIES

As at the date of this Prospectus, the Company has 92,331,445 Shares on issue, which is expected to increase to 165,009,199 Shares on Listing, subject to completion of the Offers and Acquisitions.

With respect to the existing Shares on issue:

- (a) it is proposed that up to 44,010,357 of the existing Shares on issue as at the date of this Prospectus will be subject to voluntary escrow for a period of 6 months from the date of Official Quotation, subject to the applicable Shareholders agreeing to enter into customary voluntary escrow deeds with the Company. As at the date of this Prospectus, existing Shareholders holding an aggregate of 24,972,018 Shares have entered into voluntary escrow deeds on such terms; and
- (b) to the extent that existing Shares are not subject to voluntary escrow, such Shares are not anticipated to attract ASX escrow if they were issued to unrelated parties for cash consideration more than 12 months ago or are otherwise eligible for cash formula relief, as prescribed by Appendix 9B of the ASX Listing Rules. Otherwise, it is anticipated that the balance of the Shares already on issue will be required to be held in escrow for up to 24 months from the date of Official Quotation.

None of the Shares issued under the Offer will be subject to escrow.

It is anticipated that all Shares issued pursuant to the Acquisitions (a total of 30,554,530 Shares, which includes any Shares issued under the Consideration Offer) will be subject to ASX imposed escrow for a minimum of 12 months from their date of issue (for unrelated vendors) and up to 24 months from the date of Official Quotation (for related party vendors).

During the period in which restricted Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company will announce to ASX full details (including the quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX.

The Company confirms its 'free float' (the percentage of the Shares that are not restricted and are held by shareholders who are not related parties (or their associates) of the Company at the time of Admission) will be not less than 20% in compliance with ASX Listing Rule 1.1 Condition 7.

## **1.17 OVERSEAS APPLICANTS**

No action has been taken to register or qualify the Shares, or the Offers, or otherwise to permit the public offering of the Shares, in any jurisdiction outside of Australia and New Zealand.

The distribution of this Prospectus within jurisdictions outside of Australia may be restricted by law and persons into whose possession this Prospectus comes should observe, any such restrictions. In particular, this Prospectus may be distributed in the United States only to Institutional Investors by the Company and only if this Prospectus is accompanied by the U.S. Offering Circular. Any failure to comply with these restrictions may constitute a violation of those laws. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

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 this Prospectus. In particular, this Prospectus may not be distributed to any person, and the Shares may not be offered or sold, outside Australia except to the extent permitted in this Section 1.17.

Each Applicant under the Offers will be taken to have represented, warranted and agreed as follows:

- (a) it understands that the offer and sale of the Shares has not been, and will not be, registered under the U.S. Securities Act or the securities laws of any State or other jurisdiction of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws;
- (b) it is resident or domiciled in Australia or, if outside Australia, is an Institutional Investor;
- (c) it is located in Australia at the time of the application and is not acting for the account or benefit of any person in the United States or any other foreign person, excluding Applicants who are Institutional Investors;
- (d) if it is in the United States, it has executed and returned a U.S. Investor Certificate to the Company; and
- (e) it has not sent and will not send the Prospectus or any other material relating to the Offer to any person in the United States or elsewhere outside Australia.

### **1.17.1 NEW ZEALAND**

The Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

The Offer and the content of this Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the Offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to the Offer. If you need to make a complaint about the Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

## 1 Details of Offers (cont.)

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

### 1.17.2 UNITED KINGDOM

Neither this Prospectus nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Shares.

The Shares may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to “qualified investors” within the meaning of Article 2(e) of the UK Prospectus Regulation. This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together **relevant persons**). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

### 1.17.3 EUROPEAN UNION (EXCLUDING AUSTRIA)

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (**Prospectus Regulation**).

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Shares in the European Union is limited to persons who are “qualified investors” (as defined in Article 2(e) of the Prospectus Regulation).

#### 1.17.4 SINGAPORE

This Prospectus and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the **SFA**) or another exemption under the SFA.

This Prospectus has been given to you on the basis that you are an “institutional investor” or an “accredited investor” (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

#### 1.17.5 HONG KONG

**WARNING:** This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). Accordingly, this Prospectus may not be distributed, and the Shares may not be offered or sold, in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

#### 1.17.6 UNITED STATES

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

This Prospectus may only be distributed in the United States by Jett Capital to Institutional Investors and only if this Prospectus is accompanied by the U.S. Offering Circular.

### 1.18 BROKERAGE, COMMISSION AND STAMP DUTY

The Company reserves the right to pay commissions of up to 6.25% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensees in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

The Joint Lead Managers will only be responsible for paying for commissions that they and the Company have agreed in advance with any other licensed securities dealers or Australian financial services licensees funded exclusively from the fees paid by the Company to the Joint Lead Managers under the Offer Management Agreement. Where the Company wishes to pay other brokers outside this agreement, this will be payable directly by the Company.

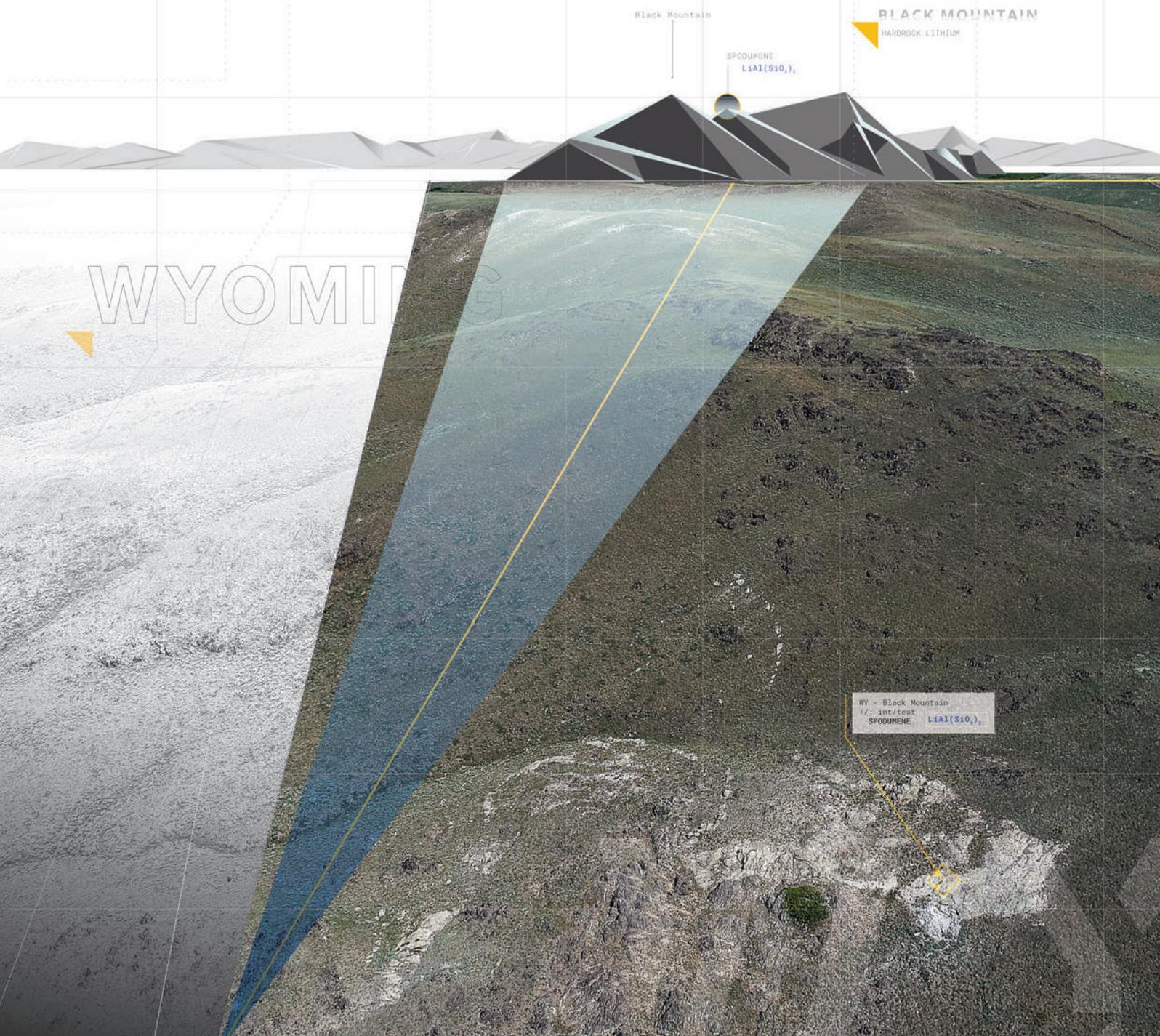
No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Shares pursuant to the Offers.

### **1.19 WITHDRAWAL**

The Directors may at any time decide to withdraw this Prospectus and the Offers in which case the Company will return all Application Monies (without interest) in accordance with applicable laws.

The Company and the Joint Lead Managers also reserve the right to close the Offers (or any part of them) early, extend the Offers (or any part of them), accept late applications either generally or in particular cases, reject any application or bid, or allocate to any applicant fewer Shares than applied for.

# 2 Company and Projects overview



WYOMING

Black Mountain

SPODUMENE  
 $LiAl(SiO_3)_2$

BLACK MOUNTAIN  
HARDROCK LITHIUM

WY - Black Mountain  
// - Int./test  
SPODUMENE  $LiAl(SiO_3)_2$

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## 2 Company and Projects Overview

### 2.1 COMPANY BACKGROUND

Chariot was incorporated as a private company on 19 November 2019 in the State of Western Australia and was converted to a public company limited by shares on 1 July 2021.

Chariot was formed to target “early” opportunities in the lithium industry globally.

The Company is currently focused on selected projects located in the United States. The U.S. has a substantial endowment of lithium mineralisation, but lags behind more developed lithium regions, such as Australia, Chile and Argentina, in terms of lithium production. A significant increase in U.S. lithium supply is required to enable a domestic and secure source of this critical input into batteries to meet anticipated demand from U.S. battery manufacturers.

Chariot has specifically targeted lithium exploration opportunities in the United States with lithium mineralisation at surface with large-scale potential based on surface area.

Chariot’s projects are prospective for both hard rock lithium (i.e., spodumene<sup>1</sup>) in Central Wyoming and claystone-hosted lithium in Nevada and Oregon. Recent rock chip assay results at the Black Mountain Project and the Resurgent Project demonstrate the presence of lithium mineralisation at surface<sup>1</sup>. The assay results and initial geological work suggest that these two projects compare favourably with respect to grade and scale with similar early-stage hard rock lithium<sup>2</sup> and claystone lithium<sup>3</sup> projects in the U.S.

Chariot’s projects are located in mining-friendly jurisdictions.

The Company believes these two core projects represent early, prospective lithium opportunities in the United States.

Drilling is planned to test both the size and grade potential of the Company’s Core Projects, with the goal of being among the first group of contributors to lithium production in the United States.

#### Notes:

- <sup>1</sup> Refer to sections 5.4.2.2 and 5.7.1 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) and sections 7.2.1 and 7.4.1 of the Independent Technical Assessment Report (Resurgent Project) for further details.
- <sup>2</sup> Refer to Piedmont Lithium Limited (ASX: PLL) (formerly, WCP Resources Limited) (Piedmont) ASX announcements dated 10 May 2018 and 27 February 2017. Piedmont’s results are no guarantee these results will be reflective of the Company’s landholding.
- <sup>3</sup> Refer to Jindalee Resources Limited (ASX: JRL) (Jindalee) ASX announcement dated 13 June 2018. Jindalee’s results are no guarantee these results will be reflective of the Company’s landholding.

Upon Listing, and subject to completion of the Acquisitions, the Company’s portfolio will include the following:

- the two Core Projects consisting of one hard rock and one claystone project (see Section 2.5);
- the Exploration Pipeline Projects (see Section 2.6);
- the Proposed Divestment Projects (see Section 2.7); and
- a retained interest in certain divested assets and tradable securities quoted on the ASX and Canadian Stock Exchange acquired in connection with the divestment of certain assets (see Section 2.8)<sup>2</sup>.

The Company holds its interest in the Core Projects, through the following subsidiaries:

- WLPL which holds 100% of the Wyoming Lithium Projects through its wholly owned subsidiary PLC. As at the date of this Prospectus, the Company holds an 81.9% interest in WLPL, which is proposed to increase to 91.9% following completion of the WLPL Acquisition; and
- FMSL which holds 100% of the Resurgent Project. As at the date of this Prospectus, the Company holds a 17.3% interest in FMSL, which is proposed to increase to 25% upon completion of the FMSL Subscription and 80.4% following completion of the FMSL Acquisition and RHPL Acquisition.

2 Company and Projects Overview (cont.)

The Company is proposing to consolidate its existing interest in the Core Projects pursuant to the following transactions:

- (a) acquiring a further 10.1% of the shares in WLPL pursuant to a share sale agreement with shareholders of WLPL (WLPL SPAs);
- (b) acquiring 82.6% of the shares in RHPL (noting that as at the date of this Prospectus, RHPL holds 39.9% of the issued capital of FMSL) pursuant to share sale agreements entered into with selected shareholders of RHPL (RHPL SPAs); and
- (c) acquiring a further 25.5% of the shares in FMSL pursuant to security purchase exchange agreements entered into with selected shareholders of FMSL (FMSL SPAs).

In addition to the Acquisitions, on 15 August 2023, the Company received Shareholder approval to subscribe for a further 1,282 FMSL Shares at a share price of US\$1,100 for a total investment of US\$1,410,200 to fund immediate land holding costs and short-term working capital expenses of FMSL (FMSL Subscription). The FMSL Subscription is proposed to be completed prior to Listing. On completion, the FMSL Subscription will increase Chariot’s direct ownership of FMSL from 17.3% to 25% prior to Listing. The FMSL Subscription is independent of and not conditional upon the Company’s admission to the Official List of the ASX.

Upon completion of the Acquisitions and FMSL Subscription, Chariot will have a 91.9% direct ownership in WLPL and 80.4% beneficial interest in FMSL through a 50.5% direct ownership of FMSL and it’s 82.6% direct ownership of RHPL.<sup>1</sup>

The FMSL SPAs, RHPL SPAs and WLPL SPAs (the Consolidation Agreements) are each conditional upon the Company receiving conditional approval from the ASX for the Company to be admitted to the Official List (on terms that are acceptable to the Company), together with other conditions.

Refer to Section 6.1 for a summary of the material terms and conditions of the Consolidation Agreements.

The divested assets (shown in red in Figure 1 below) have been sold and/or are subject to option agreements that may eventuate in a sale. In addition, certain of these assets are subject to the FMSL Distribution. Refer to Section 2.8 for further details of the Company’s retained interest in these assets at Listing.

**Note:**

<sup>1</sup> Upon Listing, RHPL will hold a 36.2% direct interest in FMSL.

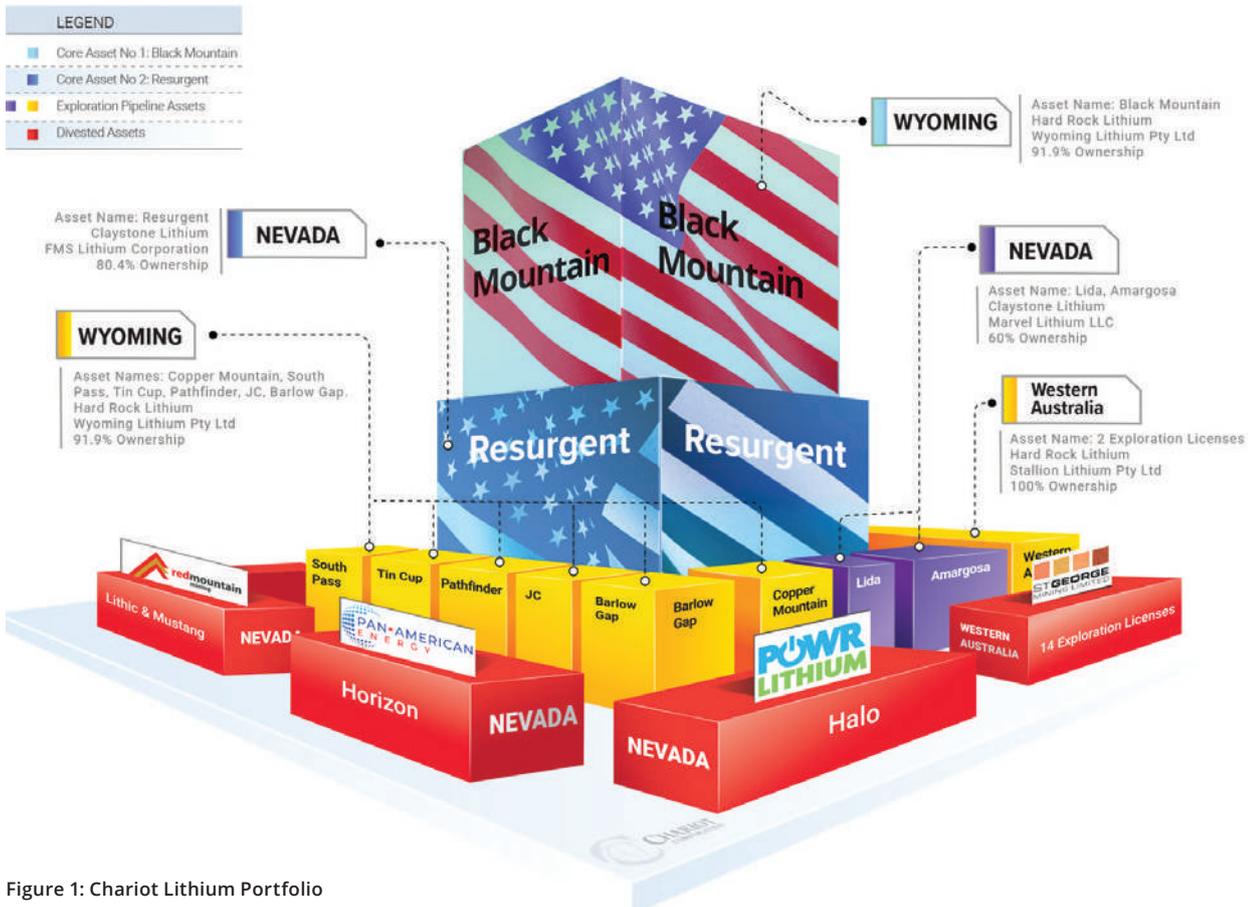
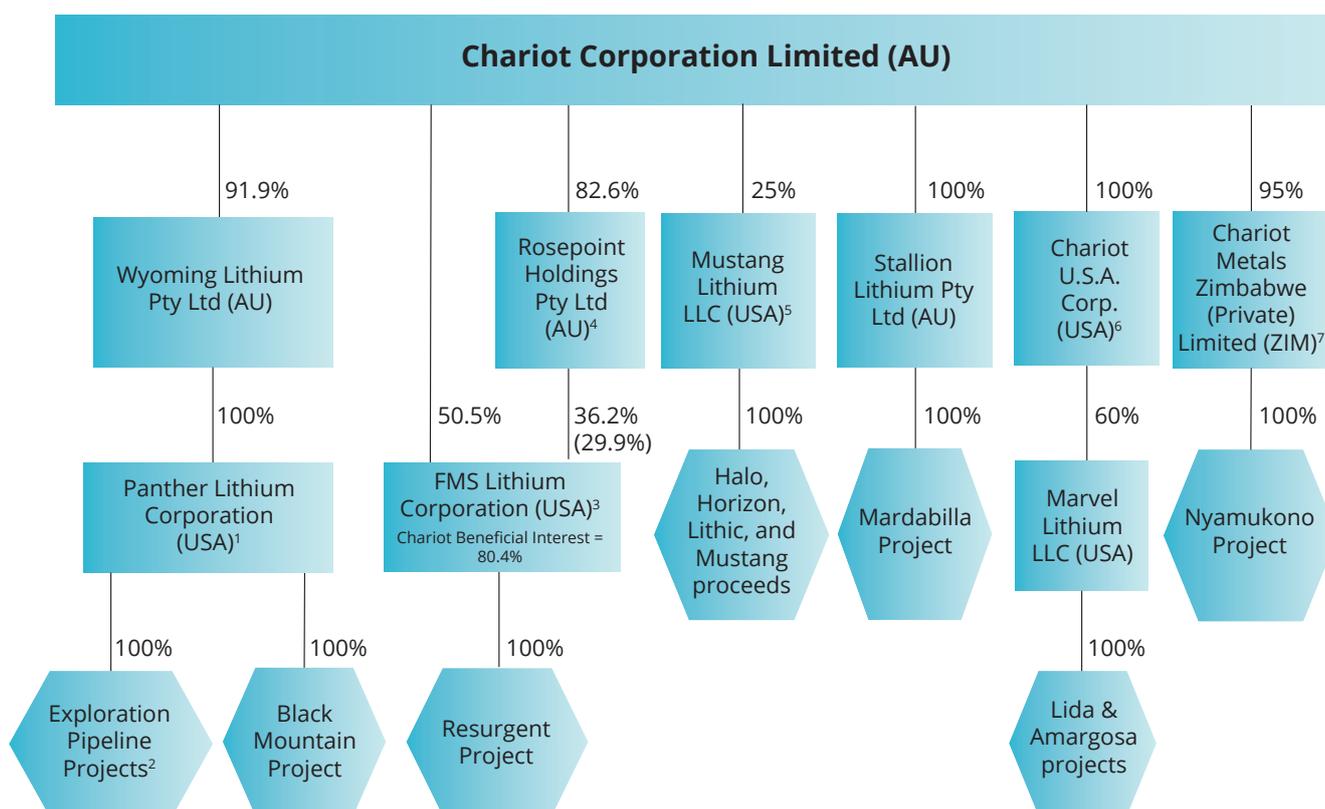


Figure 1: Chariot Lithium Portfolio

## 2.2 COMPANY STRUCTURE

Upon successful completion of the Offer and Acquisitions, the Company will have the following corporate structure:



### Notes:

- 1 On Listing, the remaining interest in WLPL will be held by Foster Wilson (8.1%). Mr Wilson is not a related party of Chariot.
- 2 Exploration Pipeline Projects comprise of the following projects: Copper Mountain, South Pass, Tin Cup Mountain (**Tin Cup**), Pathfinder, Barlow Gap, and Jeffery City (**JC**).
- 3 On Listing, Chariot will hold an 80.4% beneficial interest in FMSL. The remaining interest will be held by Foster Wilson (11.6%), the non-Chariot shareholders of RHPL as detailed in footnote 4 (6.3%), Jasveer Jessy – former Chariot director (1.7%) and Elite Sky Investment Limited (0.1%). Other than Mr Jessy (who will remain a related party of Chariot for 6 months following his resignation on 17 July 2023), none of the remaining FMSL shareholders are related parties of Chariot.
- 4 On Listing RHPL will hold a 36.2% direct interest in FMSL and Chariot will hold a 29.9% beneficial interest in FMSL through its 82.6% direct interest in RHPL. On Listing, the remaining interest in RHPL will be held by Jasveer Jessy – former Chariot director (14.4%) and Matthew Mitchell (3%). Mr Mitchell is not a related party of Chariot.
- 5 On Listing, the remaining interest in Mustang Lithium LLC will be held by the other shareholders of FMSL, as they were prior to completion of the FMSL Acquisition.
- 6 Chariot U.S.A. Corp, a wholly owned subsidiary of Chariot holds a 60% direct interest in Marvel Lithium LLC which owns the Lida and Amargosa projects.
- 7 On Listing, the remaining interest (5%) in Chariot Metals Zimbabwe (Private) Limited will be held by held by unrelated party Misheck Mufari, the in-country representative, as required under Zimbabwe law.

Refer to Section 3.1.3 for further information regarding the Company's ownership interests in its Core Projects upon Listing.

## 2.3 STRATEGIC OBJECTIVES

Chariot's strategic objectives are to:

- (a) acquire, explore for and develop a portfolio of mineral properties located in mining-friendly jurisdictions which the Company consider prospective for lithium mineralisation (with an initial focus on properties that exhibit evidence of lithium mineralisation near or at-surface);
- (b) retain a dual-focus on hard rock lithium and claystone-hosted lithium assets;
- (c) seek to delineate one or more JORC 2012 Mineral Resource Estimates (**Resources** or **Mineral Resources** or **MRE**) at the Core Projects and potentially identify new opportunities within the Exploration Pipeline Projects;
- (d) produce significant lithium product from U.S. deposits and become a supplier of battery-grade lithium products to the United States market;
- (e) enhance shareholder value through sound management of its project portfolio and identification of opportunistic transactions; and
- (f) make a meaningful contribution to the global transition to renewable energy.

Chariot will continuously evaluate its strategy with a view to maximising shareholder value.

## 2.4 PORTFOLIO OVERVIEW

Upon Listing, and subject to completion of the Acquisitions, Chariot's portfolio will consist of the following:

- (a) **Core Projects.** Chariot's two Core Projects are:
  - (i) the Black Mountain Project (Wyoming, USA), which is prospective for hard rock lithium<sup>1</sup> (see Section 2.5.1); and
  - (ii) the Resurgent Project (Nevada & Oregon, USA), which is prospective for claystone-hosted lithium<sup>2</sup> (see section 2.5.7).
- (b) **Exploration Pipeline Projects.** The exploration pipeline projects consist of six exploration projects in Wyoming prospective for hard rock lithium<sup>1</sup> (see Section 2.6).
- (c) **Proposed Divestment Projects.** The Company is exploring divestment opportunities for four lithium projects comprising:
  - (i) two claystone-hosted lithium projects in Central Nevada (the Lida and Amargosa projects, collectively the **Marvel Projects**);
  - (ii) a hard rock lithium project in the Marondera province, Zimbabwe (**Nyamukono Project**); and
  - (iii) two exploration licenses in Western Australia prospective for hard rock lithium (**Mardabilla Project**) (see Section 2.7).
- (d) **Divested and Liquid Assets.** These assets (together, the **Divested Assets**) comprise:
  - (i) Beginning in August 2022, FMSL entered into agreements to divest selected non-core assets in the U.S. through three separate transactions to various Canadian Stock Exchange (CSE) and ASX listed counterparties (refer to Section 2.8 for further details). On Listing, the Company will retain an interest in listed shares issued as consideration under these agreements as well as an interest in future receivables (cash and/or stock) payable by the counterparties upon exercise of granted options and/or satisfaction of applicable milestones.  
  
Refer to Section 2.8 for further details.
  - (ii) In March 2023, Chariot's wholly owned subsidiary, Stallion Lithium Pty Ltd (**Stallion**), entered into an agreement with Lithium Star Pty Ltd (a wholly owned subsidiary of ASX listed St George Mining Ltd) (**Lithium Star**) pursuant to which Lithium Star agreed to purchase a package of non-core Western Australian tenements from Stallion. This transaction settled on 7 August 2023; however the Company is entitled to future receivables under this agreement, contingent on the satisfaction of certain milestones. Refer to Section 2.8 for further details.

**Notes:**

- <sup>1</sup> Upon Listing, the Company will hold a 91.9% direct interest in WLPL which owns 100% of PLC which holds a 100% interest in the Black Mountain Project and the Exploration Pipeline Projects.
- <sup>2</sup> Upon Listing, the Company will hold an 80.4% beneficial interest in FMSL which owns 100% of the Resurgent Project.

Table 1: Summary of Chariot's Lithium Portfolio upon Listing (subject to completion of the Acquisitions)

Asset Name	Location	Lithium Mineralisation Style	Company Beneficial Interest upon completion of the Acquisitions (%)	Holding Companies	Significant Mineralisation Results	IPO Budget Allocation Min (A\$m)
<b>Core Projects</b>						
Black Mountain	Wyoming, USA	Hard Rock Lithium	91.9%	WLPL PLC	Best assay result of 6.68% Li <sub>2</sub> O from 22 surface samples. Average surface sample assay result of 2.16% Li <sub>2</sub> O. <sup>1</sup>	5.16
Resurgent	Nevada/ Oregon, USA	Claystone Lithium	80.4%	FMSL RHPL	Best assay result of 3,865 ppm Li. 10% of the samples have Li values exceeding 464 ppm Li. <sup>2</sup>	3.33
<b>Exploration Pipeline Projects</b>						
Copper Mountain	Wyoming, USA	Hard Rock Lithium	91.9%	WLPL PLC	Swarms of outcropping pegmatites identified at surface. <sup>3</sup>	2.29
South Pass	Wyoming, USA	Hard Rock Lithium	91.9%	WLPL PLC	Swarms of outcropping pegmatites identified at surface. <sup>4</sup>	1.05
Tin Cup	Wyoming, USA	Hard Rock Lithium	91.9%	WLPL PLC	Swarms of outcropping pegmatites identified at surface. <sup>5</sup>	0.26
Pathfinder	Wyoming, USA	Hard Rock Lithium	91.9%	WLPL PLC	Swarms of outcropping pegmatites identified at surface. <sup>6</sup>	0.26
Barlow Gap	Wyoming, USA	Hard Rock Lithium	91.9%	WLPL PLC	Swarms of outcropping pegmatites identified at surface. <sup>7</sup>	0.26
JC	Wyoming, USA	Hard Rock Lithium	91.9%	WLPL PLC	Swarms of outcropping pegmatites identified at surface. <sup>8</sup>	0.26
<b>Proposed Divestment Project</b>						
Lida	Nevada, USA	Claystone Lithium	60.0%	Chariot U.S.A. Corporation Marvel Lithium LLC	No lithium exploration conducted at the property. <sup>8</sup>	0.07
Amargosa	Nevada, USA	Claystone Lithium	60.0%	Chariot U.S.A. Corporation Marvel Lithium LLC	No lithium exploration conducted at the property.	0.09
Nyamukono Project	Mashonoland East, Zimbabwe	Hard Rock Lithium	95.0%	Chariot Metals Zimbabwe (Private) Limited	No lithium exploration conducted at the property.	0.05
Mardabilla Project	Western Australia, Australia	Hard Rock Lithium	100%	Stallion Lithium Pty Ltd	Nil.	0.04

Asset Name	Location	Lithium Mineralisation Style	Company Beneficial Interest upon completion of the Acquisitions (%)	Holding Companies	Significant Mineralisation Results	IPO Budget Allocation Min (A\$m)
<b>Divested Assets</b>						
Halo	Nevada, USA	Claystone Lithium	25.0%	Halo Lithium LLC	Nil.	-
Horizon	Nevada, USA	Claystone Lithium	25.0%	Horizon Lithium LCC	Refer to footnote 9.	-
Lithic	Nevada, USA	Claystone Lithium	25.0%	Lithic Lithium LLC <sup>12</sup>	Refer to footnote 10.	-
Mustang	Nevada, USA	Claystone Lithium	25.0%	Lithic Lithium LLC <sup>12</sup>	Refer to footnote 11.	-
14 Exploration Licenses	Western Australia, Australia	Hard Rock Lithium	100%	St George Mining Limited	Nil.	-
<b>Liquid Assets</b>						
POWR Lithium Corp (CSE: POWR) shares			25.0%	Mustang Lithium LLC	Refer to footnote 13.	-
Pan American Energy Corp (CSE: PNRG) shares			25.0%	Mustang Lithium LLC	Refer to footnote 13.	-
Red Mountain Mining Limited (ASX: RMX) shares			25.0%	Mustang Lithium LLC	Refer to footnote 13.	-
St George Mining Limited (ASX: SGQ) shares			100%	Chariot Corporation Limited	Refer to footnote 13.	-

**Notes:**

- Refer to Section 2.5.5 and section 5.7.1 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) for the full set of surface sampling assay results.
- Refer to Appendix B of the Independent Technical Assessment Report (Resurgent Project) for full set of surface sampling assay results for the Resurgent Project.
- Refer to section 5.7.4 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects).
- Refer to section 5.7.3 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects).
- Refer to section 5.7.7 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects).
- Refer to section 5.7.6 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects).
- Refer to section 5.7.5 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects).
- The Lida project has benefited from exploration drilling of the adjacent Nevada Sunrise Project. Refer to Nevada Sunrise Metals Corporation (TSXV: NEV) announcement dated 24 May 2023. Nevada Sunrises' results are no guarantee these results will be reflective of the Company's landholding. Published results may not be JORC (2012) compliant.
- Core drilling resulting in peak grade of 2,040 ppm Li. 1,118 intervals sent for assay with 63% returning grades >300 ppm Li and 44% >600 ppm Li. Refer to Pan American Energy Corp company announcement dated 24 May 2023 for the full list of assays. Published results may not be JORC (2012) compliant.
- Best surface sampling assay result of 1,254 ppm Li. Refer to Red Mountain Mining Limited company announcement dated 27 April 2023 for the full list of assays.
- Best surface sampling assay result of 721 ppm Li. Refer to Red Mountain Mining Limited company announcement dated 1 February 2023 for the full list of assays.
- Lithic Lithium LLC only holds the consideration paid to it pursuant to the Sale and Purchase Agreement with Red Mountain Mining US (a subsidiary of Red Mountain Mining Limited) and does not own the underlying claims.
- Refer to Section 2.8 for more details on total shares owned by Chariot.

## 2.5 THE CORE PROJECTS

Upon Listing, and subject to completion of the Acquisitions, the Company's core lithium exploration projects in the U.S., will be:

- (a) the Black Mountain Project<sup>1</sup> (Wyoming, USA), which is prospective for hard rock lithium; and
- (b) the Resurgent Project<sup>2</sup>, located in the states of Nevada and Oregon, USA, which is prospective for claystone-hosted lithium.

The Core Projects exhibit certain favourable characteristics:

- (a) in the case of the Black Mountain Project, spodumene-bearing pegmatite outcrops at surface with rock chip assays up to 6.68% Li<sub>2</sub>O<sup>3</sup>;
- (b) in the case of the Resurgent Project, lithium claystone outcrops with rock chip Li assays of up to 3,865 ppm Li<sup>4</sup>;
- (c) large-scale potential<sup>5</sup>; and
- (d) a favourable regulatory environment for development of the Projects.

**Notes:**

- 1 On completion of the Acquisitions, Chariot will own a 91.9% interest in the Black Mountain Project.
- 2 On completion of the Acquisitions, Chariot will own an 80.4% ownership interest in the Resurgent Project.
- 3 Refer to sections 5.4.2.2 and 5.7.1 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) for the full set of surface sampling assay results.
- 4 Refer to sections 7.2.1 and 7.4.1 and Appendix B of the Independent Technical Assessment Report (Resurgent Project) for full set of surface sampling assay results for the Resurgent Project.
- 5 Based on the number of claims comprising the Black Mountain Project and the Resurgent Project and the prevalence of geologically prospective outcrops. Refer to section 7.2 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) and section 10 of the Independent Technical Assessment Report (Resurgent Project) for further details.

2.5.1 THE BLACK MOUNTAIN PROJECT

The Black Mountain Project is situated in Natrona County and lies approximately midway between Casper and Riverton, Wyoming (refer to Figure 2). The project is well-served by existing roads and infrastructure.

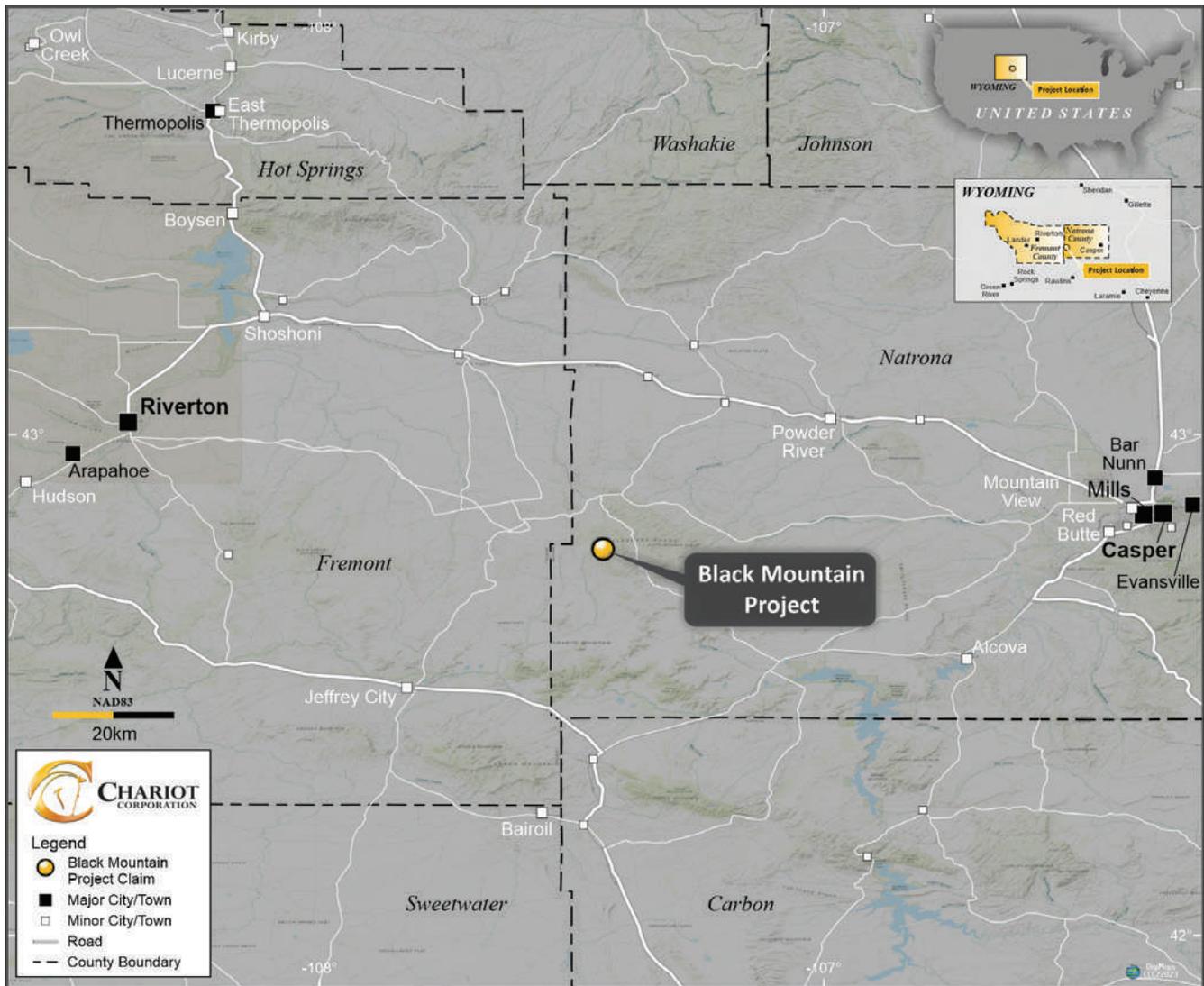


Figure 2: Black Mountain Project location map

## 2.5.2 CLAIM SUMMARY

The Black Mountain Project comprises of 134 Claims in Wyoming, USA (**Black Mountain Claims**). The claim area was acquired via claim staking of public land administered by U.S. Bureau of Land Management (**BLM Land**) and property option agreements with two separate claim holders, as follows:

- (a) Claim staking 89 Claims on BLM Land (744 Ha) between January 7-11, 2022;
- (b) Exploration and Secured Option Agreement with Black Mtn. Lithium Corp. over 27 Claims, dated to be effective 20 July 2022 (refer to Section 6.2.1 for further details);
- (c) Mining Lease with Option to Purchase Agreement with Vesper Resources LLC over 2 Claims, dated 16 December 2022 (refer to Section 6.2.2 for further details); and
- (d) Claim staking on BLM Land in respect of an additional 16 Claims totaling 134 ha to the southeast of the main Black Mountain claim block (referred to as Black Mountain South).

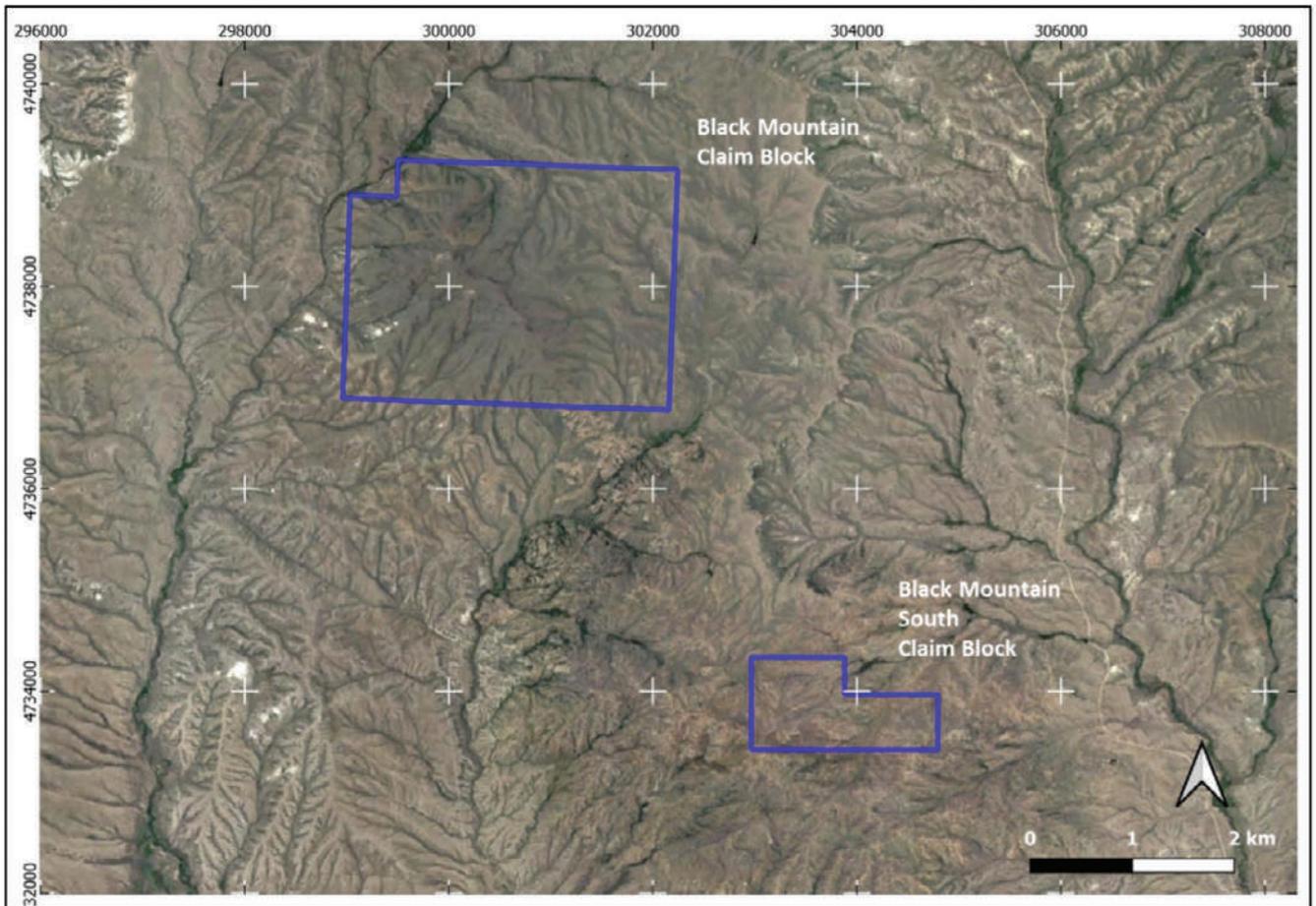


Figure 3: Black Mountain and Black Mountain South claims map

2.5.3 PROPERTY GEOLOGY

The Black Mountain Claims are underlain by Archaean granites and pendants of metasediments and metabasalts that form part of the Granite Mountains and cover the peak of Black Mountain. The Black Mountain peak, which is host to the Black Mountain Spodumene Pegmatite, is composed primarily of McDougal Gulch Metavolcanics (mafic schists) and mafic dykes (refer to Figure 4).

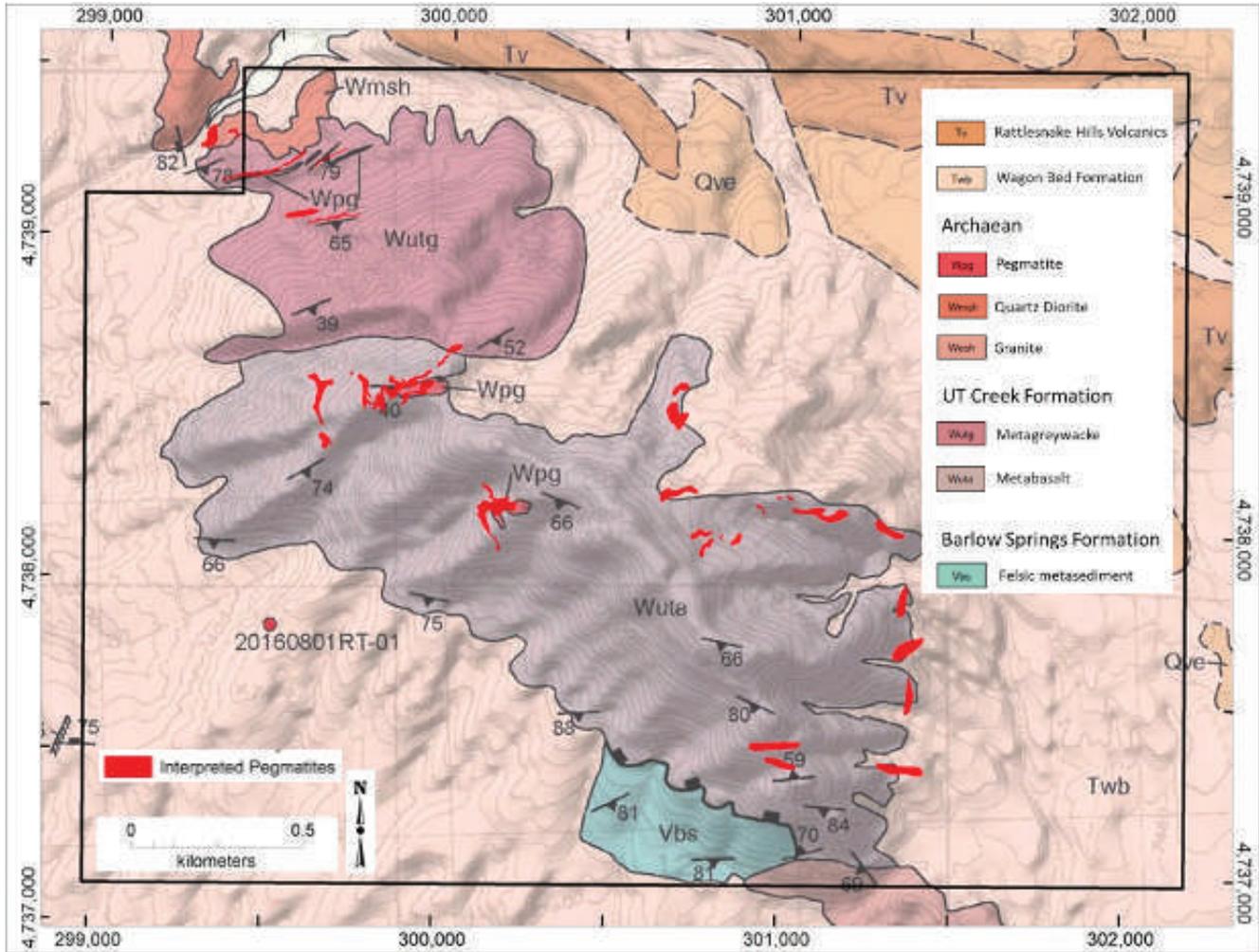


Figure 4: Geological map for the Black Mountain claim block (UTM Zone 13N NAD 27)

The spodumene-bearing pegmatite outcrops at surface and strikes east-northeast, subparallel to the crest of the Black Mountain peak. The pegmatite is approximately 60 m long and from 30 cm to 3 m in width. Spodumene, which makes up 10% of the pegmatite, is greenish-grey to pale lavender in colour and forms large euhedral-massive crystals and is associated with abundant milky quartz, plagioclase (including cleavelandite) and varying amounts of black and dark-green tourmaline and bluish apatite.

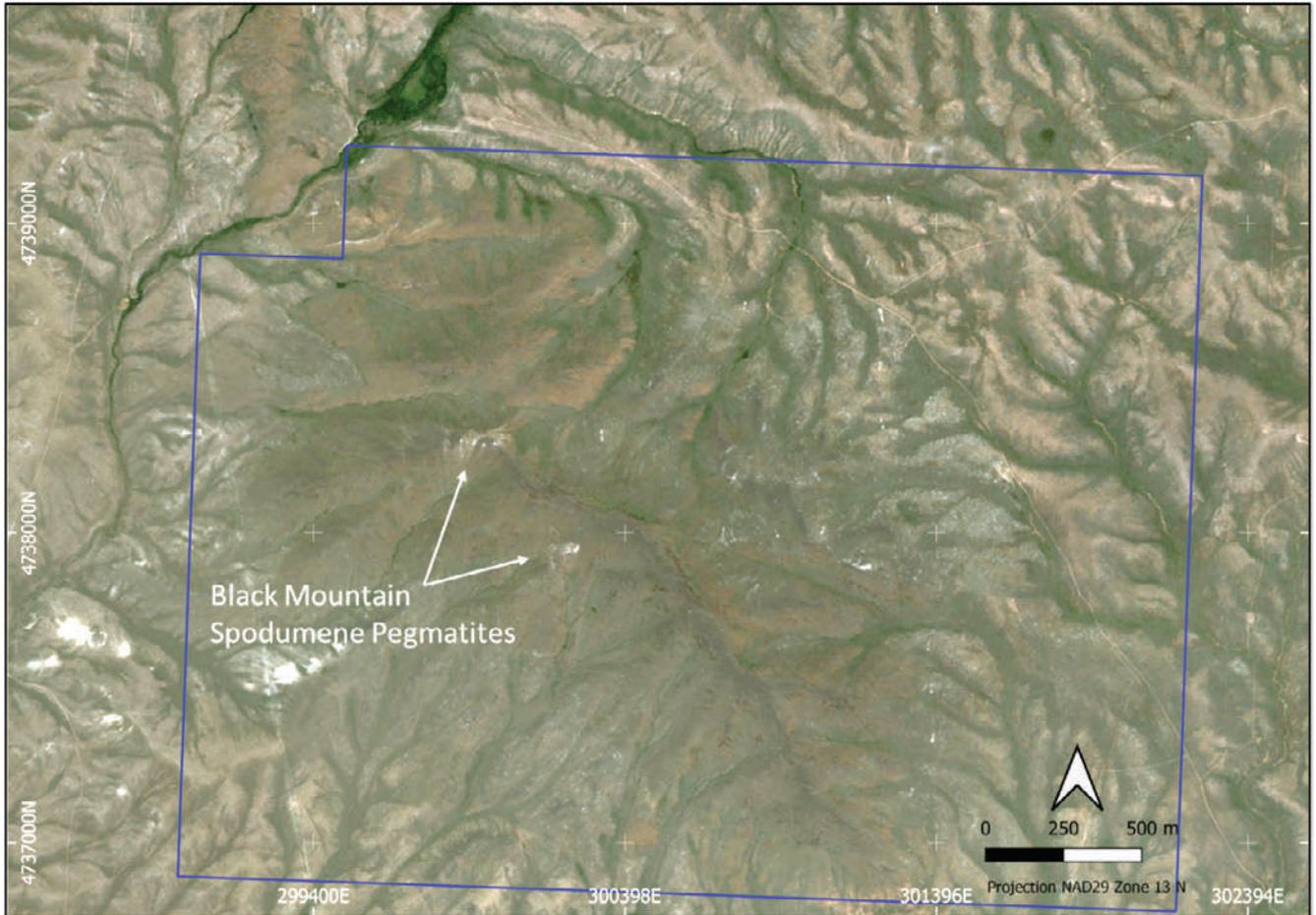


Figure 5: Location of the Black Mountain Spodumene Pegmatites (Bing Satellite image background; NAD29 UTM Zone 13N)

Refer to section 5.4.2 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) for additional information on the geology of the Black Mountain Project.

#### 2.5.4 HISTORIC EXPLORATION

The Black Mountain spodumene deposit is first described in a Geological Survey of Wyoming (GSW) mineral report by J David Love in 1942. A single spodumene dyke striking east-northeast with a dip of 30–60° to the south-southeast. The dyke is described as 250 ft (75 m) in strike length and up to 10 ft (3 m) in thickness. The dyke is obscured by alluvium on its southwestern end and is folded and irregular. The pegmatite contains spodumene with coarse K-feldspar, white quartz, mica, and tourmaline. At this time, development consisted of two small prospecting pits.

During the GSW's rare-earth elements study of Wyoming, four grab samples were collected from the spodumene-bearing pegmatites exposed in various pits. The four samples (20150609LC-1, -3, -4, -5), of unknown size, were taken from the various spodumene pits and assays ranged from 20 ppm to 7,000 ppm Li (average 2,378 ppm); 3.6 ppm to 1,870 ppm Ta (average 492 ppm) and 6 ppm to 283 ppm Sn (average 94 ppm). The samples were assayed by ALS-Chemex in Reno, Nevada using assay method ME-MS81 (lithium metaborate fusion with inductively coupled plasma-mass spectrometry (ICP-MS) finish for tantalum and tin) and ME-4ACD81 (four-acid digest with ICP-MS finish for lithium).

Refer to section 5.4.2.2 and 5.5.1.1 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) for additional information on historical exploration at the Black Mountain Project.

#### 2.5.5 RECENT EXPLORATION

The Company has undertaken an initial desktop review and compilation of data. This work included interpretation of remotely sensed spectral data where several spectral anomalies are evident defining a first pass set of targets for follow-up investigation.

## 2 Company and Projects Overview (cont.)

In 2022 and 2023, the Company undertook reconnaissance field work; the aim of this work was to:

- (a) conduct a first-pass reconnaissance evaluation of all the 89 Black Mountain Claims comprising the Black Mountain claim block (BM1-89) (refer to Figure 7); and
- (b) locate, map, and sample all known prospect pits and identified spectral anomalies.

Chariot also collected data, including:

- (a) A reconnaissance rock sampling program<sup>1</sup> of the known pegmatites. A total of 22 samples (10 in 2022 and an additional 12 in 2023) were collected ranging in grade from 0.01% Li<sub>2</sub>O to 6.68% Li<sub>2</sub>O and averaging 2.16% Li<sub>2</sub>O. Including eight (8) samples well mineralised with respect to lithium with lithia (Li<sub>2</sub>O) grades >4% Li<sub>2</sub>O;
- (b) an orientation soil sampling program to test the utility of soil sampling in detecting LCT-type pegmatites beneath soil cover. The results indicate soil sampling may be an effective tool in exploration for this deposit type; and
- (c) stream sediment orientation sampling program to determine viability for regional exploration.

Sample locations and results from the 2022 and 2023 program are given in Table 2 and Figure 6.

**Note:**

1. It should be noted that these rock samples are selective in nature and indicative of the presence of lithium mineralisation in the pegmatites. The average grade quote is not indicative of the average Li<sub>2</sub>O grades expected in the pegmatites. Further exploration is required to ascertain the distribution of lithium minerals and average Li<sub>2</sub>O grades of these pegmatites.

Sample ID	Year	X NAD83	Y NAD83	Type	Li ppm	Li <sub>2</sub> O <sup>1</sup>	Description <sup>2</sup>
1792401	2022	299,947	4,738,289	Rock Chip	22,883	4.93%	Light green feldspathoid sampled from pothole excavation near location monument. Majority gray mottled and white feldspar. Taken near Location Monument "Archean Pride".
1792402	2022	299,947	4,738,286	Rock Chip	19,967	4.30%	White/grey-green feldspathoid. Similar to 1792401, from a test pit ~2 ft deep.
1792403	2022	299,917	4,738,292	Rock Chip	24,090	5.19%	Greenish Spodumene/tourmaline, pale greenish + dark gray tourmaline?
1792404	2022	299,878	4,738,302	Rock Chip	1,396	0.30%	Similar to 1792404 from another test pit.
1792405	2022	299,829	4,738,326	Rock Chip	31,018	6.68%	Diffuse greenish feldspathoid.
1792406	2022	300,082	4,738,143	Rock Chip	50	0.01%	Sub-crop/outcrop mottled white and gray feldspathoid.
1792407	2022	300,213	4,737,931	Rock Chip	166	0.04%	Light grey-white, yellowish staining locally. Obtained in vicinity of Location Monument "Felsic Intruder".
1792408	2022	300,242	4,737,939	Rock Chip	2,209	0.48%	Similar to 1792407 from another test pit. Evidence of pit being blasted ~5 ft deep.
1792409	2022	300,244	4,737,928	Rock Chip	92	0.02%	High graded blue mineral from location to sample 1792410. - 40m area west to east. Sampled surface and pit rocks exhibiting blue mineral within quartz.
1792410	2022	300,244	4,737,936	Rock Chip	1,321	0.28%	Black, crystalline, almost sooty, massive speckled through white feldspar and quartz. Somewhat heavy for size.
1782201	2023	299,586	4,739,197	Rock Chip	5	0.00%	Sample from an area of 10m by 3-4m wide. Pegmatite 10m to the south AZ. 43, 64 D southeast.
1782202	2023	299,652	4,738,493	Rock Chip	38	0.01%	No description
1782203	2023	299,657	4,738,525	Rock Chip	340	0.07%	No description
1782204	2023	299,677	4,738,532	Rock Chip	24,342	5.24%	No description
1782205	2023	299,784	4,738,539	Rock Chip	23,946	5.15%	No description
1782301	2023	299,739	4,739,217	Rock Chip	190	0.04%	2 marginal peg outcrops running N65E. Combined a 1' and 2" sample from each targeting grey mottled feldspathic material. Trace mica and tourmaline.
1782302	2023	299,746	4,739,181	Rock Chip	42	0.01%	Channel across 2' thick peg composed of mottled grey-black feldspathoid possibly pyroxene - spodumene.
1782303	2023	300019.7	4,738,397	Rock Chip	85	0.02%	2-3' thick channelled across in 3 spots-composite
1782304	2023	300,154	4,738,112	Rock Chip	23,072	4.97%	2' wide peg mittens with green spodumene crystals. Some very clear. Habit more like pyroxene than hex-beryl. Difficult to collect.
1782306	2023	300,159	4,738,090	Rock Chip	15,878	3.42%	Sampled boulder containing a lot of small, up to 10mm spodumene crystals in white feldspar matrix.

Sample ID	Year	X NAD83	Y NAD83	Type	Li ppm	Li <sub>2</sub> O <sup>1</sup>	Description <sup>2</sup>
1782307	2023	299,911	4,738,499	Rock Chip	19,626	4.22%	Large, 4"+ crystals in clusters and singular in feldspathic/quartz hash.
1782308	2023	299,884	4,738,521	Float	9,459	2.04%	Outcrops/subcrops within sample zone found to have trace spodumene. Some gunmetal gray spodumene detected. Difficult to discern in o/c. float sampled along line.

Table 2: Black Mountain reconnaissance rock chip samples and lithium assay results. Refer to section 5.7.1 of the Independent Technical Assessment Report.

**Notes:**

- 1 Conversion from Li (ppm) to Li<sub>2</sub>O (%) =  $Li(ppm) \times 2.153/1000$ .
- 2 Feldspathoid described in some samples is likely spodumene.
- 3 Rounding form significant figures (Li<sub>2</sub>O value is 0.001%).

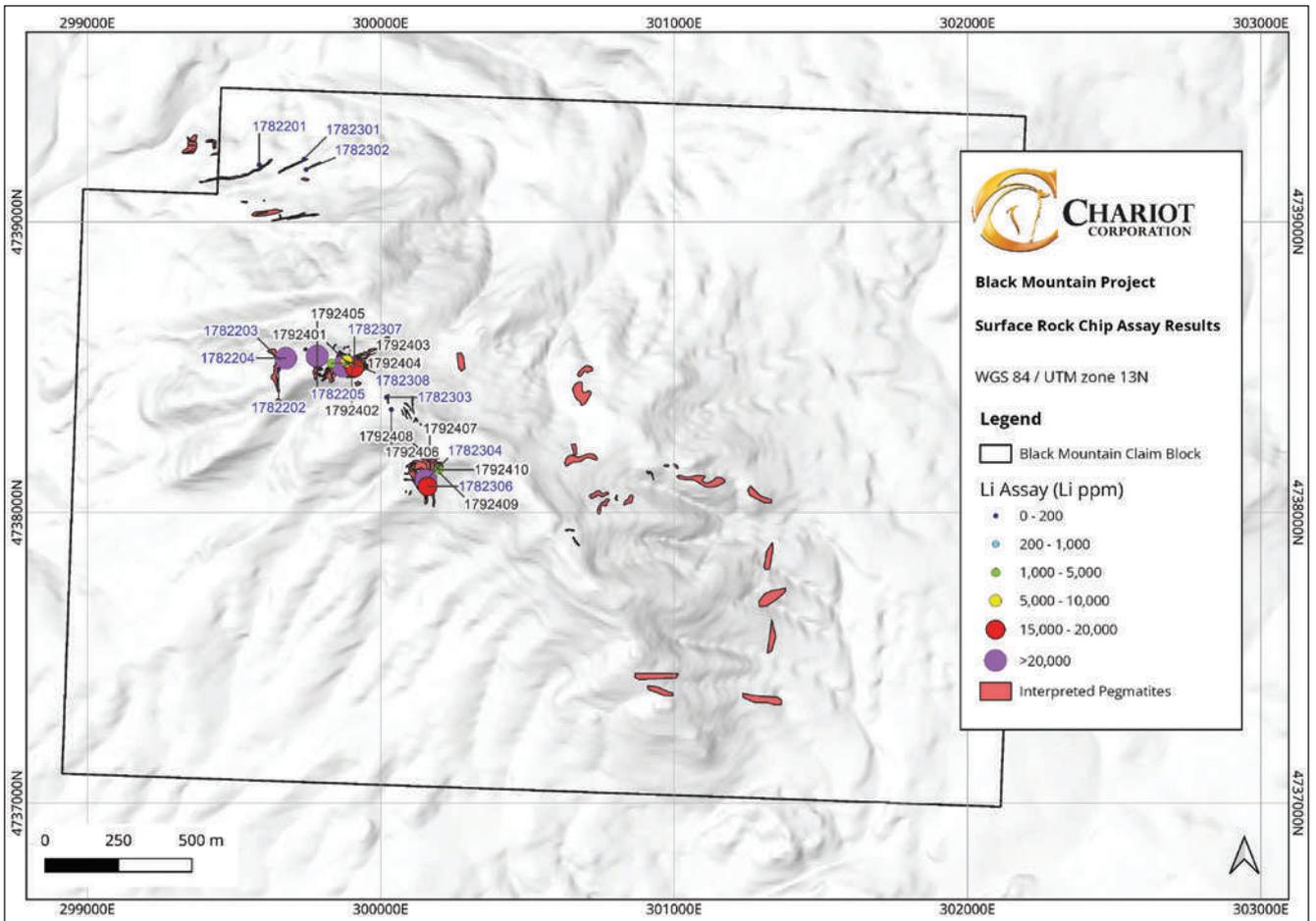


Figure 6: Results of Black Mountain Rock Chip Sampling. 2022 samples shown in black, 2023 samples shown in blue



Figure 7: Chariot reconnaissance field work at the Black Mountain pegmatite outcrops.

Chariot planned a high-resolution ground magnetics survey at Black Mountain which comprised 108 east-west orientated lines, spaced 25 m apart, and each 3.55 km long for a total of 383.4 line km Q4 2022. To date forty-six (46) of the survey lines of totalling 163.3 line km have been completed covering the central portion of the area underlain by the metabasalts intruded by pegmatites (refer to Figure 8).

Preliminary interpretation of the results by Chariot’s geologists are that:

- (a) the Tertiary volcanic derived tuffs and sediments (see Figure 8) which flank the exposed Archean-Proterozoic metamorphic rocks manifest as broad relatively homogeneous magnetic highs;
- (b) although the metamorphic rocks are magnetic, they do not manifest as a magnetic highs, possibly due to multiple deformational events that has affected the primary magnetic fabric;
- (c) the three strong circular shaped magnetic lows and associated highs along the trend of the pegmatite dykes are interpreted to be related to a hidden, underlying granite stock associated with the pegmatite dykes; and
- (d) a 3-D inversion of the magnetic data will be undertaken, once the northern portion of the survey has been completed, aiming to image the position and orientation of the interpreted larger pegmatite bodies at-depth.

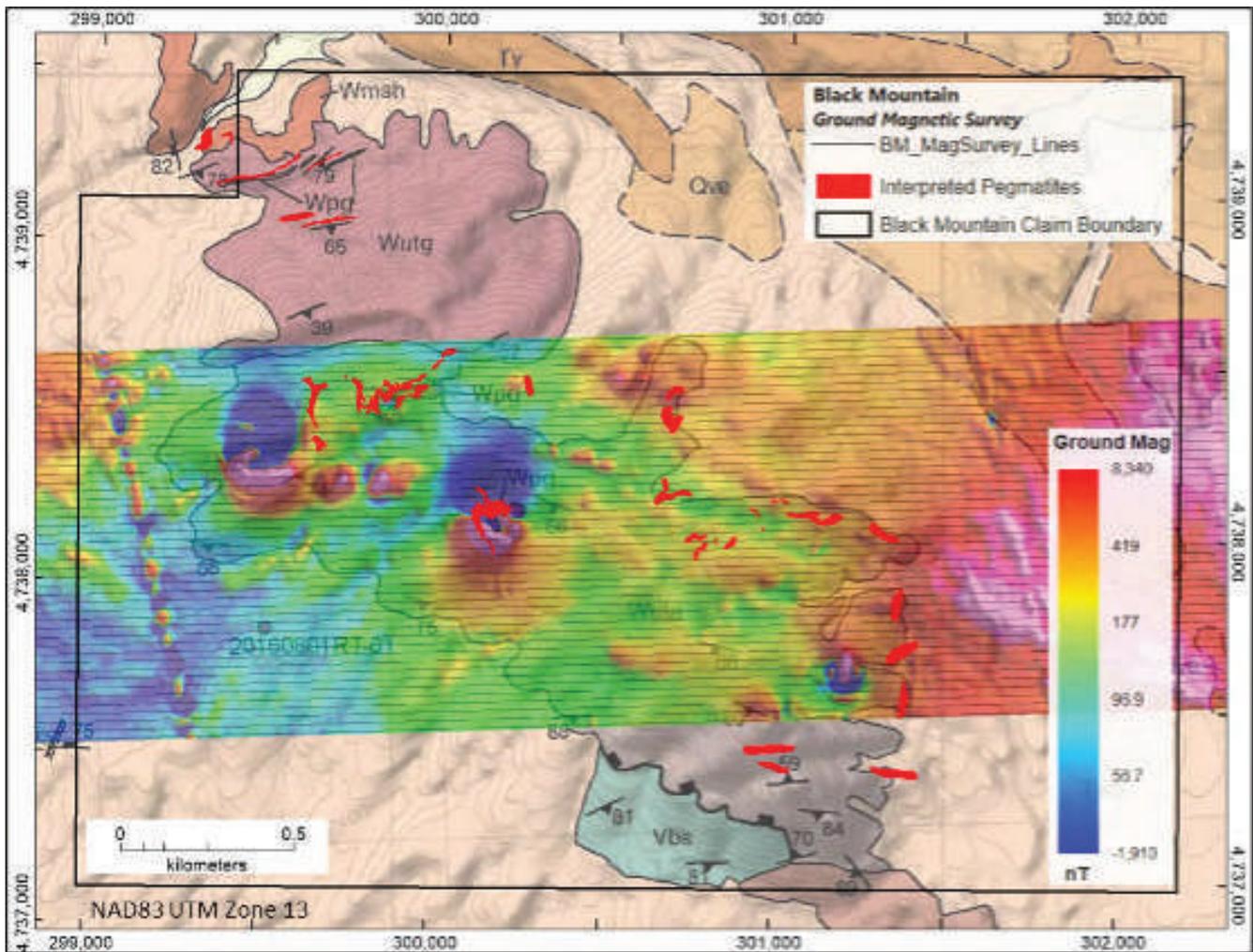


Figure 8: Black Mountain ground magnetics survey

## 2.5.6 BLACK MOUNTAIN EXPLORATION PLAN

Further to the Company's 2022 and 2023 surface rock chip sampling programs, ground-based magnetic mapping and soil orientation surveys, the planned exploration program over the next two-years for the Black Mountain Project includes the following phased approach:

- (a) permitting of Phase 1 drilling program was approved on 21 August 2023 (subject to the payment of cash bond which is expected to occur late August/early September 2023);
- (b) phase 1 DDH program to test the depth and lateral extent of outcropping spodumene bearing pegmatites is scheduled to begin in late Q3 2023. It is fully expected, based on surface rock chip results, that the preliminary drilling will be followed up with a more comprehensive round of resource definition drilling in 2024;
- (c) a grid-based program of soil sampling to check for extensions to the exposed mineralisation in the surrounding areas of sub-crop and shallow cover; and
- (d) detailed Geological mapping and rock-chip/selective mineral geochemical sampling to advance the understating of the pegmatite mineral zoning.

2.5.7 THE RESURGENT PROJECT

The Resurgent Project is located in northern Nevada and in southern Oregon. The Resurgent Project is subdivided into two principal claim areas: (1) Resurgent North and (2) Resurgent East (see Figure 9).

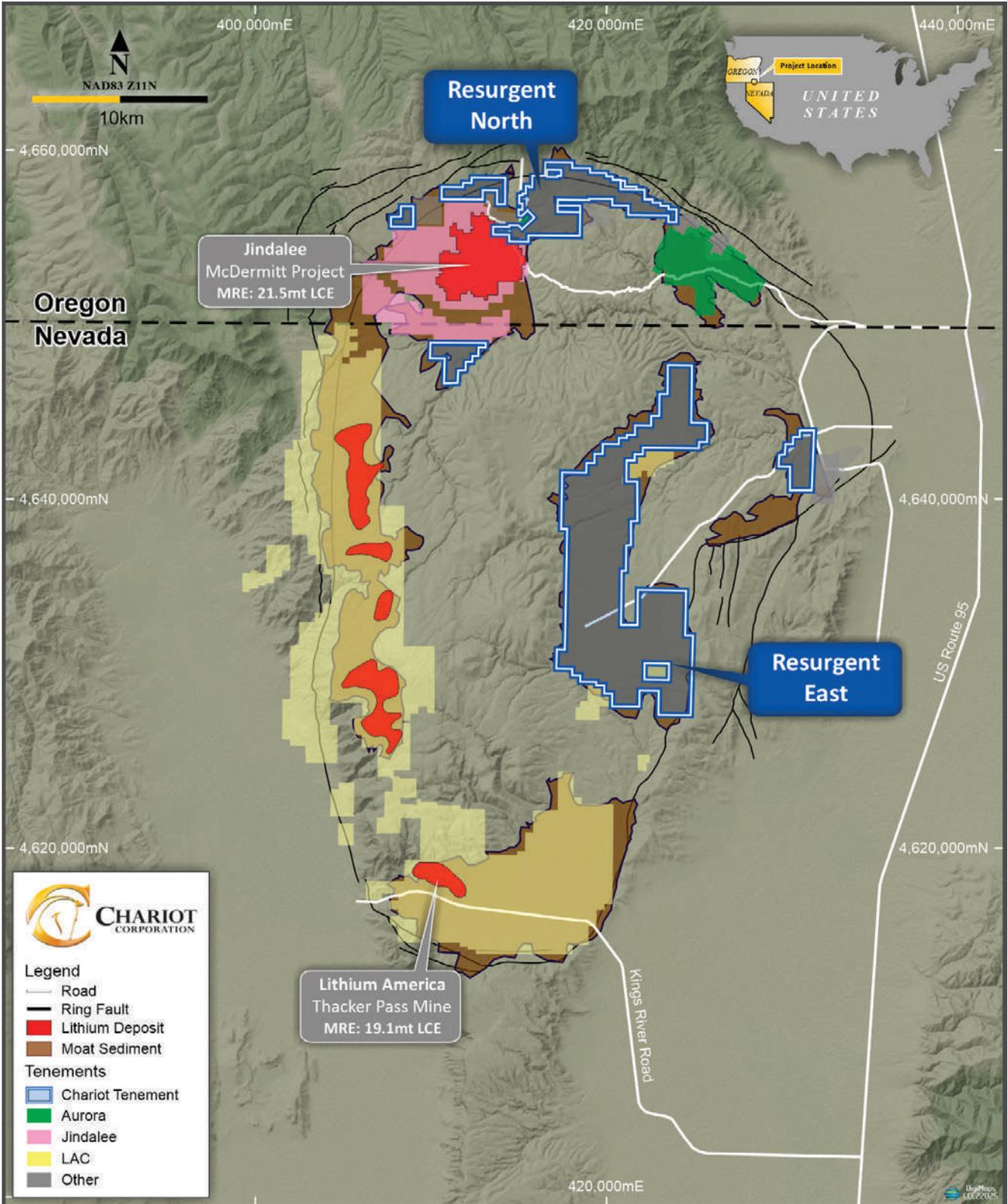


Figure 9: Resurgent Project Location

## 2.5.8 CLAIM SUMMARY

The Resurgent Project consists of 1,450 Claims (**Resurgent Claims**) across Malheur County, Oregon and Humboldt County, Nevada. The Resurgent Claims were acquired by claim staking BLM Land between 19 April 2021 and 24 April 2023.

A summary of Resurgent Claims is provided in Table 5-1 of the Independent Technical Assessment Report (Resurgent Project).

## 2.5.9 HISTORIC EXPLORATION

Chevron Minerals Inc. (**Chevron**) first discovered lithium-rich sediments in the western part of the caldera during condemnation drilling for uranium in 1977.

Western Lithium Corp. (now Lithium Nevada Corp., a wholly owned subsidiary of Lithium Americas Corp. (NYSE: LAC) (**LAC**) acquired the Chevron claims in 2007 including the highly prospective Thacker Pass Deposit.

The McDermitt Caldera hosts the two largest known lithium mineral resource estimates in the United States being:

- (a) Jindalee's McDermitt Project which contains a total JORC (2012) Indicated (11.1Mt) and Inferred (10.4Mt) Mineral Resource of 21.5Mt of Lithium Carbonate Equivalent (**LCE**) at a 1,000ppm Li cut-off grade (**COG**)<sup>1,3</sup>; and
- (b) LAC's Thacker Pass Deposit contains a total NI43-101 Measured (7.0Mt), Indicated (9.1Mt), and Inferred (3.0Mt) Mineral Resource of 19.1Mt LCE at a 1,334ppm Li COG<sup>2,3</sup>.

To date, FMSL has conducted exploration work as described in section 7.2 of the Independent Technical Assessment Report (Resurgent Project).

### Notes:

- 1 Refer to Jindalee's ASX announcement 27 February 2023.
- 2 Refer to LAC Feasibility Study, National Instrument 43-101 Technical Report for the Thacker Pass Project, dated 2 November 2022.
- 3 Mineral Resource Estimates from Jindalee and LAC are no guarantee that a mineral resource can be defined at the Resurgent Project.

## 2.5.10 REGIONAL GEOLOGY

The Resurgent Project is located in south-eastern Oregon and northern Nevada within the northern and eastern margins of the collapsed volcanic McDermitt Caldera. The McDermitt Caldera is described as having formed as a part of a "Super Volcano" associated with the northeast migration of the Yellowstone Hot Spot relative to the North American plate.

The McDermitt Caldera formed as a result of the eruption of an estimated 1,000 km<sup>3</sup> of ash which was deposited as the McDermitt tuff causing the collapse of the underlying magma chamber. An elongated egg shape caldera was formed measuring approximately 40 km x 22-30 km.

In the United States Geological Survey descriptive model three potential modes of genesis are postulated, comprising alteration of volcanic glass to lithium-rich smectite, precipitation from lacustrine waters, and incorporation of lithium into existing smectites. In each case, the depositional/diagenetic model is characterised by abundant magnesium, the presence of silic volcanic rocks, and an arid environment (see Figure 10).

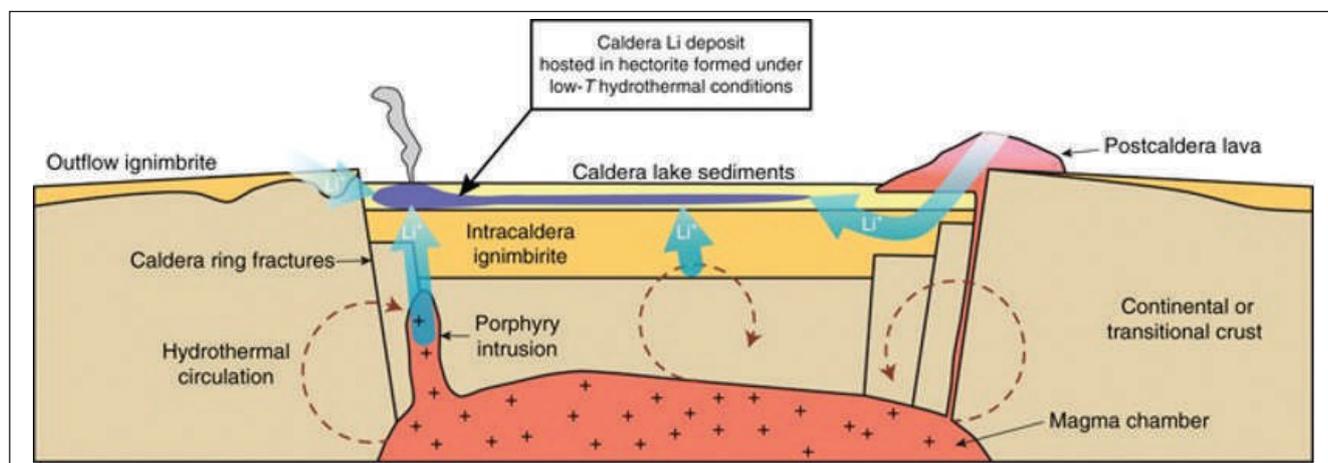


Figure 10: Lithium enrichment model of the McDermitt Caldera

2.5.11 EXPLORATION WORK BY THE COMPANY

FMSL completed preliminary mapping and a surface rock-chip sampling program focused on the northern claim block, with 289 samples collected (refer to Appendix B of the Independent Geologist Report (Resurgent Project) for full assay results and Table 3 for top 15 Li assays and Figure 11 for sample locations).

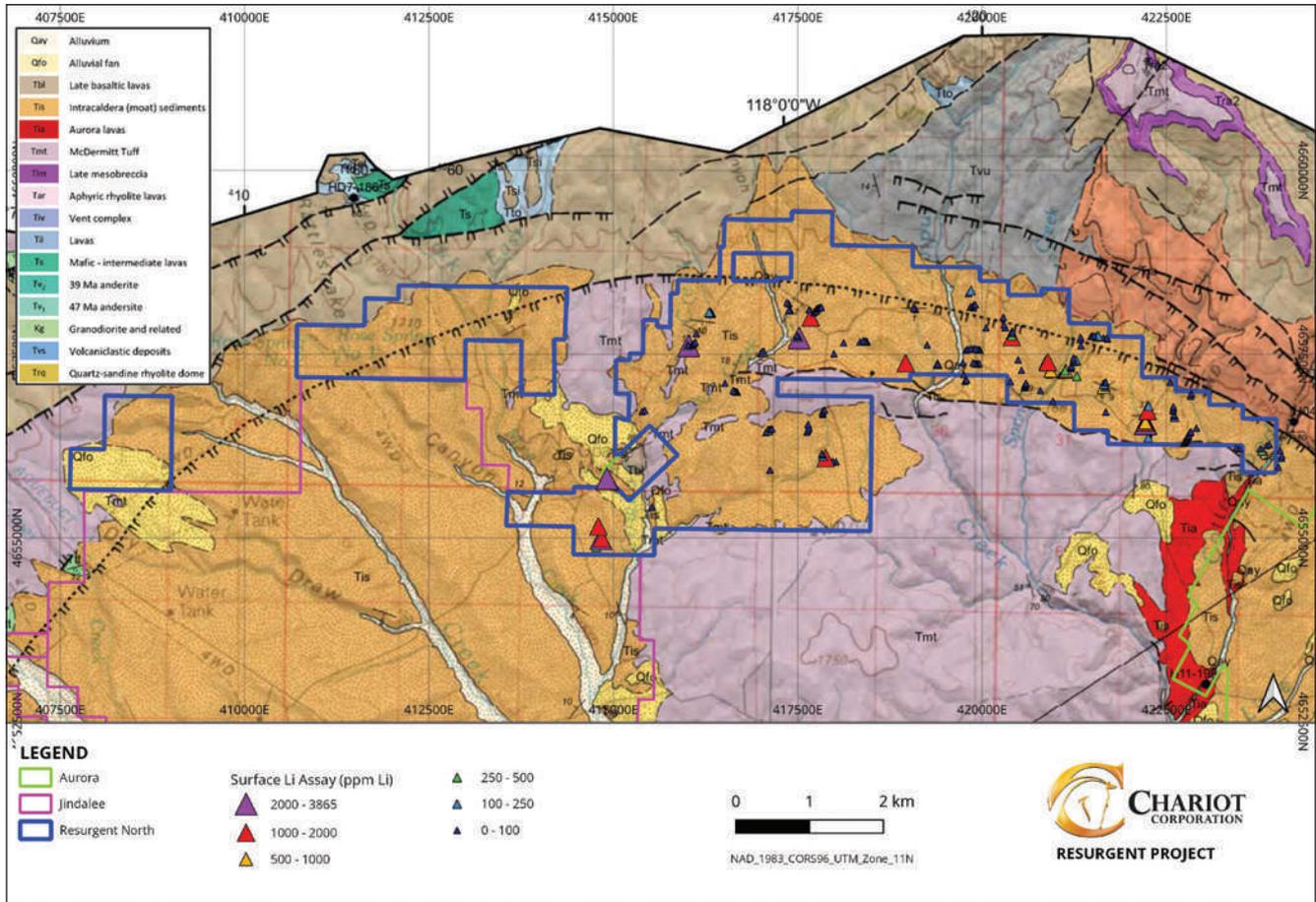


Figure 11: Resurgent North Lithium Surface Sampling Location

Li analyses range from below detection (<0.5 ppm Li) to a high of 3,865 ppm Li. Seventeen samples within the FMSL claim block contain lithium values exceeding 1,000 ppm, representing 7% of samples collected and analysed. FMSL surface samples have a mean of just over 200 ppm Li with approximately 25% of the samples having Li values exceeding 90 ppm, and 10% of samples with Li values exceeding 464 ppm (one standard deviation above the mean) (refer to Table 3 for the top 15 surface sample results from the Resurgent Project). Refer to Appendix B of the Independent Technical Assessment Report (Resurgent Project) for the full set of assay results. The results of this sampling program are consistent with reports that lithium mineralisation is widespread throughout the intracaldera sediments within the McDermitt Caldera.

Sample ID	Eastings	Northing	Type	Lithology	Grade (ppm Li)
679862	422,214	4,656,555	not recorded	Tuff-seds	3,865
679860	422,216	4,656,556	not recorded	not recorded	3,836
340655	414,915	4,655,806	subcrop	claystone	3,471
679859	422,217	4,656,557	not recorded	not recorded	3,164
679861	422,215	4,656,556	not recorded	not recorded	2,838
679856	422,222	4,656,556	not recorded	not recorded	2,672
461038	416,021	4,657,613	Grab	Mud	2,638
340653	414,832	4,654,990	subcrop	claystone	2,442
340664	422,219	4,656,554	outcrop	claystone	2,381
340673	417,521	4,657,719	Subcrop	Brown clay	2,089
340652	414,842	4,654,996	subcrop	claystone	1,883
340667	422,247	4,656,725	outcrop	claystone	1,679
679858	422,219	4,656,556	not recorded	not recorded	1,650
340752	417,678	4,657,997	outcrop	clay paleosol?	1,645
340663	422,217	4,656,568	outcrop	claystone	1,538
679885	420,894	4,657,390	not recorded	not recorded	1,526
340654	414,799	4,655,156	subcrop	claystone	1,418
679895	420,405	4,657,731	not recorded	not recorded	1,122
679937	417,880	4,656,084	not recorded	not recorded	1,023
340671	418,966	4,657,376	Regolith	A-O horizon	1,007

Table 3: Selected Resurgent North surface sample results. Refer to Appendix B of the Independent Technical Assessment Report (Resurgent Project) for the full list of assay results

## 2.5.12 EXPLORATION PLAN

### 2.5.12.1 Resurgent North

The planned exploration program 24 months post-Listing for the Resurgent North project includes the following phased approach, building on the mapping and geochemical testing done to date:

- (a) A soil sampling effort, across the entire land holding, taking about 300 soil samples having grid spacing at 300m x 300m.
- (b) A mapping effort will focus on several aspects of the geology, with an emphasis on;
  - (i) regolith mapping distinguishing areas of thick scree and gravel cover from thin, this is likely to be useful in the interpretation of the soil geochemical survey results;
  - (ii) stratigraphic sections with detailed character rock-chip sampling where exposure permits in order to determine the stratigraphic correlation of lithium rich horizons within drill holes; and
  - (iii) where exposure is adequate, we will take continuous channel sampling up through the claystone stratigraphy to further assist with the correlation of lithium rich horizons within drill holes.
- (c) An initial DDH program having the following key points;
  - (i) the BLM has approved Chariot's Notice Of Intent (NOI) for a Resurgent North drill programme;
  - (ii) subsequent Oregon DOGAMI approval which is pending (expected Q3 2023);
  - (iii) DDH collar locations will be determined by a combination of surface geochemistry results, geological prospectivity and drill accessibility;
  - (iv) up to 10 drillholes testing the continuation of Jindalee mineralisation onto FMSL ground, each hole is likely to be some 150m long however to ensure bedrock is encountered; and

## 2 Company and Projects Overview (cont.)

- (v) the initial DDH program will be designed to develop a 3D geological model and provide samples for further geochemical and geometallurgical analysis.

### 2.5.12.2 Resurgent East

The planned exploration program 24 months post-Listing for the Resurgent East project includes the following phased approach, building on the mapping and geochemical testing done to date:

- (a) aerial mapping to more comprehensively identify small windows of outcrop;
- (b) a soil and rock chip sampling programme with the aim of testing more of the intracaldera tuff underneath the gravel cover and generating a soil geochemistry dataset;
- (c) submit a BLM NOI for initial diamond drilling efforts is expected to be granted in Q3 2023; and
- (d) DDH drilling effort having the following key points:
  - (i) DDH collar locations will be determined by a combination of surface geochemistry results, geological prospectivity and drill accessibility; and
  - (ii) up to 15 drillholes estimated to be 150m deep, however, drilling will continue until bedrock is encountered.

The initial DDH program will be designed to test the geological model at depth and provide samples for further geochemical and geometallurgical analysis.

## 2.6 EXPLORATION PIPELINE PROJECTS

Upon Listing, and subject to completion of the Acquisitions, the Company will also own and operates the six (6) Exploration Pipeline Projects in Wyoming, including:

- (a) Copper Mountain Project<sup>1</sup>;
- (b) South Pass Project<sup>1</sup>;
- (c) Tin Cup Project<sup>1</sup>;
- (d) Pathfinder Project<sup>1</sup>;
- (e) Barlow Gap Project<sup>1</sup>; and
- (f) JC Project<sup>1</sup>.

**Note:**

<sup>1</sup> Upon completion of the Acquisitions, the Company will hold a 91.9% beneficial interest in the Exploration Pipeline Projects.

The Exploration Pipeline Projects comprise 443 Claims (**Wyoming Claims**) and covering 3,585 hectares as shown on the map in Figure 12 and Table 4. The Wyoming Claims were acquired by claim staking BLM Land between 29 July 2022 and 9 May 2023.

Project	Claims <sup>1</sup>	Hectares
Copper Mountain	83	648
Tin Cup	45	376
JC	9	75
South Pass	214	1,750
Barlow Gap	60	501
Pathfinder	32	234
<b>Total</b>	<b>443</b>	<b>3,585</b>

Table 4: Wyoming Exploration Pipeline Projects Claims summary

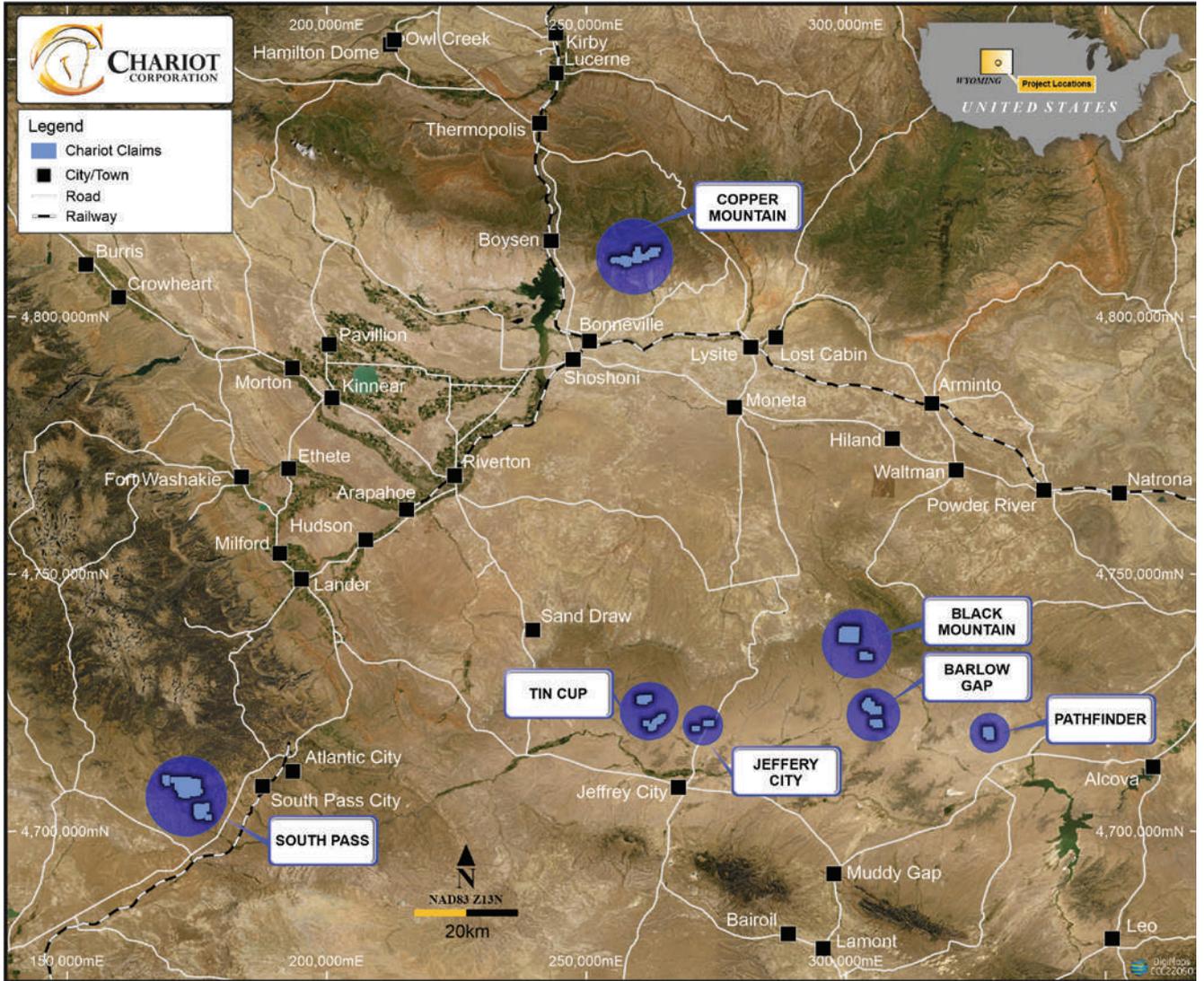


Figure 12: Exploration Pipeline Projects overview map

## 2.6.1 COPPER MOUNTAIN PROJECT

### 2.6.1.1 Location

The Copper Mountain Project is located approximately 80 km northwest of Black Mountain in Fremont County, Wyoming, USA. The project is within the Owl Creek Mountains on the northern side of the Wind River Basin and about 20 km northeast of the town of Shoshoni (refer to Figure 13). The Project area is approximately 1,900m to 2,200m above sea level but has good land access off Highway 20 by a network of unsurfaced roads.

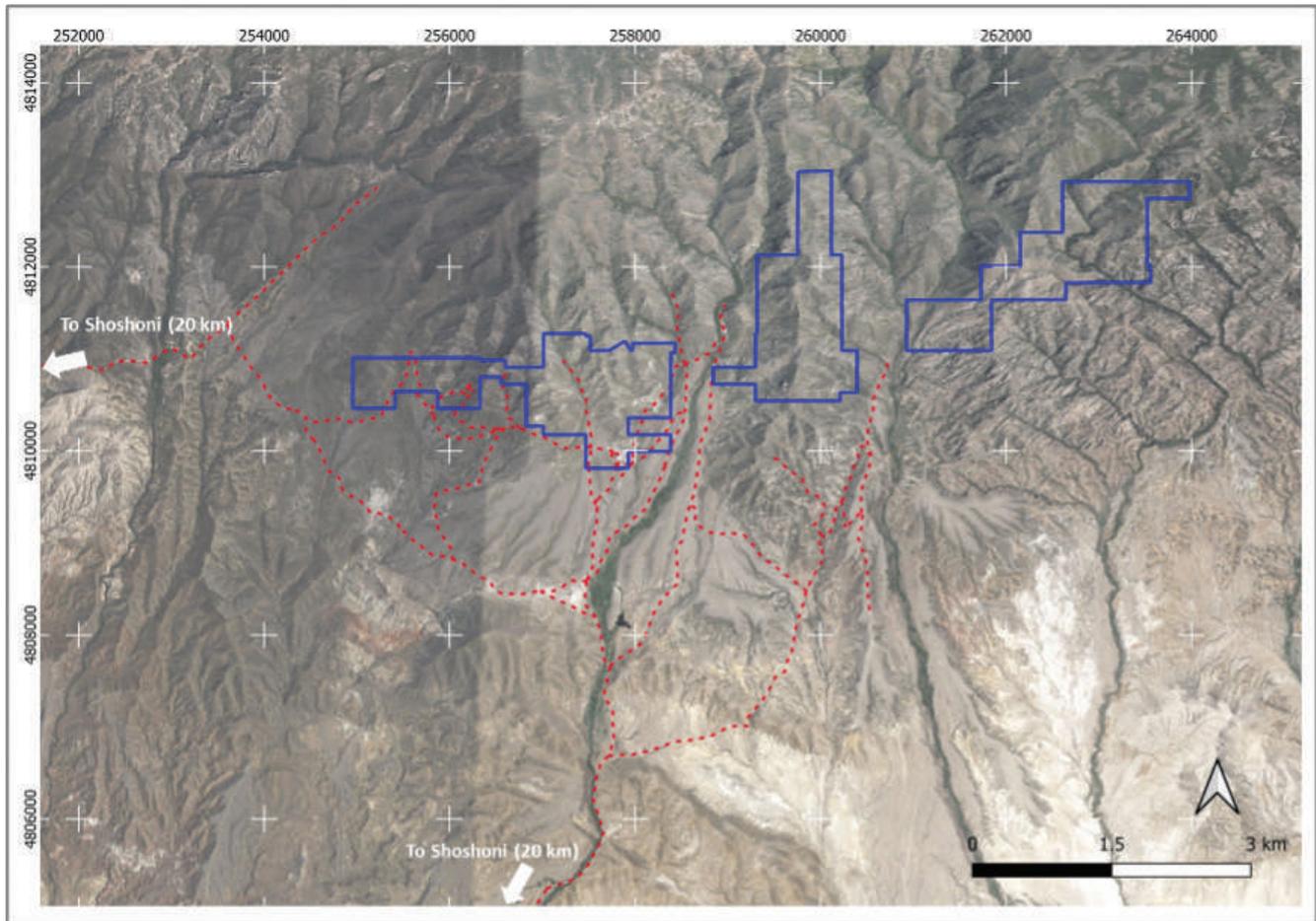


Figure 13: Location of the Copper Mountain in central Wyoming, USA

#### 2.6.1.2 Claims Summary

The Copper Mountain Project area totalling 648 ha was acquired by a combination of claim staking BLM Land and a property option agreement with a third-party claim holder, as follows:

- (a) Claim staking of BLM Land (81 Claims); and
- (b) Mining Lease with Option to Purchase Agreement with Vesper Resources LLC over 2 Claims, dated 20 September 2022 (refer to Section 6.2.3 for further details).

#### 2.6.1.3 Property Geology

The Copper Mountain Project area is underlain by Archaean rocks of the Wyoming Province and overlain in the southern part by Cainozoic sedimentary rocks.

Two phases of pegmatites are recognised, an early granitic pegmatite suite concordant with the schistose fabric which are not known to contain economic mineralisation and younger discordant pegmatite dike suite (Figure 14). This younger discordant suite contains economic minerals including lithium, tantalum and niobium bearing phases.

Refer to section 5.4.3 of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) for additional information on the geology of the Copper Mountain Project.

#### 2.6.1.4 Historic Exploration

Copper Mountain has a long history of prospecting and artisanal scale production, being historically mined for mica, feldspar, beryl, lepidolite and tantalite.

### 2.6.1.5 Exploration Work By The Company

The Company has undertaken a desktop review and data compilation for the Copper Mountain Project where several documented pegmatites have been the subject of historical exploration and exploitation. Based on interpretation of historical and remotely sensed data, Chariot has defined several potential pegmatite targets across the project area for follow-up field work (refer to Figure 14).

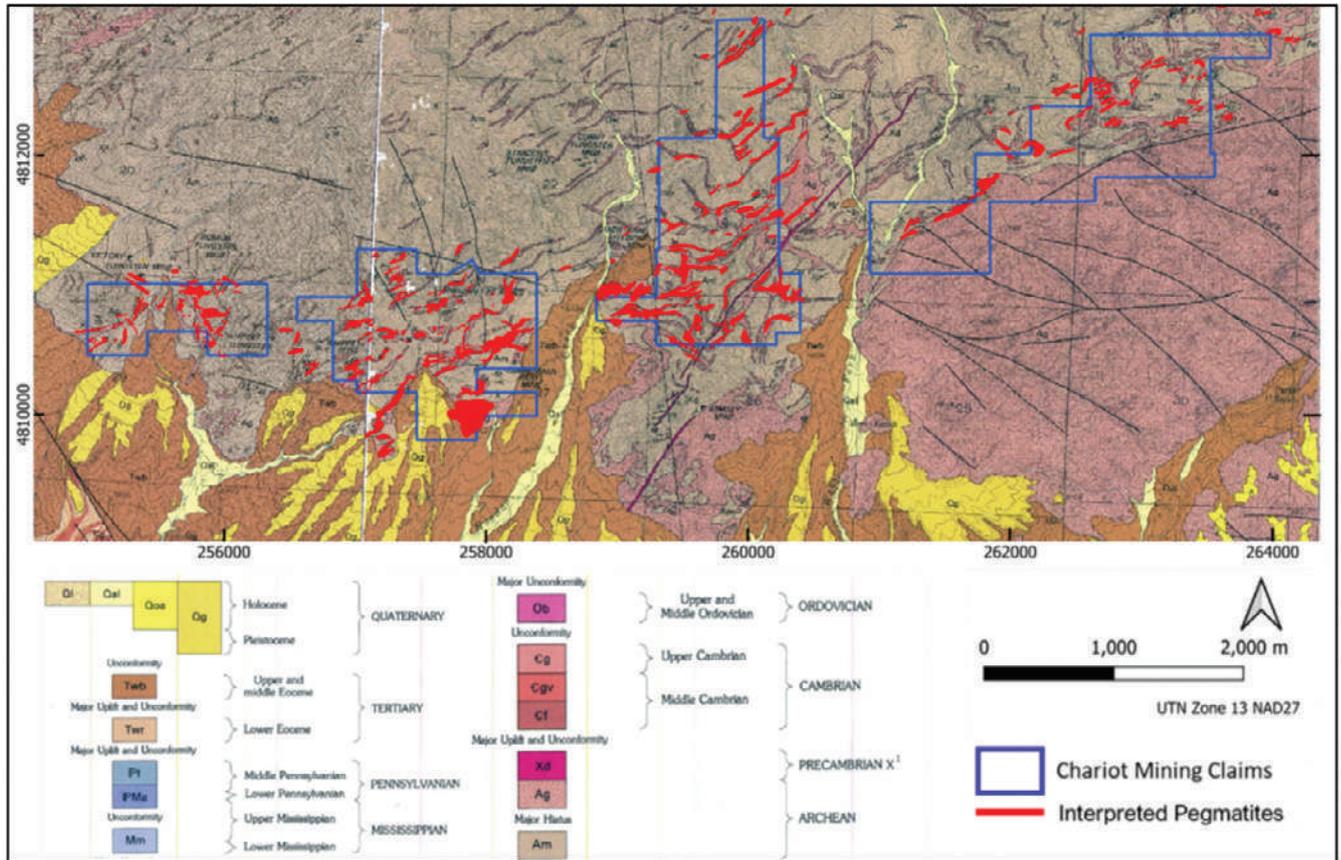


Figure 14: Copper Mountain Geology

### 2.6.1.6 Copper Mountain Exploration Plan

The proposed work program for the Copper Mountain Project includes:

- a program of detailed mapping and sampling of outcropping pegmatite, initially focusing on the 20 largest and most coarsely crystalline pegmatite dykes, to delineate preliminary drill targets;
- ground magnetic survey over the core area of old workings and larger pegmatite dykes, primarily looking for indication of larger pegmatite bodies at shallow depths;
- detailed soil sampling over the entire claim block to further assist with identifying the extents of lithium rich pegmatites;
- permitting of Phase 1 reconnaissance drilling as appropriate;
- a weather DDH program to be completed in Q3/Q4 2024, or earlier, designed to test the lithium mineralisation of high priority pegmatite targets based on ranking using results from preceding phases of work; and
- further ground consolidation as the project advances towards development.

## 2.6.2 SOUTH PASS

### 2.6.2.1 Location

The South Pass Project is in the Wind River Range, Fremont County, Wyoming. South Pass City is the closest town, situated about 10 km east of the central part of the project area.

2.6.2.2 Property Geology

The South Pass Project is located in the Wind River Mountains, an Archaean basement inlier uplifted during the Laramide Orogeny. Hassan (1956) described the areas as host to abundant and variable pegmatites occurring in both the granite and country rocks. Hassan observed individual pegmatites ranging from a few centimetres in width and length to bodies that are several hundred metres wide and several thousand metres long containing garnet “bands”. He describes both concordant and discordant structural relationship to the country rock in both the granite and schistose country rock, with concordant types exhibiting zonation with coarsening of crystals in the core zone. Contacts between the pegmatite rocks and host are sharp with no gradational or transitional zones described.

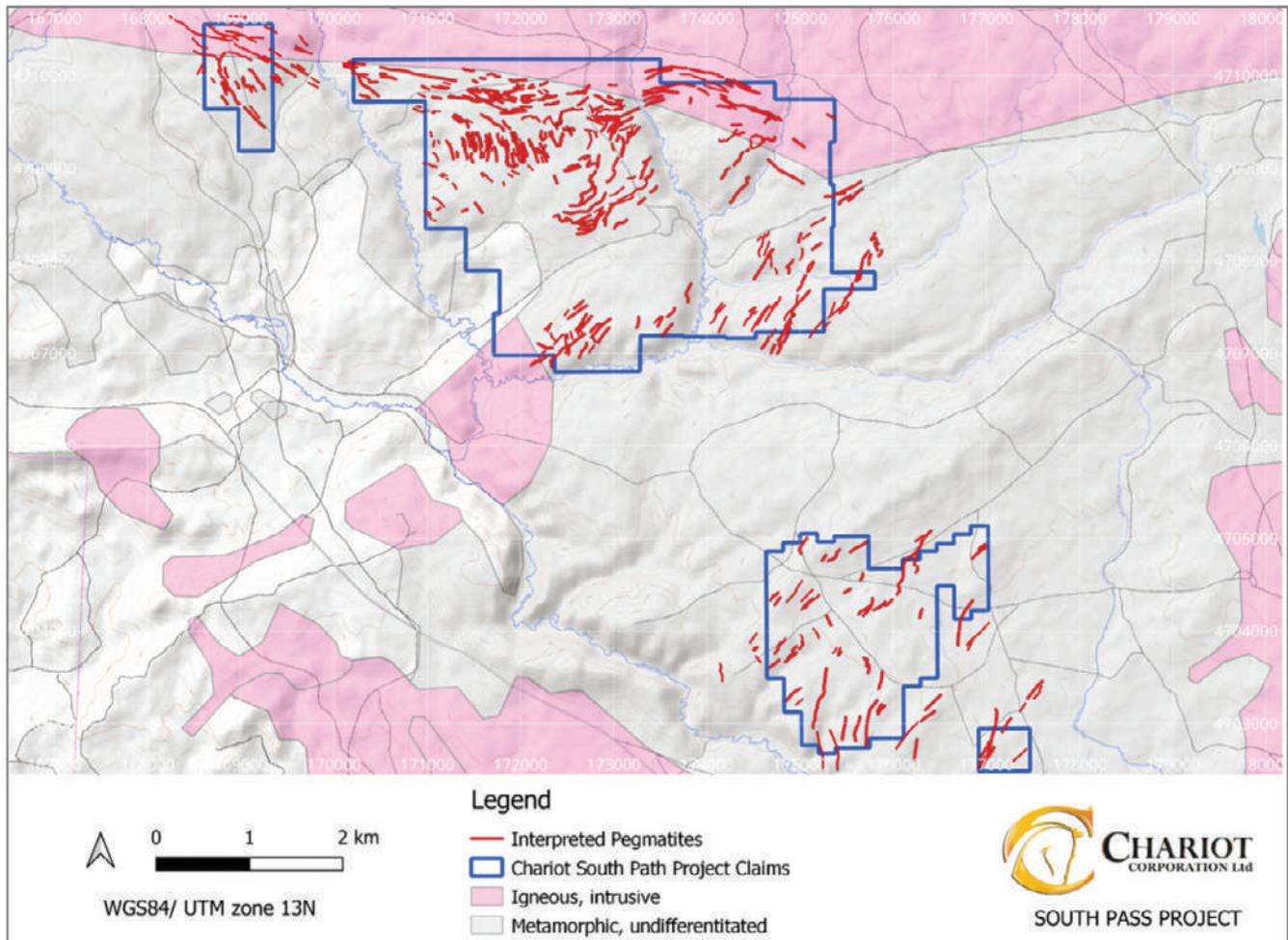


Figure 15: South Pass Project claims and interpreted pegmatites



Figure 16: Pegmatite outcrop at the South Pass Project

#### 2.6.2.3 Exploration Work by the Company

The Company has undertaken a photogeological interpretation of satellite images to define pegmatite distribution and completed an initial reconnaissance visit to the project area (refer to Figure 15 and Figure 16).

#### 2.6.2.4 South Pass Exploration plan

South Pass is a large and highly prospective project with hundreds of outcropping pegmatites that occur in “swarms”. The proposed work program for the South Pass Project includes the following phased approach:

- (a) detailed rock-chip sampling and geological mapping in Q4 2023; and
- (b) once initial exploration efforts are complete, and lithium mineralised zones identified, the Company will conduct follow up rock sampling and geologic mapping, in early 2024, which will provide additional focus for detailed soil sampling and ground magnetics surveys designed to generate high quality drill targets.

### 2.6.3 REGIONAL WYOMING EXPLORATION PIPELINE PROJECTS

The Company owns four (4) other hard rock lithium projects in Wyoming, including Tin Cup, Pathfinder, Barlow Gap and JC (together, the **Regional Wyoming Exploration Pipeline Projects**).

The Regional Wyoming Exploration Pipeline Projects were acquired via claim staking of BLM Land over the course of 2022. These projects are grassroots exploration projects each of which were identified using satellite imagery interpretation to recognise extensive areas of pegmatite dike development.

Each of the areas comprise well over 20 individual pegmatite dikes, some of which have shallow prospecting pits developed along them, with very little to nothing known about what was mined.

The proposed work program for the Regional Wyoming Exploration Pipeline Projects includes the following phased approach:

- (a) an initial phase of reconnaissance mapping and geochemical sampling is planned to delineate potentially lithium bearing pegmatites by focusing initially on the wider pegmatites, looking for area with well-developed zoning where the ‘intermediate- and ‘core-zones’ where lithium minerals will be most abundant;

## 2 Company and Projects Overview (cont.)

- (b) detailed character sampling of the mineral phases will be developed in each zone of prospective pegmatites;
- (c) identification of preliminary drill targets; and
- (d) ground magnetics survey may be undertaken depending on the initial results.

### 2.7 PROPOSED DIVESTMENT PROJECTS

The Company is evaluating strategic alternatives for the following projects:

- (a) Lida Project<sup>1</sup>;
- (b) Amargosa Project<sup>1</sup>
- (c) Nyamukono Project (**Nyamukono**)<sup>2</sup>; and
- (d) Mardabilla Project (**Mardabilla**)<sup>3</sup>.

**Notes:**

- 1 Chariot holds a 60% beneficial interest in the Lida and Amargosa Project through its 100% direct interest in Chariot U.S.A. Corporation, which in turn holds a 60% direct interest in Marvel Lithium LLC. Both companies are registered in Delaware.
- 2 Chariot holds a 95% interest in Nyamukono through Chariot Metals Zimbabwe (Private) Limited, Zimbabwe registered entity.
- 3 Mardabilla comprises of exploration licenses E69/3771 and E69/3773 in Western Australia held by Stallion Lithium Pty Ltd, a Western Australia registered entity and a wholly owned subsidiary of the Company.

#### 2.7.1 LIDA PROJECT

The Lida project is located in the Lida Valley, Esmeralda County, Nevada (**Lida Project**) and consists of 250 Claims (**Lida Claims**) covering 2,090 ha. The Lida Claims were acquired by claim staking BLM Land and are prospective for claystone-hosted lithium mineralisation.

The Lida Project is underlain by volcanoclastics and claystone with host lithologies similar to the Clayton Valley, making it an ideal target in the future for lithium exploration and development.

The Lida Project is not material to the prospects of the Company. The Company plans to pursue divestment opportunities. No funds have been allocated from the Offer other than the minimum expenditure required to keep the tenure in good standing.

#### 2.7.2 AMARGOSA PROJECT

The Amargosa project is located in the Amargosa Desert, Nye County, Nevada (**Amargosa Project**) and comprises of 300 Claims (**Amargosa Claims**) covering 2,510 ha. The Amargosa Claims were acquired by claim staking BLM Land and are prospective for claystone-hosted lithium mineralisation.

The Amargosa Project is not material to the prospects of the Company. The Company plans to pursue divestment opportunities. No funds have been allocated from the Offer other than the minimum expenditure required to keep the tenure in good standing.

#### 2.7.3 NYAMUKONO PROJECT

Chariot holds 45 prospecting licenses in the Mashonoland East Province of northeast of Zimbabwe. The Nyamukono Project is not material to the Company's prospects. The Company is pursuing divestment opportunities. No funds have been allocated from the Offer other than the minimum expenditure required to keep the tenure in good standing.

#### 2.7.4 MARDABILLA PROJECT

Mardabilla comprises of 2 granted exploration licenses (being, E69/3771 and E69/3773) prospective for hard rock lithium in Western Australia. Mardabilla is not material to the Company's prospects and the Company is pursuing divestment opportunities. No funds have been allocated from the Offer other than the minimum expenditure required to keep the tenure in good standing.

## 2.8 DIVESTED ASSETS AND LIQUID ASSETS

Beginning in August 2022, certain subsidiaries of FMSL and Chariot entered into agreements to divest selected assets (the **Divestment Agreements**) through four separate transactions to various CSE and ASX listed counterparties (together, the **Listed Counterparties**).

The Divestment Agreements are as follows:

- (a) a property option agreement between Halo Lithium LLC (a wholly owned subsidiary of FMSL) and POWR Lithium Corp. (**POWR**), under which POWR exercised the option to purchase the Halo lithium project subject to a 1% net smelter royalty;
- (b) a property option agreement between Horizon Lithium LLC (a wholly owned subsidiary of FMSL) and Pan American Energy Corp. (**PNRG**), under which PNRG has the right (but not the obligation) to exercise an option to purchase the Horizon lithium project and conduct exploration and drilling activities during the pendency of the option;
- (c) a sale and purchase agreement between Lithic Lithium LLC (a wholly owned subsidiary of FMSL) and Red Mountain Mining US, a subsidiary of Red Mountain Mining Limited (**RMX**); and
- (d) a sale and purchase agreement (**SGQ Sale Agreement**) and royalty deed (**SGQ Royalty Deed**) between Chariot and its wholly owned subsidiary Stallion Lithium Pty Ltd and St George Mining Limited (**SGQ**) and its wholly owned subsidiary Lithium Star.

It was a condition precedent to the FMSL SPAs that FMSL resolve to distribute its interest in the three U.S. limited liability companies wholly owned by FMSL: Halo Lithium LLC, Horizon Lithium LLC and Lithic Lithium LLC (together the **LLC's**) to its shareholders, pro-rata to their holding in FMSL prior to settlement of the Acquisitions (FMSL Distribution). At a high level, the FMSL Distribution will involve two components. The first component is a spin-off by FMSL of the three LLC's (including the respective rights and interests of the LLC's under the applicable Divestment Agreements to which they are a party). Prior to this spin-off, FMSL will contribute the membership interests of the LLC's to Mustang Lithium LLC, which is wholly owned by FMSL. In the spin-off, the membership interests of Mustang Lithium LLC will be distributed pro rata to the shareholders of FMSL as at the record date of one day prior to the date of settlement of the FMSL Acquisition, and RHPL (an existing 39.9% shareholder of FMSL) will make a back-to-back distribution pro rata to its four shareholders, each of whom is an Australian resident natural person (including Director, Shanthar Pathmanathan), of the Mustang Lithium LLC membership interests it receives from FMSL.

As at the record date for the FMSL Distribution, and subject to completion of the FMSL Subscription, Chariot will hold 25% of FMSL and will therefore be transferred a 25% interest in the potential future receivables under the applicable Divestment Agreements.

Through its residual interest in Mustang Lithium LLC at Listing, the Company will have a beneficial interest in any additional consideration (cash and/or stock) payable by the respective counterparties under the Divestment Agreements, with such payments contingent upon the exercise of the applicable options and/or the achievement of the applicable milestones. The additional consideration is disclosed in the table below:

Counter Party	Transaction	Asset	Chariots interest at Listing	Upon Signing		Year 1		Year 2		Milestone Payments
				Cash	Shares	Cash	Shares	Cash	Shares	
POWR Lithium Corp. (CSE: POWR)	Property Option <sup>1</sup>	Halo Lithium Project	25%	US\$326,518	1,865,269	US\$200,000	1,250,000	US\$200,000	500,000	1% net smelter royalty (NSR) on commercial production, subject to a buy-back right in relation to 50% of the NSR for a cash payment of US\$1,000,000.
Pan American Energy Corp. (CSE: PNRG)	Property Option <sup>2</sup>	Horizon Lithium Project	25%	US\$250,000	3,012,174	US\$250,000	US\$3,000,000	US\$500,000	US\$4,000,000	Milestone A: US\$1,250,000 in PNRG shares upon PNRG completing 10 consecutive drill holes on the property within five years, with such drill holes comprised of at least 400m of drilling with an average grade of at least 750 ppm lithium.  Milestone B: US\$3,750,000 in PNRG shares upon PNRG publicly disclosing within five years a National Instrument 43-101 compliant technical report declaring a mineral resource on the property containing an inferred mineral resource of 2 million tonnes or greater of lithium carbonate equivalent.
Red Mountain Mining Limited (ASX: RMX)	Sale & Purchase <sup>3</sup>	Lithic & Mustang Lithium Projects	25%	US\$150,000	179,487,179	-	-	-	-	102,564,103 RMX shares upon Lithic or Mustang projects achieving an average grade of 900 ppm lithium over +200m, aggregated over 10 drill holes.
St George Mining Limited (ASX: SGQ)	Sale & Purchase <sup>4</sup>	14 Exploration Licenses	100%	A\$300,000 (plus GST of \$30,000)	6,064,435 (plus GST of \$40,000)	-	-	-	-	A NSR of 2% will be retained by Chariot, with SGQ having the right to purchase one-half of the NSR on a project-by-project basis from Chariot for A\$5,000,000 per project at any time prior to first commercial production.

**Notes:**

- <sup>1</sup> Proceeds from the property option agreement are subject to 13.25% in consultancy fees.
- <sup>2</sup> Proceeds from the property option agreement are subject to 14.50% in consultancy fees.
- <sup>3</sup> Proceeds from the sale and purchase agreement are subject to 14.00% in consultancy fees.
- <sup>4</sup> Proceeds from the sale and purchase agreement are subject to 11.00% in consultancy fees.

Upon Listing, the Company will have an interest in the following number of shares in the Listed Counterparties:

Company	Shares
POWR Lithium Corp. (CSE: POWR) <sup>1</sup>	1,325,116
Pan American Energy Corp. (CSE: PNRG) <sup>2</sup>	2,575,409
Red Mountain Mining Limited (ASX: RMX) <sup>3</sup>	154,358,974
St George Limited (ASX: SGQ) <sup>4</sup>	5,397,348

**Notes:**

- 1 Upon Listing and completion of the FMSL Distribution, Chariot will directly hold 240,338 of these shares and a 25% interest in 1,084,778 of these shares through its 25% interest in Mustang Lithium LLC.
- 2 Upon completion of the FMSL Distribution, Chariot will hold a 25% interest in these shares through its 25% interest in Mustang Lithium LLC.
- 3 Upon completion of the FMSL Distribution, Chariot will hold a 25% interest in these shares through its 25% interest in Mustang Lithium LLC.
- 4 Chariot will directly hold 100% of the legal and beneficial title to these shares.

## 2.9 USE OF FUNDS

The Company intends to apply funds raised under the Offer, together with existing cash reserves over the 24 months following Listing as follows:

Funds Available	Amount (\$'000)	%
Cash Reserves <sup>1</sup>	2,423	14%
Funds raised from IPO	15,500	86%
<b>Total</b>	<b>17,923</b>	<b>100%</b>
Application of Funds <sup>5</sup>	Amount (\$'000)	%
<b>Core Projects<sup>2</sup></b>		
Exploration on Black Mountain Project	5,163	29%
Exploration on Resurgent Project	3,328	19%
<b>Core Projects Total</b>	<b>8,491</b>	<b>48%</b>
<b>Exploration Pipeline Projects<sup>2</sup></b>		
Exploration on Copper Mountain Project	2,293	13%
Exploration on South Pass and Regional Wyoming Projects	2,077	12%
<b>Exploration Pipeline Projects Total</b>	<b>4,370</b>	<b>25%</b>
<b>Other Costs</b>		
Land Maintenance costs for projects to be divested	255	1%
<b>Total Exploration Costs</b>	<b>13,116</b>	<b>73%</b>
Administration & Compliance <sup>3</sup>	3,474	19%
Capital Raising Costs and Advisor Fees <sup>4</sup>	1,227	7%
Unallocated Working Capital	106	1%
<b>Grand Total</b>	<b>17,923</b>	<b>100%</b>

**Notes:**

- 1 Cash balance on Listing is the actual cash balance of \$3,948,826 as of 26 July 2023 less forecasted operational, corporate and IPO related expenses of \$1,525,401 incurred prior to Listing. The Company intends to apply these funds for the purposes set out in this table, including the payment of the expenses of the Offers of which various amounts will be payable prior to completion of the Offers.
- 2 Refer to this section 2 and the Independent Technical Assessment Reports at Annexures A and B for further details with respect to the Company's proposed exploration programs at the Projects. Subject to results from its proposed program of works, the Company may elect to accelerate its proposed expenditure on the Projects.
- 3 Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.
- 4 Figure excludes \$942,387 in costs and fees incurred and paid prior to the date of this Prospectus. Refer to Section 8.10 for further details.

## 2 Company and Projects Overview (cont.)

5 To the extent that:

- (a) the Company's exploration activities warrant further exploration activities; or
- (b) the Company identifies additional acquisition or investment opportunities,

*the Company's working capital will also be utilised to fund such further exploration activities and/or acquisition or investment costs (including due diligence investigations and expert's fees in relation to such acquisitions or investments) as applicable. Any amounts not so expended will be applied toward corporate and administration costs for the period subsequent to the initial two-year period following Admission.*

The above table is a statement of current intentions as of the date of this Prospectus. Prospective investors should note that, as with any budget, the allocation of the funds may change depending on various intervening events and new circumstances, including the outcome of exploration and development activities (including, exploration success or failure), regulatory developments and market and general economic conditions. Accordingly, the Board reserves the right to alter the way funds are applied.

It is anticipated that the funds raised under the Offer will enable 24 months of full operations (assuming the Offer is fully subscribed). It should be noted that the Company may not be fully self-funding through its own operational cash flow at the end of this period. Accordingly, the Company may require additional capital at the expiry of this period, which will likely involve the use of additional debt or equity funding. Future capital needs will also depend on the success or failure of the Company's Projects. The Board will consider the use of additional debt or equity funding where it is appropriate to accelerate growth, fund additional exploration on the Company's Projects or to capitalise on acquisition or investment opportunities in the resources sector.

The Directors consider that following completion of the Offers, the Company will have sufficient working capital to carry out its stated objectives. However, it should be noted that an investment in the Company is highly speculative and prospective investors are encouraged to read the risk factors outlined in Section 3.

### 2.10 ADDITIONAL INFORMATION

Prospective investors are referred to and encouraged to read in its entirety both the:

- (a) the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) at Annexure A for further details about the geology, location and mineral potential of the Wyoming Lithium Projects and the Nyamukono Project;
- (b) the Independent Technical Assessment Report (Resurgent Project) at Annexure B for further details about the geology, location and mineral potential of the Resurgent Project;
- (c) the Solicitor's Report on Title (Wyoming Lithium Projects) at Annexure C for further details in respect to the Company's interests in the Wyoming Lithium Projects;
- (d) the Solicitor's Report on Title (Resurgent Project) at Annexure D for further details in respect to the Company's interests in the Resurgent Project;
- (e) the Solicitors Report on Title (Nyamukono Project) at Annexure E for further details in respect to the Company's interests in the Nyamukono Project; and
- (f) the Independent Limited Assurance Report in Annexure F for further details on the Company's financials.

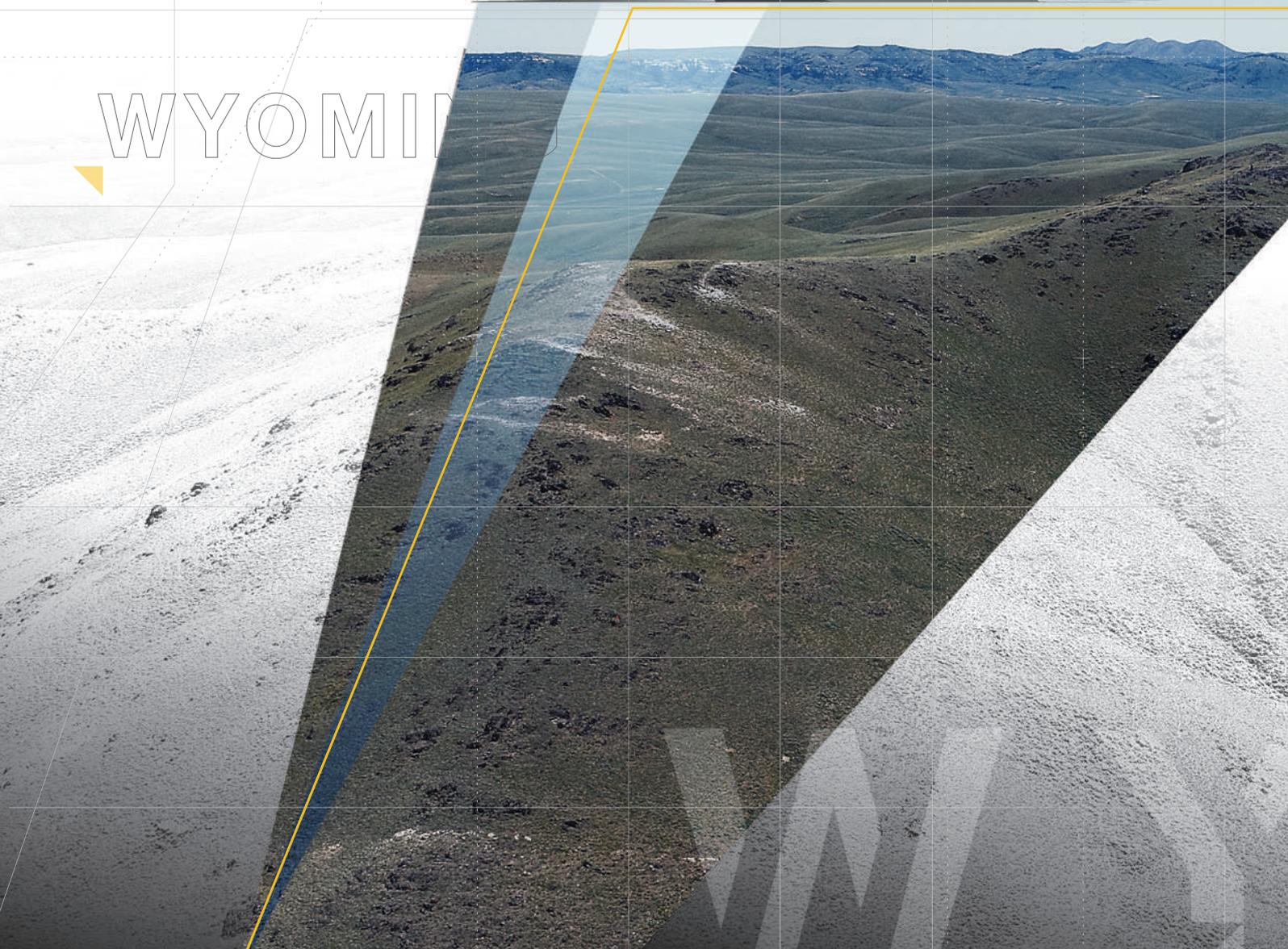
# 3 Risk Factors

Black Mountain

SPERMATOPHYTES  
 $\text{LiAl}(\text{SiO}_3)_2$

BLACK MOUNTAIN  
HARDROCK LITHIUM

WYOMING



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## 3 Risk Factors

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

There can be no guarantee that the Company will deliver on its business strategy, or that any forward-looking statement contained in this Prospectus will be achieved or realised. Investors should note that past performance is not a reliable indicator of future performance.

The Directors strongly recommend investors examine the contents of this Prospectus and consult their professional advisers before deciding whether to apply for the Shares pursuant to this Prospectus.

### 3.1 RISKS SPECIFIC TO THE COMPANY

An investment in the Company's securities is highly speculative and subject to a number of risks at any given time. The following is a description of the principal risk factors affecting the Company.

#### 3.1.1 CONDITIONAL PROSPECTUS

The obligation of the Company to issue the Shares under the Offers is conditional on the Conditions as set out in Section 1.7.

There is no certainty that the Conditions will be satisfied. In the event that these Conditions are not met then the Listing will not proceed, and all Application Monies received will be returned to applicants without interest.

#### 3.1.2 LIMITED HISTORY

The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly in the mineral exploration sector, which has a high level of inherent uncertainty.

The Company was incorporated on 19 November 2019 and therefore has limited operational and financial history on which to evaluate the business and its prospects.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or development of its mining claims. Until the Company is able to realise value from the Core Projects, it is likely to incur ongoing operating losses.

#### 3.1.3 PROJECT OWNERSHIP WILL BE LESS THAN 100% UPON LISTING

At Listing, the Company will hold an interest in the Core Projects through the following subsidiaries:

- (a) WLPL, which holds 100% of the Wyoming Lithium Projects through its wholly owned subsidiary, PLC. As at the date of this Prospectus, the Company holds an 81.9% interest in WLPL, which is proposed to increase to 91.9% following completion of the WLPL Acquisition; and
- (b) FMSL which holds 100% of the Resurgent Project. As at the date of this Prospectus, the Company holds a 17.3% interest in FMSL, which is proposed to increase to 80.4% following completion of the FMSL Subscription, FMSL Acquisition and RHPL Acquisition.

While there will be no shareholders' agreement in place for WLPL at Listing, WLPL is an Australian entity and is governed by its constitution. With an interest in WLPL of 91.9% at Listing, Chariot would have practical control of WLPL, given it can determine the outcome alone of ordinary and special resolutions and control the composition of the Board. In addition, with an interest of above 90% in WLPL, Chariot would be entitled to compulsorily acquire the outstanding WLPL shares it does not already own, subject to compliance with the Corporations Act and the ASX Listing Rules.

While there will be no shareholders' agreement in place for FMSL at Listing, FMSL is a U.S. (Nevada) incorporated entity governed by its articles of incorporation and bylaws. Again, upon Listing, Chariot (with an 80.4% beneficial interest in FMSL) would have practical control of FMSL, given it could determine the outcome alone of ordinary and special resolutions and control the composition of the Board.

Post Listing, from a group structure standpoint, there would be no material restraints on Chariot's ability to execute its proposed program of works at its Core Projects or utilise funds raised under the Offer in pursuit of its stated business objectives.

While the Company will have effective control over its Core Projects upon Listing, Shareholders should be aware that the implementation of the Company's intentions in the event that it has a beneficial interest in less than 100% of WLPL and FMSL will be subject to, and may be impeded by, the applicable securities and corporate laws in the relevant jurisdictions (including those provisions intended for the protection of minority shareholders), the ASX Listing Rules, the constituent documents of each company and the statutory and fiduciary obligations of the directors to act in the best interests of the company and its shareholders.

While it can independently determine the board's composition and make critical decisions, considering minority shareholder perspectives may impede the swift implementation of strategic initiatives or pursuit of specific opportunities related to the Core Projects. Despite lacking material power, disagreements or conflicts of interest among and with minority shareholders may arise.

The Company's financial performance may be affected by not having full ownership control. Profit distribution or revenue-sharing arrangements could reduce the Company's share of any Project profits.

Finally, owning a controlling stake, without full ownership, may entail additional regulatory and compliance obligations. The Company must navigate relevant laws and regulations concerning corporate governance, shareholder rights, and disclosure requirements, ensuring alignment with minority shareholder rights.

#### 3.1.4 TITLE OF MINING CLAIMS

Interests in mining claims and permits in Nevada, Oregon and Wyoming are governed by the mining laws in each state and the laws of the United States generally. These interests include, (a) patented mining claims, for which the United States has issued patents which transfer title to the lands and the minerals in the lands to private ownership, and (b) unpatented mining claims, located and maintained under the USA Mining Law of 1872.

The Company's Core Projects comprise entirely of unpatented mining claims. The holder of a valid unpatented mining claim has possessory rights to the land covered thereby, which include possession of the surface for mining purposes and the right to mine and remove minerals from the claim. Legal title to land encompassed by an unpatented mining claim remains in the United States, and the government can contest the validity of an unpatented mining claim.

Each unpatented mining claim is subject to various conditions with which the mining claim owner and permittee of operations on the unpatented mining claim must comply, including a federal annual mining claim maintenance fee in respect of each unpatented mining claim (in lieu of performing annual assessment work and making annual filings). The federal annual mining claim fee must be paid annually or the mining claim will be forfeited automatically. The operator of a mine in Nevada must pay a tax on the net proceeds from the sale of the minerals produced. The maximum rate of the tax currently is five percent of the net proceeds of minerals.

Furthermore, Nevada minerals tax is payable on the net proceeds of minerals produced and sold in Nevada.

The Company will follow the mandated processes under the relevant legislation to ensure continuity of its mining tenure and planned activities. However, the Company could lose title to, or its interest in, its unpatented mining claims (or any additional mining claims, permits or other interests acquired by the Company in the future) if the claims are not properly maintained or the conditions attaching to the claims are not satisfied.

The Company notes that the federal annual mining claim maintenance fees have been paid for the unpatented lode mining claims comprising the Resurgent Project for the annual assessment year 1 September 2023 to 1 September 2024.

Please refer to the Solicitor's Report on Title (Wyoming Lithium Projects) at Annexure C and the Solicitor's Report on Title (Resurgent Project) at Annexure D of this Prospectus for further details.

#### 3.1.5 RENEWAL OF MINING CLAIMS

The mining claims comprising the Core Projects are subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Conditions of their renewal may include specific conditions and commitments as to the areas of the Core Projects and may depend on the Company being successful in obtaining required regulatory approvals for its proposed activities. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

The Company considers the likelihood of tenure forfeiture to be low given the favourable laws and regulations governing exploration in the United States and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a claim for reasons beyond the control of the Company could be significant.

### 3.1.6 ACCESS AND THIRD PARTY INTERESTS

The unpatented mining claims comprising the Core Projects are located on federal public lands which may adjoin or are near fee lands, patented mining claims or senior unpatented mining claims. Such fee lands and patented mining claims are not open for the location of unpatented mining claims and a validly located and perfected senior mining claim bars mineral entry by a valid junior claimant.

If the monument of location for an unpatented mining claim is constructed on fee lands, a patented mining claim or within the boundaries of a valid senior unpatented mining claim, the unpatented mining claim will be void.

If the monument of location is on federal public lands which are open for mineral entry and the location of unpatented mining claims, the mining claim is valid except to the extent it overlaps fee land, patented mining claims or valid senior unpatented mining claims. To the extent junior claims were located over valid third-party claims or lands, mining operations in the conflicting area are to be avoided. If any activity is conducted in the conflicting area, the senior mineral rights holders may bring trespass and quiet title actions against the junior claimant or its lessees or licensees.

Further, a number of the unpatented mining claims comprising the Core Projects overlap or are overlapped by certain third-party claims or interests that may limit the Company's ability to conduct exploration and mining activities. Pertinent overlap areas over the Core Projects are discussed in the Solicitor's Report on Title (Wyoming Lithium Projects) at Annexure C and the Solicitor's Report on Title (Resurgent Project) at Annexure D of this Prospectus.

In order to mitigate this risk, the Company is relying on the previous engagement of competent and experienced mining claim stakers and surveyors to locate the claims and to assure that the claims do not conflict with patented mining claims or valid unpatented mining claims owned by other parties. The Company has examined the specific overlaps of the Core Projects into senior claims and acquired land overlapping its claims and, where potentially conflicting claims were identified, the Company has re-allocated its tenure or taken actions to secure its interest in its claims. The Company otherwise considers any overlap to be immaterial and not prohibitive to the Company's proposed exploration programme.

The Company does not currently anticipate any limitations to access, based on the Title Reports annexed to this Prospectus and previous on-ground investigations including those completed at the time of staking the tenure.

However, there is a risk that minerals explored and located may extend into areas of overlap, and subsequent leases or agreements may not be forthcoming to permit the Company to extend its mining activities into these areas of overlap, thereby restricting the Company's ability to mine all minerals and resources within the claims.

Please refer to the Solicitor's Report on Title (Wyoming Lithium Projects) at Annexure C and the Solicitor's Report on Title (Resurgent Project) at Annexure D of this Prospectus for further details.

### 3.1.7 FUTURE CAPITAL REQUIREMENTS

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Core Projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its corporate development activities. The Company believes its available cash and the net proceeds of the Offer should be adequate to fund its corporate development activities, exploration program and other Company objectives in the short term as stated in this Prospectus.

In order to successfully develop the Core Projects and for production to commence, the Company will require further financing in the future, in addition to amounts raised pursuant to the Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities. In addition, any potential capital partners with whom the Company may seek to enter into an agreement may require certain operational and governance rights in addition to economic participation.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities including resulting in the Company's mining claims being subject to forfeiture and could affect the Company's ability to continue as a going concern.

### 3 Risk Factors (cont.)

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

#### 3.1.8 EXPERIENCE DEVELOPING AND PUTTING A MINING PROJECT INTO PRODUCTION

The Company has never completed a mining development project. The future development of properties found to be economically feasible will require the construction and operation of mines, processing plants and related infrastructure and the Company does not have any experience in taking a mining project to production. As a result of these factors, it is difficult to evaluate the Company's prospects, and the Company's future success is more uncertain than if it had a more proven history. In addition, the Company is and will continue to be subject to all the risks associated with establishing new mining operations, including:

- (a) the timing and cost, which can be considerable, of the construction of mining and processing facilities;
- (b) the availability and cost of skilled labour and mining equipment;
- (c) the need to obtain necessary environmental and other governmental approvals and permits and the timing of the receipt of those approvals and permits;
- (d) the availability of funds to finance construction and development activities;
- (e) potential opposition from non-governmental organisations, indigenous peoples, environmental groups or local groups which may delay or prevent development activities; and
- (f) potential increases in construction and operating costs due to changes in the costs of fuel, power, materials and supplies.

#### 3.1.9 NEW PROJECTS AND ACQUISITIONS

The Company may pursue and assess other new business opportunities in the resource sector. These new business opportunities may take the form of direct project acquisitions, investments, joint ventures, farm-ins, acquisition of mineral assets and permits, and/or direct equity participation. Such transactions (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful.

If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company. If an acquisition is undertaken, the Directors will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new acquisition and business activities will remain.

#### 3.1.10 UNFORESEEN EXPENSES AND NEGATIVE OPERATING CASH FLOW

The Company is not aware of any expenses that may need to be incurred that have not been considered. Capital costs, operating costs, production and economic returns, and other estimates may differ significantly from those anticipated by the Company's current estimates.

There can be no assurance that the Company's actual capital, operating and other costs will not be higher than currently anticipated. If such unforeseen expenses and other costs were subsequently incurred, the Company's expenditure proposals may be adversely affected.

#### 3.1.11 GENERAL RISKS ASSOCIATED WITH OPERATING OVERSEAS

The Company's Core Projects are located in the United States. Consequently, the Company will be subject to the risks associated with operating in the United States. Such risks can include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations.

Changes to mining or investment policies and legislation or a shift in political attitude may adversely affect the Company's operations and profitability.

### 3.1.12 US GOVERNMENT REGULATION

The Company's operating activities will be 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.

While the Company understands that it is 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, its subsidiaries 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.

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.

Adverse changes in U.S. government policies or legislation 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 the U.S. may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

### 3.1.13 COVID-19 RISK

The outbreak of the coronavirus disease (COVID-19) may continue to impact global economic markets. Currently COVID-19 is not materially affecting the Company's operations. However, the potential for further outbreaks and/or new strains of the virus means the ongoing nature and extent of the effect of the outbreak 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 further outbreaks and new strains of COVID-19. Further, any new governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company. More broadly, the Company may be affected by the macroeconomic effects and ensuing financial volatility resulting from the COVID-19 pandemic and any other possible future outbreaks of viruses/diseases.

### 3.1.14 CLIMATE CHANGE RISK

There are several climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

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

## 3.2 INDUSTRY SPECIFIC RISK

### 3.2.1 EXPLORATION AND DEVELOPMENT RISK

The mining claims of the Company 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 exploration of these mining claims, or any other mining claims that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title/indigenous lands process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its mining claims comprising the Projects and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the mining claims, a reduction in the cash reserves of the Company and possible relinquishment of the mining claims comprising the Projects.

### 3.2.2 RIGHTS OF INDIGENOUS AND FIRST NATIONS PEOPLES

There may be areas within the Company's current or future projects over which certain first nations and indigenous people's rights exist. If rights do exist, the ability of the Company to gain access to Claims (through obtaining consent of any relevant landowner) or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

None of the Claims comprising the Core Projects are located within an indigenous reservation or reserve. Accordingly, none of the unpatented Claims are known to be native, cultural heritage lands; however, it is noted that unpatented Claims may be in a part of Wyoming, Nevada and Oregon where Native Americans historically lived and travelled. There are state and federal laws that protect ancient artifacts and Native American remains. Discovery of such artifacts or remains triggers reporting requirements together with time for officials to assess, protect and remove such artifacts and remains. Care should be taken to comply with legal reporting and damage-avoidance obligations required by law.

The Directors will closely monitor the potential effect of native and heritage/cultural matters involving Projects in which the Company has or may have an interest.

### 3.2.3 EXPLORATION COSTS

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty and, accordingly, the actual costs may materially differ from the estimates and assumptions. No assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.

### 3.2.4 DEVELOPMENT AND OPERATIONAL

By its very nature, the development of a mining facility contains significant risks with no guarantee of success. The ultimate economic development of a mineral deposit is dependent on many factors, including the ability to access adequate capital for project development, obtaining regulatory consents and approvals necessary for the conduct of development and production, securing access to equipment, materials and infrastructure, securing access to competent operation management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Further, once established, mining operations can be impacted by a number of factors, including geological and weather conditions causing delays and interference to operations, access to necessary funding, metallurgical issues, mechanical failure of plant and equipment, shortages or increases in price of consumables and plant and equipment, environmental hazards, fires, explosions and other accidents.

Similarly, all production costs, particularly labour, fuel and power, are a key risk and have the potential to adversely affect the Company's profitability. If the Company develops mining operations and these are subject to cost over-runs and/or higher than anticipated operating costs, this would adversely affect the Company's profitability, the value of the Company's projects and, in turn, the value of its Shares.

### 3.2.5 GRANT OF FUTURE AUTHORISATIONS TO EXPLORE AND MINE

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

### 3.2.6 RESOURCE ESTIMATION RISK

The Company has identified a number of areas of interest within the Core Projects based on geological interpretations, limited geophysical data and geochemical sampling. Whilst the Company intends to undertake exploration activities with the aim of defining a Mineral Resource, no assurance can be given that the exploration will result in the determination of a Mineral Resource. Even if a Mineral Resource is identified, no assurance can be provided that the resource can be economically extracted. The calculation and interpretation of resource and reserve estimates are by their nature expressions of judgment based on knowledge, experience and industry practice. Mineral Resource and Ore Reserve estimates which were valid when originally calculated may alter significantly through additional fieldwork or when new information or techniques become available. This may result in alterations to development and mining plans, which may in turn adversely affect the Company's operations.

### 3.2.7 METALLURGY

Metal and/or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as:

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

### 3.2.8 MINERALS AND CURRENCY VOLATILITY

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

The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for lithium that may be mined commercially in the future from the Company's project areas, forward selling by producers and production cost levels in major mineral-producing regions. Mineral prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development, and production activities, as well as on its ability to fund those activities.

Minerals are principally sold throughout the world in United States dollars. The Company's cost base will be payable in various currencies including Australian dollars and United States dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the U.S. dollar could materially adversely effect the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board, to mitigate such risks.

### 3.2.9 ENVIRONMENTAL RISK

The operations and proposed activities of the Company are subject to the laws and regulations concerning the environment. 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.

Mining operations have inherent risks and liabilities associated with safety, damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop economically viable mineral deposits. Although the Company believes that it complies in all material respects with all applicable environmental

### 3 Risk Factors (cont.)

laws and regulations, there are certain risks inherent to its activities, such as accidental spills, leakages, or other unforeseen circumstances, which could subject the Company to substantial liability.

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

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

#### 3.2.10 LICENCES, PERMITS AND APPROVALS

Many of the mineral rights and interests held or to be held by the Company are subject to a requirement for ongoing or new government approvals, licences and permits. These requirements, including work permits and environmental approvals, will change as the Company's operations develop. Delays in obtaining, or the inability to obtain, required authorisations may significantly impact on the Company's operations.

#### 3.2.11 SAFETY

Safety is a fundamental risk for any company, particularly those that operate in the resources industry, in relation to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and/or key personnel and substantial losses to the Company due to injury or loss of life, damage or destruction of property, regulatory investigation and penalties or suspension of operations. Damage occurring to third parties because of such risks may give rise to claims against the Company.

### 3.3 GENERAL RISK

#### 3.3.1 RELIANCE ON KEY PERSONNEL

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. 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 that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

#### 3.3.2 CONFLICTS OF INTEREST

The Directors, management, and consultant geologists of the Company may be involved in mineral exploration, development, and acquisitions for other entities at various times. As a result, any mineral exploration opportunities or prospects they encounter may not be immediately presented to the Company. While the Directors are subject to fiduciary duties to act in the best interests of the Company and its shareholders, there is a possibility of conflicts of interest arising. Such conflicts could lead to situations where their obligations to the Company, or their personal interests, might not be fully aligned. As a consequence, the Company's access to certain mineral exploration opportunities could be restricted, potentially impacting the Company's growth prospects and overall performance.

### 3.3.3 COMPETITION RISK

The industry in which the Company will be involved is subject to domestic and global competition, including competition from major mineral exploration and production companies. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's Projects and business.

Because of the high costs associated with exploration, the expertise required to analyse a project's potential and the capital required to develop a mine, some of the Company's competitors have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other production on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

### 3.3.4 ECONOMIC RISKS

General economic conditions, movements in interest and inflation rates, prevailing global commodity prices 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.

As with any exploration or mining project, the economics are sensitive to metals and other commodity prices. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for minerals, technological advances, forward selling activities and other macro-economic factors. These prices may fluctuate to a level where the proposed mining operations are not profitable. Should the Company achieve success leading to mineral production, the revenue it will derive through the sale of commodities also exposes potential income of the Company to commodity price and exchange rate risks.

### 3.3.5 MARKET CONDITIONS

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

- (a) general economic outlook;
- (b) interest rates and inflation rates;
- (c) currency fluctuations;
- (d) changes in investor sentiment;
- (e) the demand for, and supply of, capital; and
- (f) terrorism or other hostilities.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

### 3.3.6 CAUTIONARY STATEMENT ON VISUAL ESTIMATES

Visual estimates of mineral abundance should never be considered a proxy for laboratory analysis where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or delirious physical properties relevant to valuations.

### 3.3.7 FORCE MAJEURE

The Company's Core Projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, subversive activities or sabotage, fires, floods, explosions or other catastrophes.

**3.3.8 GOVERNMENT AND LEGAL RISK**

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

The Company is not aware of any governmental reviews or policy changes that would affect its projects. However, changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about such reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's development plans or its rights and obligations in respect of its projects. Any such governmental action may also require increased capital or operating expenditures and could prevent or delay certain operations of the Company.

**3.3.9 LITIGATION RISKS**

The Company is exposed to possible litigation risks including native title or first nations and indigenous peoples claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in dispute with other parties in the future which may result in litigation. Any such claim or dispute, if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any material litigation.

A former Director, Jasveer Jessy, claims that the Company owes him 320,000 Options which ought to have been issued to him providing financial assistance to the Company (the terms of which Options are unascertained), unpaid capital raising fees (the amount nor the entity to which it relates has not been notified and certain other immaterial reimbursements. He also claims that FMSL allegedly owes accrued interest on a now fully redeemed convertible note in FMSL. The Company and FMSL dispute the validity of each of these claims and are unaware of any documentation or other basis which supports his claims.

**3.3.10 SPECULATIVE INVESTMENT**

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

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

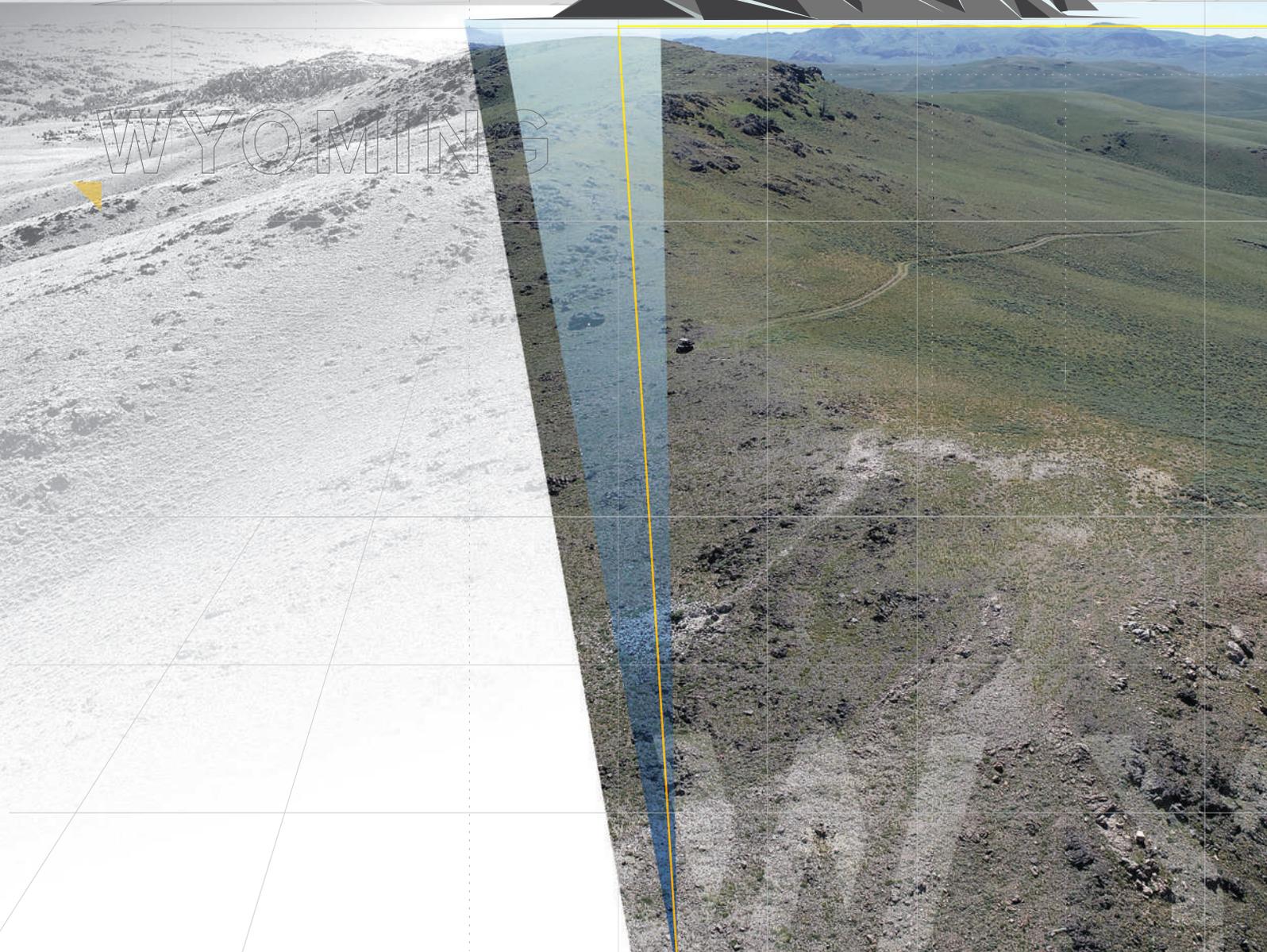
Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

# 4 Financial Information

Black Mountain

**BLACK MOUNTAIN**  
HARDROCK LITHIUM

WYOMING



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# 4 Financial Information

## 4.1 INTRODUCTION

### 4.1.1 FINANCIAL INFORMATION

The financial information in this Section includes:

- (a) **Historical Financial Information**, being the:
  - (i) Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income of the Company for the period from incorporation (19 November 2019) to 31 December 2020 and the years ended 31 December 2021 and 31 December 2022;
  - (ii) Historical Consolidated Statements of Cashflows of the Company for the period from incorporation (19 November 2019) to 31 December 2020 and the years ended 31 December 2021 and 31 December 2022;
  - (iii) Historical Consolidated Statement of Financial Position of the Company as at 31 December 2022;
  - (iv) Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income of FMSL for the period from incorporation (7 March 2021) to 31 December 2021 and the year ended 31 December 2022;
  - (v) Historical Consolidated Statements of Cashflows of FMSL for the period from incorporation (7 March 2021) to 31 December 2021 and the year ended 31 December 2022; and
  - (vi) Historical Consolidated Statement of Financial Position of FMSL as at 31 December 2022.
- (b) **Pro Forma Historical Financial Information**, being the Pro forma Historical Consolidated Statement of Financial Position of the Company as at 31 December 2022.

The Historical Financial Information and the Pro Forma Historical Financial Information are collectively referred to as the Financial Information.

No forecast financial information has been provided for the Company.

Also summarised in this Section are:

- (a) the basis of preparation and presentation of the Financial Information (see Section 4.2);
- (b) the pro forma adjustments to the Historical Consolidated Statement of Financial Position of the Company as at 31 December 2022 and reconciliations to the Pro forma Historical Consolidated Statement of Financial Position as at 31 December 2022 (see Section 4.4.1 to 4.4.12); and
- (c) management's discussion and analysis in respect of the Pro Forma Historical Financial Information (see Section 4.5).

The Financial Information has been reviewed and reported on by Moore Australia Corporate Finance (WA) Pty Ltd, whose Independent Limited Assurance Report is contained in Annexure F. The Independent Limited Assurance Report has been prepared in accordance with the Australian Standard on Assurance Engagements ASAE 3450 *Assurance Engagement Involving Fundraising and/or Prospective Financial Information*. Investors should note the scope and limitations of the Report.

The information in this Section should also be read in conjunction with other information contained in this Prospectus including:

- (a) management's discussion and analysis as set out in Section 4.5;
- (b) the risk factors described in Section 3;
- (c) significant accounting policies and critical areas of accounting judgements and estimates set out in Section 4.6;
- (d) the Independent Limited Assurance Report on the Historical and Pro Forma Financial Information set out in Annexure F; and
- (e) other information contained in the Prospectus.

Investors should also note that historical results are not a guarantee of future performance.

## 4 Financial Information (cont.)

### 4.1.2 DIVIDEND POLICY

The Company does not expect to pay any dividends in the near future, as its focus will primarily be on using its cash reserves to progress its Projects.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Board and will depend on the availability of distributable earnings, operating results, the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Board. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

### 4.1.3 FORECAST FINANCIAL INFORMATION

There are significant uncertainties associated with forecasting future revenues and expenses of the Company. Given uncertainty as to timing and outcome of the Company's growth strategies and the nature of the industry in which the Company operates, as well as uncertain macro market and economic conditions, the Company's performance in any future period cannot be reliably estimated. Given this and after consideration of ASIC Regulatory Guide 170, the Directors do not believe they have a reasonable basis to reliably forecast future earnings and, accordingly, forecast results have not been included in the Prospectus.

## 4.2 BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL INFORMATION

### 4.2.1 OVERVIEW

The Directors are responsible for the preparation and presentation of the Financial Information.

The Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding the historical financial performance, cash flows and financial position of the Company.

The Historical Financial Information has been prepared in accordance with all applicable International Financial Reporting Standards (IFRSs), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (IAS) and related Interpretations, promulgated by the International Accounting Standards Board (IASB). Compliance with IFRSs has ensured compliance with Australian Accounting Standards (AAS).

The Company has applied all the new and revised IFRSs which are effective for the Company's accounting period beginning on 1 January 2022 consistently throughout the years presented to the extent required or allowed by transitional provisions in the IFRSs. The impact of new and revised IFRSs, which have been adopted during the years presented and are effective as at the current date, on the results for each year presented is not significant.

The Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement requirements of AAS, other than that the Pro Forma Historical Consolidated Statement of Financial Position of the Company includes certain adjustments which have been prepared in a manner consistent with AAS but which reflect the impact of certain transactions which are planned to occur, or have taken place, subsequent to 31 December 2022, as if they had occurred on or before 31 December 2022.

The Pro Forma Historical Consolidated Statement of Financial Position of the Company does not reflect the actual statement of financial position of the Company as at 31 December 2022. The Company believes that it provides useful information as it illustrates the financial position of the Company as at 31 December 2022 on the basis that the proposed capital raising and other related pro forma transactions were completed as at that date.

The Financial Information is presented in an abbreviated form and does not include all of the disclosures, statements or comparative information required by AAS applicable to annual financial reports prepared in accordance with the Corporations Act.

Accounting policies have been consistently applied throughout the periods presented. Significant accounting policies of the Company, relevant to the Financial Information, are set out in Section 4.6.

### 4.2.2 PREPARATION OF HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

The Historical Financial Information for the Company has been derived from the audited general purpose financial reports of the Company and FMSL for the periods ended 31 December 2021 and 31 December 2022. The Historical Financial Information of FMSL has been translated from United States dollars to Australian dollars for the purposes of this Prospectus.

The financial statements of the Company for the period ended 31 December 2020 and the years ended 31 December 2021 and 31 December 2022 were audited by Moore Australia Audit (WA), which issued unmodified audit opinions for each of the periods specified. For the years ended 31 December 2021 and 31 December 2022 Moore Australia Audit (WA) raised an emphasis of matter in respect of material uncertainty related to going concern.

The financial statements of FMSL for the periods ended 31 December 2021 and 31 December 2022 were audited by Moore Australia Audit (WA), who issued unmodified audit opinions for each of the periods specified. For each of the periods noted above Moore Australia Audit (WA) raised an emphasis of matter in respect of material uncertainty related to going concern.

The Pro Forma Historical Financial Information has been prepared for the purposes of inclusion in this Prospectus. The Pro Forma Historical Financial Information has been derived from the Historical Statement of Financial Position of the Company as at 31 December 2022, adjusted to reflect proposed transactions as set out in Section 4.4.1.

The Pro forma Historical Financial Information presented in this Prospectus has been reviewed by Moore Australia Corporate Finance (WA) Pty Ltd, whose Independent Limited Assurance Report is contained in Annexure F. Investors should note the scope and limitations of that report.

#### 4.2.3 FOREIGN EXCHANGE RATES APPLIED TO THE HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

The Company's functional and presentation currency is Australian dollars ("A\$"). The Company's historical financial information is presented in Australian dollars.

FMSL's functional and presentation currency is United States Dollars ("US\$"). FMSL's historical financial information is presented in Australian dollars in this Prospectus.

The Pro Forma Historical Financial Information is presented in Australian dollars.

The following conversion rates have been used to translate FMSL's historical financial information into Australian dollars:

Foreign Currency Conversion Rates		
Exchange rate	31 December 2022	31 December 2021
Year-end exchange rate used in translating FMSL financial information to A\$ from US\$	0.68	0.73

### 4.3 HISTORICAL FINANCIAL INFORMATION

#### 4.3.1 HISTORICAL CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF THE COMPANY

The table below sets out the Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Company for the period from incorporation (19 November 2019) to 31 December 2020 and the years ended 31 December 2021 and 31 December 2022.

	Notes	Audited Consolidated Year ended 31 December 2022 \$	Audited Company Year ended 31 December 2021 \$	Audited Company Period ended 31 December 2020 \$
Other income		2,130	12,000	-
Corporate and administrative expenses	1	(596,177)	(115,118)	(196)
Audit and tax expenses	1	(160,727)	(11,500)	-
Legal and consulting fees	1	(500,451)	(110,996)	(14,000)
Exploration and evaluation expenses	1	(1,576,293)	(134,383)	(21,711)
Depreciation and amortisation expense		(21,595)	(4,170)	-
Directors' fees		(521,000)	(48,000)	-
Share-based payments expense	3	(182,590)	(889,248)	-
Other expenses		(131,505)	(79,591)	(4,067)
Finance costs		(1,469)	(475)	-
<b>Loss before income tax</b>		<b>(3,689,677)</b>	<b>(1,381,481)</b>	<b>(39,974)</b>
Income tax		-	-	-
<b>Net loss for the period</b>		<b>(3,689,677)</b>	<b>(1,381,481)</b>	<b>(39,974)</b>
Other comprehensive income:				
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>				
Fair value movement of financial assets at fair value through OCI	4	1,962,009	6,673	-
<b>Total comprehensive loss for the period</b>		<b>(1,727,668)</b>	<b>(1,374,808)</b>	<b>(39,974)</b>
Loss attributable to:				
Equity holders of the Parent		(3,406,323)	(1,381,481)	(39,974)
Non-controlling interests		(283,354)	-	-
<b>Loss for the period</b>		<b>(3,689,677)</b>	<b>(1,381,481)</b>	<b>(39,974)</b>
Total comprehensive loss attributable to:				
Equity holders of the Parent		(1,444,314)	(1,374,808)	(39,974)
Non-controlling interests		(283,354)	-	-
<b>Total comprehensive loss for the period</b>		<b>(1,727,668)</b>	<b>(1,374,808)</b>	<b>(39,974)</b>

**Notes:**

- 1 The increase in corporate overheads, compliance, legal and consulting expenses during the year ended 31 December 2022 has been driven by costs associated with the preparation for the Company's IPO.
- 2 The Company's accounting policy is to capitalise costs associated with acquiring a mining lease. All other exploration costs are expensed in the year in which they are incurred.
- 3 Share based payments largely relate to shares, options and performance rights issued to directors and consultants.
- 4 The Company's investment in FMSL is carried at fair value through other comprehensive income.

#### 4.3.2 HISTORICAL CONSOLIDATED STATEMENTS OF CASH FLOWS OF THE COMPANY

The table below sets out the Historical Consolidated Statement of Cash Flows for the period from incorporation (19 November 2019) to 31 December 2020 and the years ended 31 December 2021 and 31 December 2022.

	Notes	Audited Consolidated Year ended 31 December 2022 \$	Audited Company Year ended 31 December 2021 \$	Audited Company Period ended 31 December 2020 \$
<b>Cash Flows from Operating Activities</b>				
Interest received		2,130	-	-
Payments to suppliers and employees		(1,440,683)	(210,864)	(18,263)
Payments for exploration expenses	1	(1,365,366)	(134,383)	(21,711)
Receipt for referral fees		-	12,000	-
Cash settled share-based payment		-	(170,724)	-
<b>Net cash used in operating activities</b>		<b>(2,803,919)</b>	<b>(503,971)</b>	<b>(39,974)</b>
<b>Cash Flows from Investing Activities</b>				
Purchase of plant and equipment		(6,447)	(12,630)	-
Payments for investment in FMSL	2	(588,522)	(1,668,155)	-
Expenditure on acquisition of mining tenements	3	(991,373)	-	-
Related party loans		(910)	(2,043)	-
<b>Net cash used in investing activities</b>		<b>(1,587,252)</b>	<b>(1,682,828)</b>	<b>-</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from issue of shares		4,711,496	4,550,470	40,000
Share issue costs		(305,477)	(151,398)	-
Proceeds from borrowings		-	400,000	-
Repayment of borrowings		-	(300,000)	-
Repayment of lease liabilities		(29,039)	(7,450)	-
<b>Net cash provided by financing activities</b>		<b>4,376,980</b>	<b>4,491,622</b>	<b>40,000</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(14,191)</b>	<b>2,304,823</b>	<b>26</b>
Cash and cash equivalents at the beginning of the year		2,304,849	26	-
<b>Cash and cash equivalents at the end of the period</b>		<b>2,290,658</b>	<b>2,304,849</b>	<b>26</b>

**Notes:**

- 1 The Company's accounting policy is to capitalise costs associated with acquiring a mining lease. All other exploration costs are classified as operating costs.
- 2 During the years ended 31 December 2021 and 2022, Chariot increased its investment in FMSL through the subscription in shares in FMSL for cash.
- 3 During the year ended 31 December 2022, the Company entered into option agreements for the acquisition of tenements forming the Black Mountain Project and Copper Mountain Project.

## 4 Financial Information (cont.)

### 4.3.3 HISTORICAL CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE COMPANY

The table below sets out the Historical Consolidated Statement of Financial Position of the Company as at 31 December 2022.

	Notes	Audited Consolidated 31 December 2022 \$
<b>Current Assets</b>		
Cash and cash equivalents		2,290,658
Trade and other receivables		59,173
<b>Total Current Assets</b>		<b>2,349,831</b>
<b>Non-Current Assets</b>		
Financial assets	1	4,225,358
Property plant and equipment		11,481
Right-of-use asset		41,486
Exploration assets	2	991,373
<b>Total Non-Current Assets</b>		<b>5,269,698</b>
<b>TOTAL ASSETS</b>		<b>7,619,529</b>
<b>Current Liabilities</b>		
Trade and other payables		888,906
Lease liabilities		23,638
<b>Total Current Liabilities</b>		<b>912,544</b>
<b>Non-Current Liabilities</b>		
Provisions		8,888
<b>Total Non-Current Liabilities</b>		<b>8,888</b>
<b>TOTAL LIABILITIES</b>		<b>921,432</b>
<b>NET ASSETS</b>		<b>6,698,097</b>
<b>EQUITY</b>		
Issued capital		8,205,497
Share based payments reserve		1,635,050
Fair value reserve	1	1,968,682
Accumulated losses		(4,827,778)
Non-controlling interests		(283,354)
<b>TOTAL EQUITY</b>		<b>6,698,097</b>

**Notes:**

- Financial assets held by the Company relate to the Company's direct investment in FMSL as at 31 December 2022 carried at fair value (as recorded in the fair value reserve).*
- Acquisition related exploration and evaluation costs are capitalised. All other exploration costs are expensed as incurred.*

### 4.3.4 HISTORICAL CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF FMSL

The table below sets out the Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income of FMSL for the period from incorporation (7 March 2021) to 31 December 2021 and for the year ended 31 December 2022. The historical financial information of FMSL is presented below in Australian dollars.

	Notes	Audited Consolidated Year ended 31 December 2022 \$	Audited Company Period ended 31 December 2021 \$
Revenue	1	1,413,997	-
Other income		21,944	-
Accounting and company secretary fees	2	(36,579)	(5,223)
Audit fees	2	(23,050)	(4,992)
Legal and consulting fees	2	(1,031,904)	(172,285)
Exploration and evaluation expenditure	3	(1,366,810)	(1,384,544)
Director and management fees	2	(308,824)	(60,274)
Other expenses		-	(11,288)
Impairment of financial assets	4	(1,148,022)	-
Finance costs	5	(223,749)	(55,185)
<b>Loss before income tax</b>		<b>(2,702,997)</b>	<b>(1,693,790)</b>
Income tax		-	-
<b>Net loss for the period</b>		<b>(2,702,997)</b>	<b>(1,693,790)</b>

**Notes:**

- 1 Revenue was generated in FMSL during the year ended 31 December 2022 from the sale of Lithic and Mustang mineral projects and reimbursement of project expenses incurred on the Halo project. Revenue for the sale of mineral projects is recognised when the Company passes control or title of the asset to the acquirer.
- 2 The increase in corporate overheads, compliance, legal and consulting expenses during the year ended 31 December 2022 has largely been driven by costs associated with the acquisition of FMSL by Chariot, and its associated IPO.
- 3 FMSL's accounting policy is to capitalise costs associated with acquiring a mining lease. All other exploration costs are expensed in the year in which they are incurred.
- 4 During the year ended 31 December 2022, FMSL impaired the carrying value of listed financial assets. These financial assets will be divested by FMSL prior to acquisition by Chariot.
- 5 Finance expenses were incurred on convertible notes held by FMSL during the year ended 31 December 2022. These convertible notes have been repaid subsequent to 31 December 2022.

## 4 Financial Information (cont.)

### 4.3.5 HISTORICAL CONSOLIDATED STATEMENTS OF CASH FLOWS OF FMSL

The table below sets out the Historical Consolidated Statement of Cash Flows of FMSL for the period from incorporation to 31 December 2021 and the year ended 31 December 2022. The historical financial information of FMSL is presented below in Australian dollars.

	Notes	Audited Consolidated Year ended 31 December 2022 \$	Audited Company Period ended 31 December 2021 \$
<b>Cash Flows from Operating Activities</b>			
Payments to suppliers and employees		(765,518)	(227,082)
Payments for exploration expenses	1	(1,366,810)	(1,213,477)
Interest expense		(47,079)	-
<b>Net cash used in operating activities</b>		<b>(2,179,407)</b>	<b>(1,440,559)</b>
<b>Cash Flows from Investing Activities</b>			
Proceeds from the sale of tenements	2	1,232,406	-
<b>Net cash provided by investing activities</b>		<b>1,232,406</b>	<b>-</b>
<b>Cash Flows from Financing Activities</b>			
Proceeds from issue of shares		793,950	1,623,881
Proceeds from convertible loans	3	1,018,004	275,930
Repayment of convertible loans and interest	3	(911,397)	(215,751)
<b>Net cash provided by financing activities</b>		<b>900,557</b>	<b>1,684,060</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(46,444)</b>	<b>243,501</b>
Cash and cash equivalents at the beginning of the period		243,501	-
Foreign exchange movement		17,905	-
<b>Cash and cash equivalents at the end of the period</b>		<b>214,962</b>	<b>243,501</b>

**Notes:**

- 1 FMSL's accounting policy is to capitalise costs associated with acquiring a mining lease. All other exploration costs are classified as operating costs.
- 2 During the year ended 31 December 2022, FMSL received cash proceeds for the sale of mineral projects including the Lithic and Mustang Projects and option agreements associated with the Halo and Horizon projects.
- 3 During the periods ended 31 December 2021 and 31 December 2022 FMSL issued convertible notes to help fund operating activities. The majority of these convertible notes were repaid in cash before 31 December 2022, with the balance paid subsequent to 31 December 2022.

#### 4.3.6 HISTORICAL CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF FMSL

The table below sets out the Historical Consolidated Statement of Financial Position of FMSL as at 31 December 2022. The historical financial information of FMSL is presented below in Australian dollars.

	Notes	Audited Consolidated 31 December 2022 \$
<b>Current Assets</b>		
Cash and cash equivalents		214,962
Other assets		21,853
<b>Total current assets</b>		<b>236,815</b>
<b>Non-Current Assets</b>		
Financial assets	1	4,012,360
<b>Total non-current assets</b>		<b>4,012,360</b>
<b>Total Assets</b>		<b>4,249,175</b>
<b>Current Liabilities</b>		
Trade and other payables		781,287
Convertible notes		147,247
<b>Total current liabilities</b>		<b>928,534</b>
<b>Non-Current Liabilities</b>		
Deferred revenue	3	5,049,801
<b>Total non-current liabilities</b>		<b>5,049,801</b>
<b>Total Liabilities</b>		<b>5,978,335</b>
<b>Net Liabilities</b>		<b>(1,729,160)</b>
<b>Equity</b>		
Issued capital		2,792,171
Foreign exchange reserve		(124,543)
Accumulated losses		(4,396,788)
<b>Total Equity</b>		<b>(1,729,160)</b>

**Notes:**

- 1 Financial assets held by FMSL as at 31 December 2022 relate to FMSL's minority holdings in listed company shares carried at fair value. These financial assets are held by subsidiaries which are to be divested by FMSL prior to acquisition by Chariot.
- 2 FMSL's accounting policy is to capitalise acquisition-related exploration and evaluation costs. All other exploration costs are expensed as incurred. As at 31 December 2022 there are therefore no assets on the balance sheet of FMSL relating to mining tenements.
- 3 During the year ended 31 December 2022, FMSL received proceeds from the sale of its interests in the Halo and Horizon projects as per the terms of the related Option Agreements in the form of cash and listed investments. Revenue for the sale of mineral projects is recognised only when control or title of the asset passes to the acquirer. Consideration received prior to control of the asset passing to the acquirer is recorded as deferred revenue within liabilities and will be recognised as revenue in the income statement at a future time when control is passed to the acquirer. Deferred revenue is accounted for within subsidiaries which are to be divested by FMSL prior to acquisition by Chariot.

#### 4.4 PRO FORMA HISTORICAL CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The table below sets out the Pro Forma Historical Consolidated Statement of Financial Position of the Company as at 31 December 2022. The Pro Forma Historical Consolidated Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of the Company's view of its future financial position. The Pro Forma Financial Information is presented in Australian dollars.

	Notes	Audited Chariot 31 December 2022 \$	Pro forma adjustments \$	Unaudited Pro Forma 31 December 2022 \$
<b>Current Assets</b>				
Cash and cash equivalents	4.4.3	2,290,658	15,879,287	18,169,945
Trade and other receivables	4.4.4	59,173	522,868	582,041
<b>Total Current Assets</b>		<b>2,349,831</b>		<b>18,751,986</b>
<b>Non-Current Assets</b>				
Exploration assets	4.4.5	991,373	25,591,862	26,583,235
Financial assets	4.4.6	4,225,358	(3,825,358)	400,000
Property plant and equipment		11,481		11,481
Rights-of-use asset		41,486		41,486
<b>Total Non-Current Assets</b>		<b>5,269,698</b>		<b>27,036,201</b>
<b>TOTAL ASSETS</b>		<b>7,619,529</b>		<b>45,788,188</b>
<b>Current Liabilities</b>				
Trade and other payables	4.4.7	888,906	1,966,149	2,855,055
Lease liabilities		23,638		23,638
<b>Total Current Liabilities</b>		<b>912,544</b>		<b>2,878,693</b>
<b>Non-Current Liabilities</b>				
Provisions		8,888		8,888
<b>Total Non-Current Liabilities</b>		<b>8,888</b>		<b>8,888</b>
<b>TOTAL LIABILITIES</b>		<b>921,432</b>		<b>2,887,581</b>
<b>NET ASSETS</b>		<b>6,698,097</b>		<b>42,900,607</b>
<b>EQUITY</b>				
Issued share capital	4.4.8	8,205,497	35,905,980	44,111,477
Share based payments reserve	4.4.9	1,635,050	1,738,082	3,373,132
Fair value reserve	4.4.10	1,968,682	(1,968,682)	-
Accumulated losses	4.4.11	(4,827,778)	(3,820,912)	(8,648,690)
<b>Equity attributable to equity holders of the Parent</b>		<b>6,981,451</b>		<b>38,835,919</b>
Non-controlling interests	4.4.12	(283,354)	4,348,042	4,064,688
<b>TOTAL EQUITY</b>		<b>6,698,097</b>		<b>42,900,607</b>

#### 4.4.1 NOTES ON THE PRO FORMA HISTORICAL CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The Pro Forma Historical Consolidated Statement of Financial Position of the Company as at 31 December 2022 is based on the Historical Consolidated Statement of Financial Position of Chariot as at 31 December 2022 incorporating the following adjustments which have either taken place subsequent to 31 December 2022 or are expected to take place on or around the time the Company lists on ASX:

- (a) the completion of the Consolidation Agreements using a closing exchange rate as at 22 August 2023 of A\$1:US\$0.6417 as follows:
  - (i) the issue of 13,435,486 Shares to FMSL Shareholders in exchange for 3,527 FMSL shares at \$0.45 per Share in accordance with the FMSL SPAs;
  - (ii) the issue of 15,733,837 Shares to RHPL Shareholders in exchange for 4,132 RHPL shares at \$0.45 per Share in accordance with the RHPL SSA; and
  - (iii) the issue of 1,385,207 Shares to WLPL Shareholders in exchange for 10,000,000 WLPL shares at \$0.45 per Share in accordance with the WLPL SSAs;
- (b) the issue of 4,328,779 Shares to Black Mountain as the second Purchase Option exercise payment in accordance with the amended BMLC Option Agreement dated 27 April 2023 and the capitalisation of this consideration paid (\$1,862,500) to exploration and evaluation assets;
- (c) the subscription for 1,282 shares in FMSL at US\$1,100 per share for cash of US\$1,410,200 (\$2,073,824);
- (d) a capital raising pursuant to the Offer of \$15,500,000, being 34,444,445 shares at \$0.45 each;
- (e) direct expenses of the Offer totalling \$968,750 and the deduction of these costs from cash and debited to share capital;
- (f) the issue of 1,722,222 JLM Options (being 5% of the total number of shares issued under the Offer). JLM Options are exercisable at \$0.585 per share over three years from the grant date and the recognition of the expense of \$320,365 as a deduction from equity;
- (g) the issue of 250,000 Options to a consultant of the Company upon completion of the Offers exercisable at \$0.50 per share until 31 March 2024 and the recognition of the expense of \$22,717 in accumulated losses;
- (h) the cash payment of additional costs of the Offer estimated to be \$580,000 and the expensing of this amount to accumulated losses;
- (i) the issue of 12,550,000 Performance Rights to consultants and directors subsequent to 31 December 2022 and the vesting of 3,100,000 of these Performance Rights on completion of the Offers, with the related expense of \$1,395,000 recognised in accumulated losses;
- (j) the receipt of a distribution from FMSL representing the Company's share of FMSL's divestment of its subsidiaries Halo Lithium LLC, Horizon Lithium LLC and Lithic Lithium LLC. Due to the net liability position of the entities divested, the distribution is valued at \$nil for the purposes of this pro forma;
- (k) on completion of the Consolidation Agreements and subscription in FMSL, the Company's total interest in FMSL will be 80.4% and FMSL will become a subsidiary of Chariot. As Chariot will have control of FMSL, FMSL's net assets have been consolidated into the pro forma balance sheet and an exploration asset recognised for consideration paid in excess of net assets acquired, with a consolidation entry to account for the associated non-controlling interest. We note that the net assets of FMSL as at 31 December 2022 have been adjusted for the following prior to consolidation:
  - (i) the divestment of FMSL's wholly owned subsidiaries, Halo Lithium LLC, Horizon Lithium LLC and Lithic Lithium LLC via the distribution of shares to FMSL shareholders and the recognition of the estimated tax liability arising from the divestment of US\$425,000 (\$625,000);
  - (ii) the proceeds from the issue of shares by FMSL of \$2,563,298 subsequent to 31 December 2022, including the proceeds from Chariot's subscription in FMSL of US\$1,410,200 (\$2,073,824);
  - (iii) the actual cash expenditure of FMSL between 1 January 2023 and 31 July 2023 of \$407,549 debited to accumulated losses; and
  - (iv) the conversion of FMSL's adjusted net assets from US\$ to A\$ using an exchange rate of A\$1:US\$0.68; and

## 4 Financial Information (cont.)

- (l) the recognition of events that have occurred subsequent to 31 December 2022, as follows:
- (i) the sale of the Company's SGQ Tenements located in Western Australia to SGQ for cash consideration of \$300,000 and equity consideration of \$400,000 in SGQ shares in accordance with the SGQ Sale Agreement dated 21 March 2023, and the recognition of this revenue in accumulated losses, after accounting for the cost of sale of 11%. For the purposes of this pro forma, due to the early stage of exploration of the SGQ Tenements, no value has been placed on the Milestone Payments and Royalty associated with the SGQ Sale Agreement;
  - (ii) the issue of a total of 1,516,109 shares as share-based payments subsequent to 31 December 2022 and the recognition of the associated expense in accumulated losses (\$217,737) and trade payables (\$307,563);
  - (iii) the exercise of 21,781,028 options with an exercise price of \$0.25 between 1 January 2023 and 23 June 2023, to raise \$5,445,257 in cash and the lapsing of 4,464,920 options on their expiry date of 23 June 2023;
  - (iv) the subscription of 125 shares in FMSL for US\$1,200 per share and the capitalisation of this investment of US\$150,000 (\$211,727) as a financial asset;
  - (v) the recognition of cash expenditure between 1 January 2023 and 31 July 2023 of \$3,678,133 with \$2,115,958 expensed as accumulated losses and \$1,562,175 capitalised as exploration and evaluation assets;
  - (vi) the conversion of 1,600,000 Class B shares and 20,736,976 Class C shares in the Company into 8,934,790 ordinary shares on 25 January 2023; and
  - (vii) the conversion of 900,000 Performance Rights into ordinary shares in the Company.

### 4.4.2 PRO FORMA ACQUISITION OF ASSETS

#### 4.4.2.1 WLPL

As set out in Section 4.4.1, the pro forma statement of financial position incorporates an increase in the Company's interest in WLPL from 81.9% as at 31 December 2022 to 91.9% on completion of the Consolidation Agreements. The increase in the Company's interest in WLPL has been calculated as follows:

	Notes	Fair Value \$
<b>Purchase consideration:</b>		
Consideration payable pursuant to WLPL SPA	1	623,343
		<b>623,343</b>
<b>Less:</b>		
8.1% of the net liabilities of WLPL recognised as a non-controlling interest as at 31 December 2022		(88,444)
Exploration and evaluation assets assumed	2	711,787
<b>Identifiable assets acquired and liabilities assumed</b>		<b>623,343</b>

**Notes:**

- 1 The issue of 1,385,207 Shares at \$0.45 per Share to WLPL shareholders in exchange for 10,000,000 WLPL ordinary shares as per Share in accordance with the WLPL SSA.
- 2 Exploration and evaluation assets have been calculated as the consideration paid in excess of the net assets acquired.
- 3 On completion of the WLPL SSA, 8.1% of WLPL will be held by non-controlling interests. The fair value of non-controlling interests on Listing has been recognised as \$62,736.

#### 4.4.2.2 FMSL

As set out in Section 4.4.1, the pro forma statement of financial position incorporates an increase in the Company's interest in FMSL from 17.5% as at 31 December 2022 to 80.4% on completion of the Offers and Consolidation Agreements. The acquisition results in the Company obtaining control of FMSL and as such, the identifiable net assets of FMSL have been consolidated into the pro forma balance sheet of the Company.

	Notes	Fair Value \$
<b>Purchase consideration:</b>		
Investment as at 31 December 2022	4.3.3	4,225,358
Cash subscription subsequent to 31 December 2022	1	2,285,551
Consideration payable pursuant to FMSL SPA	2	6,045,969
Consideration payable pursuant to RHPL SPA	3	7,080,227
Fair value reserve as at 31 December 2022	4.3.3	(1,968,682)
		<b>17,668,423</b>
<b>Less:</b>		
Cash	4	2,223,464
Other receivables	4	522,868
Trade and other payables	4	(2,273,711)
Exploration and evaluation assets assumed	5	17,195,802
<b>Net identifiable assets acquired and liabilities assumed</b>		<b>17,668,423</b>

**Notes:**

- 1 The cash subscription of 1,282 FMSL shares at US\$1,100 per share (total investment of \$2,073,824) and the subscription of 125 FMSL shares at US\$1,200 per share (total investment of \$211,727).
- 2 The issue of 13,435,486 Shares to FMSL shareholders in exchange for 3,527 FMSL shares at \$0.45 per Share in accordance with the FMSL SPAs.
- 3 The issue of 15,733,837 Shares to RHPL shareholders in exchange for 4,132 RHPL shares at \$0.45 per Share in accordance with the RHPL SPA.
- 4 Net assets of FMSL as at 31 December 2022 adjusted for FMSL's divestment of Halo Lithium LLC, Horizon Lithium LLC and Lithic Lithium LLC, cash expenditure between 1 January 2023 and 31 July 2023 and the issue of share capital subsequent to 31 December 2023.
- 5 Exploration and evaluation assets have been calculated as the consideration paid in excess of the net assets acquired.
- 6 On completion of the Company's subscription in FMSL, the FMSL SPA and the RHPL SPA, 19.6% of FMSL will be held by non-controlling interests. The fair value of non-controlling interests on Listing has been recognised as \$4,196,861.

#### 4.4.3 PRO FORMA CASH AND CASH EQUIVALENTS

The table below details the reconciliation of the pro forma cash balance of the Company as at 31 December 2022, reflecting the actual cash at bank at that date and the impact of the pro forma adjustments as set out in Section 4.4.1.

	\$
Cash and cash equivalents as at 31 December 2022	2,290,658
Cash proceeds from the exercise of options to 23 June 2023	5,445,257
Cash proceeds from the sale of SGQ Tenements, net of costs	223,000
Cash subscription in FMSL shares	(2,285,551)
Cash recognised on consolidation of FMSL	2,223,464
Proceeds of the Offer (before costs)	15,500,000
Direct costs of the Offer	(968,750)
Other costs of Listing	(580,000)
Cash expenditure between 1 January 2023 and 31 July 2023	(3,678,133)
<b>Pro forma balance</b>	<b>18,169,945</b>

## 4 Financial Information (cont.)

### 4.4.4 PRO FORMA OTHER RECEIVABLES

The table below details the reconciliation of the pro forma trade and other receivables balance of the Company as at 31 December 2022, reflecting actual other receivables at that date and the impact of the pro forma adjustments as set out in Section 4.4.1:

	\$
Trade and other receivables as at 31 December 2022	59,173
Trade and other receivables recognised on consolidation with FMSL	522,868
<b>Pro forma balance</b>	<b>582,041</b>

### 4.4.5 PRO FORMA EXPLORATION AND EVALUATION ASSETS

The table below details the reconciliation of the pro forma exploration and evaluation assets balance of the Company as at 31 December 2022, reflecting actual exploration and evaluation assets at that date and the impact of the pro forma adjustments as set out in Section 4.4.1:

	Notes	\$
Exploration and evaluation assets at 31 December 2022		991,373
BMLC Option Payment		1,862,500
Exploration asset recognised on consolidation of additional interest in WLPL	1	774,524
Exploration asset recognised on consolidation of FMSL	2	21,392,663
Cash expenditure between 1 January 2023 and 31 July 2023		1,562,175
<b>Pro forma balance</b>		<b>26,583,235</b>

**Notes:**

- 1 Exploration asset of \$711,787 (Section 4.4.2.1) grossed up for non-controlling interest of 8.1%.
- 2 Exploration asset of \$17,195,802 (Section 4.4.2.2) grossed up for non-controlling interest of 19.6%.

### 4.4.6 PRO FORMA FINANCIAL ASSETS

The table below details the reconciliation of the pro forma financial assets balance of the Company as at 31 December 2022, reflecting actual financial assets at that date and the impact of the pro forma adjustments as set out in Section 4.4.1:

	\$
Financial assets at 31 December 2022	4,225,358
Investments in FMSL subsequent to 31 December 2022	2,285,551
Elimination of FMSL investment on consolidation	(6,510,909)
Proceeds from the sale of SGQ Tenements in the form of shares in SGQ	400,000
<b>Pro forma balance</b>	<b>400,000</b>

### 4.4.7 PRO FORMA TRADE AND OTHER PAYABLES

The table below details the reconciliation of the pro forma trade and other payables balance of the Company as at 31 December 2022, reflecting actual trade and other payables at that date and the impact of the pro forma adjustments as set out in Section 4.4.1:

	\$
Trade and other payables at 31 December 2022	888,906
Settlement of payables by share based payment subsequent to 31 December 2022	(307,563)
Trade and other payables recognised on consolidation with FMSL	2,273,712
<b>Pro forma balance</b>	<b>2,855,055</b>

#### 4.4.8 PRO FORMA ISSUED SHARE CAPITAL RECONCILIATION

The table below details the reconciliation of the pro forma issued share capital balance of the Company as at 31 December 2022, reflecting the actual issued share capital balance at that date and the impact of the pro forma adjustments set out in Section 4.4.1:

	No	\$
Issued share capital at 31 December 2022	59,199,518	8,205,497
Ordinary shares issued in exchange for Class B and C shares	8,934,790	-
Share based payments subsequent to 31 December 2022	1,516,109	525,229
Conversion of Performance Rights subsequent to 31 December 2022	900,000	-
Options exercised subsequent to 31 December 2022	21,781,028	5,445,257
Shares issued to FMSL Shareholders	13,435,486	6,045,969
Shares issued to RHPL Shareholders	15,733,837	7,080,227
Shares issued to WLPL Shareholders	1,385,207	623,343
Shares issued to BMLC	4,328,779	1,862,500
Shares issued pursuant to the Offer	34,444,445	15,500,000
Shares issued to consultants on Listing	250,000	112,500
Conversion of Class A Performance Rights on Listing	3,100,000	-
Direct costs of the Offers	-	(968,750)
JLM Options	-	(320,365)
<b>Pro forma balance</b>	<b>165,009,199</b>	<b>44,111,477</b>

#### 4.4.9 PRO FORMA SHARE BASED PAYMENT RESERVE RECONCILIATION

##### 4.4.9.1 Pro Forma Option Reserve Reconciliation

The table below details the reconciliation of the pro forma options balance of the Company as at 31 December 2022, reflecting the actual options balance at that date and the impact of the pro forma adjustments as set out in Section 4.4.1:

	No	\$
Options on issue as at 31 December 2022	33,227,837	1,517,926
Options exercised subsequent to 31 December 2022	(21,781,028)	-
Options expired subsequent to 31 December 2022	(4,464,920)	-
Options issued to consultant	250,000	22,717
JLM Options	1,722,222	320,365
<b>Pro forma balance</b>	<b>8,954,111</b>	<b>1,861,008</b>

## 4 Financial Information (cont.)

### 4.4.9.2 Pro Forma Performance Rights Reserve Reconciliation

The table below details the reconciliation of the pro forma performance rights balance of the Company as at 31 December 2022, reflecting the actual performance rights balance at that date and the impact of the pro forma adjustments as set out in Section 4.4.1:

	No	\$
Performance Rights on issue as at 31 December 2022	900,000	117,124
Performance Rights converted subsequent to 31 December 2022	(900,000)	-
Performance Rights issued subsequent to 31 December 2022 <sup>1</sup>	12,550,000	1,395,000
Conversion of Class A Performance Rights on Listing	(3,100,000)	-
<b>Pro forma balance</b>	<b>9,450,000</b>	<b>1,512,124</b>

<sup>1</sup>12,550,000 performance rights are expected to be issued prior to Listing. Of those performance rights, 3,100,000 vest on receipt of conditional listing approval from the ASX and have been accounted for in the pro forma balance sheet as a share-based payment of \$1,395,000 as noted in Section 4.3.5. As the remaining performance rights vest based on milestones subsequent to Listing, no value for these has been included in the pro forma balance sheet.

**Total pro forma share based payment reserve** **3,373,132**

### 4.4.10 PRO FORMA FAIR VALUE RESERVE

The table below details the reconciliation of the pro forma fair value reserve balance of the Company as at 31 December 2022, reflecting the actual fair value reserve balance at that date and the impact of the pro forma adjustments as set out in Section 4.4.1:

	\$
Fair value reserve at 31 December 2022	1,968,682
Elimination on consolidation of FMSL	(1,968,682)
<b>Pro forma balance</b>	<b>-</b>

### 4.4.11 PRO FORMA ACCUMULATED LOSSES

The table below details the reconciliation of the pro forma accumulated losses balance of the Company as at 31 December 2022, reflecting the actual accumulated losses balance at that date and the impact of the pro forma adjustments as set out in Section 4.4.1:

	\$
Accumulated losses at 31 December 2022	(4,827,778)
Proceeds from the sale of SGQ Tenements, net of cost to sell	623,000
Vesting of Performance Rights on Listing	(1,395,000)
Share based payments subsequent to 31 December 2022	(217,737)
Estimated costs of listing	(580,000)
Cost of Shares issued to consultant on Listing	(112,500)
Cost of Options issued to Consultant on Listing	(22,717)
Actual cash expenditure between 1 January 2023 to 31 July 2023	(2,115,958)
<b>Pro forma balance</b>	<b>(8,648,690)</b>

#### 4.4.12 PRO FORMA NON-CONTROLLING INTERESTS

The table below details the reconciliation of the pro forma non-controlling interests balance of the Company as at 31 December 2022, reflecting the actual non-controlling interests balance at that date and the impact of the pro forma adjustments as set out in Section 4.4.1:

	\$
Non-controlling interests at 31 December 2022	(283,354)
Movement in non-controlling interest on investment in WLPL	151,181
Recognition of non-controlling interest on consolidation of FMSL	4,196,861
<b>Pro forma balance</b>	<b>4,064,688</b>

#### 4.4.13 SUBSEQUENT EVENTS

To the best of our knowledge and belief, there have been no other material items, transactions or events subsequent to 31 December 2022 not otherwise disclosed in this report or the Prospectus that have come to our attention during the course of our review which would cause the information included in this report to be misleading.

### 4.5 MANAGEMENT DISCUSSION AND ANALYSIS OF THE HISTORICAL FINANCIAL INFORMATION

#### 4.5.1 GENERAL OVERVIEW

The Section below is a discussion of the Company's operating and financial performance during the period of the historical financial information, and which may impact on future operating and financial performance.

The general matters discussed below are a summary only, do not represent all events and factors that affected the Company's historical operating and financial performance, nor everything that may affect the Company's operating and financial performance in future periods.

The information in this section should also be read in conjunction with the risk factors set out in Section 3 and the other information set out in this Prospectus.

#### 4.5.2 REVENUE

Due to the Company being in the exploration stage of its operations, it is not yet generating operating revenue from the sale of commodities.

#### 4.5.3 EXPENSES

The fluctuations in expenses during the years presented are primarily driven by an increase in exploration activity and corporate overheads and associated costs incurred relating to preparation for the Listing.

#### 4.5.4 TAX

The Company has incurred tax losses as a result of historical losses and has not recognised a deferred tax asset as at 31 December 2022.

#### 4.5.5 KEY FACTORS AFFECTING HISTORICAL STATEMENT OF CASHFLOWS

Due to the early stages of the Company's operating activities, cash generated from operations is not sufficient to sustain operations. The principal source of funding for the Company during the periods presented has been capital raised through the issue of shares.

#### 4.5.6 WORKING CAPITAL

Subsequent to the proposed capital raising, as illustrated in the pro forma historical statement of financial position, the pro forma net current assets of the Company as at 31 December 2022 would be approximately \$15,873,293, based on the capital raising before costs of \$15,500,000.

## 4 Financial Information (cont.)

### 4.5.7 FUNDING

The Company is aiming to raise \$15,500,000 from the Offer in order to fund its exploration activities, its overheads and to provide working capital. The future capital requirements of the Company will depend on many factors including its corporate development activities. The Company believes its available cash and the net proceeds of the Offer should be adequate to fund its corporate development activities, exploration program and other Company objectives in the short term.

## 4.6 KEY ACCOUNTING POLICIES

### Significant Accounting Policies

The principal accounting policies adopted in the preparation of the Financial Information are set out below. These policies have been consistently applied during the years presented, unless otherwise stated.

#### 4.6.1 GENERAL

The financial information of Chariot includes that attributable to the Company and its controlled entities and is presented in Australian dollars ("A\$"), which is the functional currency of the Company. The Company is incorporated and domiciled in Australia.

##### *Going concern*

The Consolidated Financial Information has been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations. The Company continues to incur operating losses, has limited financial resources, a limited source of operating cash flow, and no assurances that sufficient funding, including adequate financing, will be available to enable it to continue its operations. These material uncertainties may cast a significant doubt on the validity of the going concern assumption.

For the year ended 31 December 2022, the Company incurred a historical loss for the year of \$3,689,677 (2021: \$1,381,481) and as at 31 December 2022 had historical net assets of \$6,698,097 (2021: \$3,843,756). The Company also had a cash and cash equivalents balance of \$2,290,658 (2021: \$2,304,849) and reported a historical cash outflow from operating activities for the year ended 31 December 2022 of \$2,803,919 (2021: \$503,971). Based on the Company's cash flow forecast, the Directors are confident that the Company will be successful in raising funds through the issue of new equity under the Offer and will have sufficient funds for the next 24 months for its exploration projects, acquisition costs and to ensure extinguishment of liabilities as and when they fall due. The Company's ability to continue as a going concern is therefore dependent upon its ability to obtain the funding or financing necessary, from either existing shareholders or new investors (including pursuant to the proposed capital raising via this Prospectus) to continue operations.

If the going concern assumption was to no longer be appropriate then adjustments may be necessary to the carrying values of assets, liabilities, reported income and expenses and the statement of financial position classifications adopted in this Financial Information. Such adjustments could be material.

#### 4.6.2 BASIS OF PREPARATION

##### *Statement of Compliance*

The Financial Information has been prepared in accordance with AAS, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial information also complies with IFRSs as issued by the IASB and interpretations of the IFRS Interpretations Committee (IFRIC). They have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, this consolidated Financial Information has been prepared using the accrual basis of accounting, except for cash flow information.

The Historical Financial Information has been extracted from the audited general purpose financial statements of the Company and its controlled entities for the years ended 31 December 2021 and 31 December 2022 and from the audited general purpose financial statements of FMSL and its controlled entities for the years ended 31 December 2021 and 31 December 2022.

### 4.6.3 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Chariot at the end of the reporting year. A controlled entity is any entity over which Chariot has the power to govern the financial and operating policies of, so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights is considered.

Where controlled entities have entered or left the consolidated group during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the Consolidated Group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Business combinations by the group are accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

### 4.6.4 INCOME TAX

Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled, and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

## 4 Financial Information (cont.)

### 4.6.5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits available on demand with banks with original maturity of three months or less.

### 4.6.6 TRADE AND OTHER RECEIVABLES

Trade receivables are amounts due from customers for goods and services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional which is considered to be fair value; none of the Company's trade receivables contain financing components. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The Company applies the AASB 9 Financial Instruments simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables have been grouped based on share credit risk characteristics and the days past due. The expected loss rates are based on the Company's past history, existing market conditions and forward-looking estimates at the end of each reporting period.

### 4.6.7 GOODS AND SERVICES TAX ('GST')

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of the GST recoverable from, or payable to, the ATO is included with other receivables and payables in the Consolidated Statement of Financial Position.

Cash flows are presented in the Consolidated Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### 4.6.8 EQUITY-SETTLED COMPENSATION

The Company operates an employee share and option plan under which it may issue Options or Performance Rights to employees, directors and/or consultants. Where the value of services received cannot be determined by reference to an external market value, share-based payments to employees, directors and/or consultants are measured at the fair value of the instruments issued and amortised over the vesting periods.

The number of Shares, Options and Performance Rights expected to vest is reviewed and adjusted at the end of each reporting period based on the number of equity instruments that may eventually vest, unless market conditions are attached to the share options and performance rights, in which case no adjustment is required. The fair value is determined using the Black Scholes model depending on the type of share-based payment.

### 4.6.9 EXPLORATION AND EVALUATION EXPENDITURE

Accounting for exploration and evaluation expenditure is assessed separately for each area of interest. Each area of interest is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

Costs associated with acquiring mining leases, including costs of associated options, are capitalised and reviewed at each reporting date to confirm that there is no indication that the carrying amount exceeds the recoverable amount.

Other exploration and evaluation costs are generally expensed to profit or loss in the period they are incurred.

Capitalised exploration and evaluation expenditure is carried forward where the right to explore an area of interest is current and they are either expected to be recouped through the sale or successful development of an area of interest or where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

The future recoverability of the carrying amount of capitalised exploration and evaluation expenditure is dependent on successful development and commercial exploitation, or alternatively, the sale of an area of interest.

#### 4.6.10 TRADE AND OTHER PAYABLES

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

#### 4.6.11 BORROWINGS

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

#### 4.6.12 PROVISIONS

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### 4.6.13 LEASES

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

##### Company as a lessee

Leases are recognised as a right-of-use asset and corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (b) variable lease payment that are based on an index or a rate;
- (c) amount expected to be payable by the lessee under residual value guarantees;
- (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- (e) payments of penalties for termination the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use of assets are measured at cost comprising the following:

- (a) the amount of the initial measurement of lease liability;
- (b) any lease payments made at or before the commencement date less any lease incentives received;
- (c) any initial direct costs; and
- (d) restoration cost.

## 4 Financial Information (cont.)

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases have a lease term of 12 months or less. Low-value assets comprise IT equipment and office furniture.

### 4.6.14 EQUITY AND RESERVES

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits. The option reserve records the value of share-based payments.

### 4.6.15 FOREIGN CURRENCIES

The Company's financial statements are presented in Australian dollars, which is also the Company's functional currency. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

#### *Transactions and balances*

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

### 4.6.16 FAIR VALUE MEASUREMENT

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either:

- (a) in the principal market; or
- (b) in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Financial assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

#### *Recognition and derecognition*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

## Classification and initial measurement

### *Financial assets*

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15 Revenue from Contracts with Customers, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

### *Classification of financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income (**FVOCI**) comprise of equity securities which are not held for trading, and which the Company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments, and the Company considers this classification to be most relevant.

### *Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either:

- (a) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or
- (b) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

## Financial liabilities

Financial liabilities are classified as measured at amortised cost using effective interest method. Interest expense is recognised in profit or loss.

### *Impairment of financial assets*

The Company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured based on the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

## 4.6.17 REVENUE RECOGNITION

Revenue represents revenue generated from external customers and is measured at the fair value of the consideration received or receivable. Revenue is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

### *Revenue from sale of mineral projects*

Periodically the Company may sell its interests in mineral projects. In recognising revenue from the sale of mineral projects the Company has applied AASB 15: *Revenue from Contracts with Customers* which either recognises profit over time or at a point in time (being at completion of a contract) depending on the terms of the specific contract. Such revenue is recognised when the Company passes control or title of the asset to the customer. Consideration received prior to control of the asset passing to the customer is recorded as deferred revenue under liabilities and will be recognised as revenue in the income statement at a future time when control of the relevant asset is assessed to have passed to the customer.

For these contracts the measure of when control or title of the asset passes to the customer is determined based on milestones and related terms and conditions contained within the contract for sale of a mineral project, which broadly aligns towards satisfying a performance obligation. Contract modifications that do not add distinct goods or services are accounted for as a continuation of the original contract with the change recognised as a cumulative adjustment to revenue at the date of modification when agreed to by the parties.

## 4 Financial Information (cont.)

### *Interest income*

Income from interest bearing securities is recognised as the interest accrues using the effective interest rate method.

### 4.6.18 NEW AND AMENDED ACCOUNTING STANDARDS AND INTERPRETATION

The Company has considered the implications of new or amended AASBs which have become applicable for the current annual financial reporting period beginning on or after 1 January 2022. It has been determined by the Company that there is no impact, material or otherwise, of the new or amended AASBs and therefore no changes to Company accounting policies. No retrospective change in accounting policy of material reclassification has occurred during the financial year.

### 4.5.19 CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTION

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liabilities affected in future periods.

#### **Key Judgement**

Following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

#### *Measurement of fair value financial instruments*

The Company's financial investment in the unquoted equity shares of FMSL is not traded in an active market. Given the investments are considered level 3 investments, there is a significant level of judgment required to determine fair value as at any given reporting date. The investments have been fair valued using significant unobservable inputs for which market data is not available and developed using the best information available about the assumptions that market participants would use when pricing the asset. The following table provides the fair value of the financial assets held by the Company as at 31 December 2022.

31 December 2022	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
Assets measured at fair value: unquoted equity shares		\$	\$	\$	\$
Investment in FMSL	31 Dec 2022	4,225,358	-	-	4,225,358
<b>Total financial assets</b>		<b>4,225,358</b>	<b>-</b>	<b>-</b>	<b>4,225,358</b>

In determining the fair value of its investment in FMS, the Directors have concluded that a value of US\$1,400 per share is an appropriate estimate of fair value, being at the lower end of the range of their valuation estimates, in the absence of any more reliable information to determine the investment's fair value. The Directors' assessment is based on recent independent valuations of the underlying major assets of FMS Lithium.

In the absence of any other more reliable indicators of the fair value of the investment, and the potential range of results possible from applying generally accepted valuation techniques, the Directors conclude that the value adopted represents the best estimate of fair value as at 31 December 2022.

#### *Assessment of control or significant influence*

At each reporting date the Company assesses the nature of the arrangement that exists with each of the entities that it invests in ('investee') to determine the appropriate accounting treatment in the consolidated financial report. Significant judgment is required to be applied in considering the level of influence that the Company may have in directing the operational and decision making of the investees. Factors that determine the level of influence include, but are not limited to, percentage of equity holding in the investee, board representation and voting rights. Depending on the Company's conclusion as to the level of influence that exists at each reporting date, the Company may consolidate the results of the investee, equity account the results of the investee or hold the investee as a financial asset at fair value through other comprehensive income in the Company's Consolidated Statement of Financial Position.

As at 31 December 2022, the Company concluded that it was appropriate to account for its investment in FMSL as a financial asset at fair value through other comprehensive income as it neither controlled nor exerted significant influence over FMSL.

#### *Revenue recognition on sale of mineral projects*

Revenue is recognised when the Company passes control or title of the asset to the customer. Consideration received prior to control of the asset passing to the customer is recorded as deferred revenue under liabilities and will be recognised as revenue in the income statement at a future time when control of the relevant asset is assessed to have passed to the customer. Significant judgement is applied as to when control of the asset passes to the customer, based on terms and conditions specified in sale contracts. Significant consideration received prior to 31 December 2022 has been recorded as deferred revenue in FMSL as at 31 December 2022.

### **Key Estimates**

#### *Impairment of assets*

In assessing impairment, management estimates the recoverable amount of each asset based on expected future cash flows and uses an interest rate to discount them.

#### *Utilisation of Tax Losses*

A company cannot carry forward losses unless it satisfies either the “continuity of ownership” test (ITAA97 s 165-12) or the “same business” test (ITAA97 s 165-13) as described in the *Income Tax Assessment Act 1997*. The Company has determined that it satisfies these tests for the current reporting period and will continue to reassess its conclusion at each subsequent reporting date.

Where forward-looking information (such as a significant change in economic conditions) may provide evidence that there may be an increasing number of defaults, historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

#### *Share-based payments*

The grant date fair value of share-based payment is recognised as an expense with a corresponding increase in equity, over the period that the recipient unconditionally become entitled to the awards.

The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that, the amount ultimately recognised as an expense is based on the number of awards that do not meet the related service and non-market performance conditions at the vesting date.

The Company follows the guidelines of AASB 2 ‘Share-based payments’ and takes into account all performance conditions and estimates the probability and expected timing of achieving these performance conditions. Accordingly, the expense recognised over the vesting period may vary based upon information available and estimates made at each reporting period, until the expiry of the vesting period.

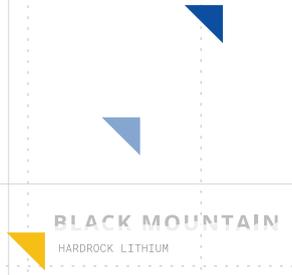
#### *Exploration and evaluation expenditure*

The application of the Company’s accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

The determination of a Mineral Resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available.

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# 5 Board, Senior Management, Team & Corporate Governance



Black Mountain

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SPODUMENE

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# 5 Board, Senior Management, Team & Corporate Governance

## 5.1 BOARD OF DIRECTORS

As at the date of this Prospectus, the Board comprises of:

- (a) Murray Bleach – Non-Executive Chairman;
- (b) Shanthar Pathmanathan – Managing Director;
- (c) Frederick Forni – Executive Director; and
- (d) Neil Stuart – Non-Executive Director.

## 5.2 DIRECTOR PROFILES

The names and details of the Directors are as follows:

### (a) Murray Bleach – Non-Executive Chairman

Mr Bleach was previously the CEO of Macquarie Group Limited's North American business with a focus on the infrastructure market. Before Macquarie, Mr Bleach was with Bankers Trust for a period of 12 years. Mr Bleach was the CEO of Intoll Group Limited, prior to its sale for A\$3.5 billion. From January 2010 until December 2018, Mr Bleach was a Non-Executive Director and Chairman of the Investment Committee at IFM Investors Pty Ltd. Mr Bleach has held numerous other director roles, including with Carlton Investments Ltd. Mr Bleach co-founded and chairs start-up investment fund group, Tidal Ventures Investment Management Pty Ltd, which recently launched its third fund. Since November 2020, Mr Bleach has served as the 'Infrastructure and Private Equity Expert' on its Direct Investment Group and Transaction Review Committee at AustralianSuper Pty Ltd. Mr Bleach is a member of both The Australia Institute of Company Directors and The Institute of Chartered Accountants. Mr Bleach holds a Bachelor of Arts (Financial Studies) and a Master's in Applied Finance from Macquarie University.

Mr Bleach is an independent director.

### (b) Shanthar Pathmanathan – Managing Director

Mr Pathmanathan was most recently the Managing Director of Lithium Consolidated Ltd (ASX: LI3), an ASX-listed company, which had one of the largest portfolios of hard rock lithium exploration assets, globally. Mr Pathmanathan also has 14 years investment banking experience, in the metals and mining, oil and gas and chemicals sectors. Mr Pathmanathan was a Vice President with Deutsche Bank AG's investment banking division and prior to that has held investment banking and principal investment roles with Macquarie Group Limited's investment banking division in Australia and New York. Mr Pathmanathan has a Bachelor of Laws degree from the University of Western Australia.

Mr Pathmanathan is not an independent director.

### (c) Frederick Forni – Executive Director

Mr Forni was a senior finance professional with Macquarie Holdings (USA) Inc., a U.S. affiliate of Macquarie Group Limited from October 1997 to October 2012 (and a Senior Managing Director from and after July 2004) where he was involved in (i) developing, marketing, executing and managing structured and conventional financial products transactions for the Macquarie Group, including the establishment of an NYSE listed US\$425m closed-end fund (Macquarie Global Infrastructure Fund; NYSE: MGU) and the formation and management of specialized investment portfolios of CLO and CMBS securities aggregating in excess of US\$1bn and (ii) structuring principal and advisory transactions principally from an income taxation perspective. Mr Forni acted as a non-executive director for numerous Macquarie Group entities, including an investment adviser under the Investment Company Act of 1940 and a fund incubation joint venture with M.D. Sass. From 1995 to 1997, Mr Forni was employed as a tax associate with Morgan, Lewis & Bockius LLP. Mr Forni held Series 24, Series 7 and Series 63 FINRA licenses and is admitted to practice law in both New York and Connecticut. Mr Forni holds a B.A. in Economics from

## 5 Board, Senior Management & Corporate Governance (cont.)

Connecticut College, a J.D., awarded cum laude, from Georgetown University Law Center and an LL.M. in taxation from New York University Law School.

Mr Forni is an independent director.

### (d) Neil Stuart – Non-Executive Director

Mr Stuart was a founding director and Chairman of Orocobre Limited, now Allkem Limited (ASX: AKE) post-merger with Galaxy Resources Limited in 2021. Mr Stuart is an exploration geologist with over 50 years' experience and is a member of The Australian Institute of Geoscientists and a Fellow of The Australasian Institute of Mining and Metallurgy. He has considerable experience in many commodities and was heavily involved in project delineation and acquisition in Australia, Africa, Southeast Asia and Argentina. In particular, in Argentina over the last 20 years, he was involved with the exploration and commercial development of lithium projects. Mr Stuart has been on the board of numerous of ASX listed companies and is a graduate of the University of Melbourne (BSc.) and the James Cook University of North Queensland (MSc.).

Mr Stuart is an independent director.

The Board has considered the Company's immediate requirements as it transitions to an ASX-listed company and is satisfied that the composition of the Board represents an appropriate range of experience, qualifications and skills at this time.

## 5.3 OTHER KEY PERSONNEL

### (a) Craig McNab – Company Secretary

Mr McNab is a Chartered Accountant and Fellow member of The Chartered Governance Institute (Chartered Secretary) with over 14 years' experience in the resource industry and accounting profession in Australia, New Zealand and the UK. Mr McNab initially qualified at PricewaterhouseCoopers and has held senior finance positions at the De Beers Group and various corporate roles at Anglo American plc in London. He provides services to several ASX-listed and unlisted companies, specialising in corporate compliance and financial accounting.

### (b) Ramesh Chakrapani – Chief Strategy Officer

Mr Chakrapani has over 20 years of experience in the investment banking and alternative asset investing space including over 15 years at The Blackstone Group where he was a Managing Director and a member of Hedge Fund Solutions Special Situations Investing Group. Mr Chakrapani has represented Blackstone on the boards of selected investments and has a B.A. from Yale University.

As the Company's exploration and development activities and overall operations require an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate. The Company intends to utilise the services of experts and consultants for technical input and assistance in the formulation of overall exploration strategy and direction and compliance with the ASX and JORC standards.

## 5.4 CORPORATE TEAM

### (a) Nathan Kong – Corporate Development Manager

Mr Kong is a mining engineer with over 15 years of technical, operational, mining studies and commercial experience. Previously, Mr Kong was a Principal Mining Engineer at Iluka Resources Limited where he managed sustaining capital projects and provided valuations on mineral sands assets in Australia and Sierra Leone. Mr Kong has a Bachelor of Engineering (Mining), and a Bachelor of Commerce (Corporate Finance) from the University of Western Australia. In addition, he holds a Grad Diploma of Applied Finance from Kaplan Business School.

### (b) Trinity Cooper – Corporate Development Analyst

Mr Cooper joined Chariot in April 2022 as a Corporate Development Analyst and has experience in financial modelling, business intelligence, M&A transaction support, and financing. Mr Cooper previously partnered up with BDO Australia to complete his honours thesis and gained work experience with economic consultancy firm Nine-Squared Pty Ltd. Mr Cooper graduated from the University of Queensland with a Bachelor of Advanced Finance and Economics (class 1 honours).

## 5.5 TECHNICAL TEAM

### (a) Troy Blackledge – Project Manager

Mr Blackledge is an exploration geologist with over 17 years of experience working in Nevada and Oregon in precious and industrial metals. Mr Blackledge previously held mine geology, mine superintendent and mine production roles in surface and underground operations for Barrick Gold Corporation and Newmont Corporation. Mr Blackledge holds a Bachelor of Science (Geology) from Portland State University.

### (b) Kifor Muroff - Exploration Geologist

Mr Muroff is an exploration geologist with over three years experience and has experience in land staking, geological mapping, geochemical surveys and drill planning and execution. Mr Muroff holds a Bachelor of Science (Geology) from Boise State University.

### (c) Kyle Larson – Economic Geologist

Mr Larson is a consulting Exploration Geologist based in Boise, Idaho. Mr Larson is the Manager of Extradoss Exploration LLC, a North American service provider for the industry, and a Technical Advisor to Chariot. He has held multiple positions with Barrick Gold Corporation and many other mid-tier and junior explorers throughout the Western United States. Mr Larson is a Fellow with Society of Economic Geologists and an active Member of the Geological Society of Nevada.

## 5.6 DIRECTORS' DISCLOSURES

No Director has been the subject of (or was a director of a company that has been subject to) any legal or disciplinary action in Australia or elsewhere in the last ten years which is relevant or material to the performance of their role with the Company or which is relevant to an investor's decision as to whether to subscribe for Shares under the Offer.

No Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12 month period after they ceased to be an officer.

## 5.7 DIRECTOR HOLDINGS

### *As at the date of this Prospectus*

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. As at the date of this Prospectus, the Directors' (and their associates) have relevant interests in Shares and other securities in the Company as set out below:

Director	Shares <sup>1</sup>	Options	Performance Rights <sup>2</sup>
Murray Bleach	3,200,000	Nil	4,000,000
Shanthar Pathmanathan	19,009,691	Nil	Nil
Frederick Forni	1,076,607	Nil	4,000,000
Neil Stuart	Nil	Nil	1,250,000

### *Post-completion of the Offers and Acquisitions*

Director	Shares <sup>1</sup>	Options	Performance Rights <sup>2</sup>
Murray Bleach	3,200,000	Nil	4,000,000
Shanthar Pathmanathan	28,727,202 <sup>4</sup>	Nil	Nil
Frederick Forni	1,076,607	Nil	4,000,000
Neil Stuart	Nil <sup>6</sup>	Nil	1,250,000

#### Notes:

<sup>1</sup> The table assumes that the Directors do not subscribe for Shares under the Prospectus.

<sup>2</sup> Refer to Section 8.4 for the terms and conditions of the Performance Rights.

<sup>3</sup> Including 9,717,511 Shares to be issued to Mr Pathmanathan pursuant to the RHPL Acquisition.

## 5.8 REMUNERATION OF DIRECTORS

The total remuneration packages for each of the Directors for the previous two completed and the current financial year (on an annualised basis) are set out as follows:

Director	Remuneration for the year ended 31 December 2022	Remuneration for the year ended 31 December 2023	Proposed remuneration for the year ended 31 December 2024
Shanthar Pathmanathan <sup>1,4,5</sup>	\$280,000	\$280,000	\$280,000
Frederick Forni <sup>4,5</sup>	\$220,000	\$220,000	\$220,000
Neil Stuart <sup>2</sup>	N/A	\$41,613	\$60,000
Murray Bleach <sup>3</sup>	N/A	\$38,387	\$84,000

**Note:**

- <sup>1</sup> Mr Pathmanathan also received a Director's fee from FMSL of US\$5,000 per month up until 30 June 2023.
- <sup>2</sup> Mr Stuart was appointed as a Non-Executive Director effective 7 March 2023. At appointment date, Mr Stuart was entitled to a Director's fee based on \$40,000 per annum, this was subsequently increased to \$60,000 per annum effective 21 July 2023.
- <sup>3</sup> Mr Bleach was appointed as a Non-Executive Chairman effective 17 July 2023.
- <sup>4</sup> Mr Pathmanathan and Mr Forni were issued the following Shares in lieu of 50% of their salaries for the period January 2022 to May 2023. The Shares were issued at a deemed average share price of \$0.35 per Share.
- <sup>5</sup> Mr Pathmanathan was issued 354,454 Shares in lieu of \$122,000 of his accrued salary for the period January 2022 to December 2022 and 147,689 Shares in lieu of \$50,833 of his accrued salary for the period January 2023 to May 2023; and Mr Forni was issued 265,840 Shares in lieu of \$92,000 of his accrued salary for the period January 2022 to December 2022 and 110,767 Shares in lieu of \$38,333 of his accrued salary for the period January 2023 to May 2023. Exclusive of superannuation, which is presently payable at 11% (\$30,800 per annum).

A Director may be paid fees or other amounts as the Directors determine where a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

A Director may also be reimbursed for reasonable travel, accommodation and other expenses incurred in relation to attending meetings of the Board, committees, or Shareholders, or while engaged on the Company's business.

## 5.9 RELATED PARTY TRANSACTIONS

The Company's policy in respect of related party arrangements is:

- a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

### 5.9.1 CONSOLIDATION OF INTEREST IN FMSL

As set out in Section 2.1 above, the Company is proposing to consolidate its existing interest in FMSL pursuant to the FMSL Acquisition and the RHPL Acquisition.

Director, Shanthar Pathmanathan and former Director, Jasveer Jessy, are both shareholders of RHPL and Mr Pathmanathan is also the sole director of RHPL. Accordingly, the RHPL SPAs entered into with Messrs Pathmanathan and Jessy are each conditional on receipt of Shareholder approval for the purposes of Chapter 2E of the Corporations Act. Shareholder approval was received at the Company's general meeting held on 15 August 2023.

PSNHO Pty Ltd (an entity controlled by Mr Jessy) is also shareholder of FMSL and accordingly, the FMSL SPA entered with PSNHO Pty Ltd is conditional on receipt of Shareholder approval for the purposes of Chapter 2E of the Corporations Act. Shareholder approval was received at the Company's general meeting held on 15 August 2023.

With respect to these related party agreements, a sub-committee comprising the independent directors of the Company was formed to manage all negotiations and ancillary matters relating to the RHPL Acquisition and FMSL Acquisition on behalf of the Company, including determination of the final valuation for the acquisitions (which was informed by a valuation prepared by an independent third-party valuation specialist). Conflicted directors abstained from voting on any matters in which they had a material personal interest.

The material terms and conditions of the FMSL SPAs and RHPL SPAs are summarised in Section 6.1.

### 5.9.2 OTHER AGREEMENTS WITH RELATED PARTIES

Other agreements between the Company and related parties are summarised in Section 6.4.

## 5.10 ASX CORPORATE GOVERNANCE COUNCIL PRINCIPLES AND RECOMMENDATIONS

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the Company's policies and procedures with openness and integrity to commensurate with the Company's needs.

To the extent applicable, in light of the Company's size and nature, the Company has adopted The Corporate Governance Principles and Recommendations (4th Edition) as published by ASX Corporate Governance Council (**Recommendations**).

The Company's main corporate governance policies and practices as at the date of this Prospectus are detailed below. The Company's full Corporate Governance Plan is available in a dedicated corporate governance information section on the Company's website at <https://www.chariotcorporation.com>.

### 5.10.1 BOARD OF DIRECTORS

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company and reviews this periodically.

In general, the Board assumes (amongst others) the following responsibilities:

- (a) providing leadership and developing and approving the Company's corporate strategy, investment and performance objectives;
- (b) appointing, monitoring and managing the performance of the Company's Executive Directors;
- (c) ratifying the appointment, and where appropriate, the removal of senior management of the Company;
- (d) approving all accounting policies, financial reports and material reporting and external communications by the Company;
- (e) overseeing senior management implementation of the Company's strategic objectives;
- (f) evaluating, approving and monitoring major capital expenditure, capital management and all major acquisitions, divestitures and other corporate transactions, including the issue of securities of the Company;
- (g) ensuring effective audit, risk management and regulatory compliance programs are in place to protect the Company's assets and shareholder value;
- (h) approving and overseeing the integrity of the accounting, financial and other corporate reporting systems and monitoring the operation of these systems;
- (i) supervising the public disclosure of all matters that the law and the ASX Listing Rules require to be publicly disclosed in a manner consistent with the Continuous Disclosure Policy; and
- (j) adopting and applying appropriate ethical standards in relation to the management of the Company and the conduct of its business.

The Company is committed to ensuring that appropriate checks are undertaken before the appointment of a Director and has in place written agreements with each Director which detail the terms of their appointment.

### 5.10.2 COMPOSITION OF THE BOARD

Election of Board members is substantially the province of the Shareholders in general meeting. The Board currently consists of two Executive Directors and two Non-Executive Directors, three of which the Company considers independent. As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structure will be reviewed.

### 5.10.3 IDENTIFICATION AND MANAGEMENT OF RISK

The Board's collective experience will assist in the identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

## 5 Board, Senior Management & Corporate Governance (cont.)

### 5.10.4 ETHICAL STANDARDS

The Board is committed to the establishment and maintenance of appropriate ethical standards and seeing that all of the Company's business activities are conducted fairly, honestly and in compliance with all applicable laws, rules and regulations.

### 5.10.5 INDEPENDENT PROFESSIONAL ADVICE

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

### 5.10.6 REMUNERATION ARRANGEMENTS

The remuneration of any Executive Director will be decided by the Board, without the affected Executive Director participating in that decision-making process.

In accordance with the Constitution, the total maximum remuneration of non-executive Directors is initially set by the Board 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 \$500,000 per annum.

In addition, subject to any necessary Shareholder approval, a Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director (e.g. non-cash performance incentives such as options).

Directors are also entitled to be paid reasonable travel and other expenses incurred by them during the course of performing their duties as Directors.

The Board reviews and approves the Company's remuneration policy in order to ensure that the Company is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

### 5.10.7 SECURITIES TRADING POLICY

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel and employees. The policy prohibits any dealing in securities if a person possesses inside information and otherwise generally prohibits dealing during certain closed periods. A process is outlined for prior written clearance to trade for key management personnel and for employees during a closed period.

### 5.10.8 DIVERSITY POLICY

The Company is committed to workplace diversity. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socioeconomic background, perspective, and experience.

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

### 5.10.9 AUDIT AND RISK

The Company will not have a separate Audit and Risk committee until such time as the Board is of a sufficient size and The Company will not have a separate Audit and Risk committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company.

In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity

of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

#### 5.10.10 EXTERNAL AUDIT

The Company in general meetings is responsible for the appointment of the external auditors of the Company. From time to time, the Board will review the scope, performance, and fees of those external auditors.

#### 5.10.11 WHISTLEBLOWER POLICY

The Board has adopted a whistle-blower protection policy to ensure concerns regarding unacceptable conduct including breaches of the Company's code of conduct can be raised on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment. The purpose of this policy is to promote responsible whistle blowing about issues where the interests of others, including the public, or of the organisation itself are at risk.

#### 5.10.12 ANTI-BRIBERY AND ANTI-CORRUPTIONS POLICY

The Board has a zero-tolerance approach to bribery and corruption and is committed to conducting all of its business activities fairly, honestly and with integrity, and in compliance with all applicable laws, rules and regulations. The Board has adopted an anti-bribery and anti-corruption policy for the purpose of setting out the responsibilities in observing and upholding the Company's position on bribery and corruption and to provide information and guidance to those working for the Company on how to recognise and deal with bribery and corruption issues.

### 5.11 DEPARTURES FROM RECOMMENDATIONS

Following Admission, the Company will be required to report any departures from the Recommendations in its annual financial report.

The Company's departures from the Recommendations as at the date of this Prospectus are detailed in the table below:

Principles and Recommendations	Explanation for Departure
2.1 A listed entity should have a nomination committee	<p>The Board does not consider that the Company is of a relevant size or complexity to warrant the formation of a nomination committee to deal with the selection and appointment of new Directors and as such, a nomination committee has not been formed.</p> <p>A dedicated Remuneration and Nomination Committee Charter has been adopted by the Board.</p> <p>Nominations of new Directors are and will be considered by the full Board. If any vacancies arise on the Board, all Directors will be involved in the search and recruitment of a replacement. The Board has taken a view that the full Board will hold special meetings or sessions as and when required. The Board is confident that this process for selection, including undertaking appropriate checks before appointing a person, or putting forward to Shareholders a candidate for election is stringent and full details of all Directors will be provided to Shareholders in the annual report and on the Company's website.</p> <p>The Board will, when it considers the Company to be of an appropriate size, appoint a nomination committee that complies with Recommendation 2.1.</p>
2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership	<p>The Company does not have a skills or diversity matrix in relation to the Board members. The Board considers that such a matrix is not necessary given the current size and scope of the Company's operations. The Board may adopt such a matrix at a later time as the Company's operations grow and evolve.</p>

Principles and Recommendations	Explanation for Departure
<p><b>2.6 A listed entity should have a program for inducting new directors</b></p>	<p>Upon appointment, new Directors will be subject to relevant induction procedures to provide the incoming individual with sufficient knowledge of the entity and its operating environment to enable them to fulfil their role effectively.</p> <p>The Board will, when it considers the Company to be of an appropriate size, implement a formal induction process that complies with Recommendation 2.6.</p>
<p><b>3.1 A listed entity should articulate and disclose its values</b></p>	<p>The Board will, when it considers the Company to be of an appropriate size will articulate and disclose its values that complies with Recommendation 3.1</p>
<p><b>4.1 A listed entity should have an audit committee</b></p>	<p>The Board has not established a separate audit committee. The Board does not consider that the Company is of a size nor are the affairs of a complexity sufficient to warrant the formation of a separate audit committee. The full Board is considered to be able to meet the objectives of the best practice recommendations and discharge its duties in this area.</p> <p>However, the full Board operate under the adopted Risk and Audit Committee Charter, which will be available for review on the Company's website and carries out the functions delegated under that charter.</p> <p>The Board believes that the individuals on the Board can make, and do make, quality and information judgements in the best interests of the Company on all relevant issues.</p> <p>External audit recommendations, internal control matters and any other matters that arise from half yearly reviews and the annual statutory audit will be discussed directly between the Board and the external auditor.</p> <p>The Board encourages contact between the non-executive Directors and the Company's external auditors, independently of executive management.</p> <p>The Board will, when it considers the Company to be an appropriate size, appoint an audit committee that complies with Recommendation 4.1.</p>
<p><b>7.1 A listed entity should have a risk committee</b></p>	<p>The Board has not established a separate risk committee. However, the full Board operates under the adopted Risk Management Policy and has adopted a dedicated Risk and Audit Committee Charter.</p> <p>The Board is ultimately responsible for risk oversight and risk management. Discussions on the recognition and management of risks are also considered at each Board meeting.</p> <p>The Company's corporate governance practices and policies details the processes it employs for overseeing the entity's risk management framework.</p> <p>The Board will, when it considers the Company to be an appropriate size, appoint a risk committee that complies with Recommendation 7.1.</p>
<p><b>7.3 A listed entity should disclose if it has an internal audit function</b></p>	<p>The Company does not have an internal audit function. The Board considers the financial control function in conjunction with its risk management policy is sufficient for a Company of its size and lack of complexity. The Board will periodically review whether there is a need for an internal audit function that complies with Recommendation 7.3</p>
<p><b>8.1 A listed entity should have a remuneration committee</b></p>	<p>The Board has not established a separate remuneration committee, but has adopted a dedicated Remuneration and Nomination Committee Charter.</p> <p>The full Board will meet to consider both the level and structure of remuneration and incentive policies for the Directors and key executives within the Company and decide on the Company's remuneration policies.</p> <p>The affected Directors or key executives will not participate in the decision-making process.</p> <p>The Board will, when it considers the Company to be of an appropriate size, appoint a remuneration committee that complies with Recommendation 8.1.</p>

# 6 Material Contracts

NEVADA

Resurgent East

Resurgent North

RESURGENT  
CLAYSTONE LITHIUM

NEVADA

NW

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## 6 Material Contracts

The Directors consider that the material contracts described below are those which an investor would reasonably regard as material and which investors and their professional advisers would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of an investment in the Company under the Offer.

This Section contains a summary of the material contracts and their substantive terms which are not otherwise disclosed elsewhere in this Prospectus.

To fully understand all rights and obligations of a material contract, it is necessary to review it in full and these summaries should be read in this light.

### 6.1 CONSOLIDATION AGREEMENTS

The Company has entered into a number of agreements to consolidate its holdings in FMSL, RHPL and WLPL (together, the **Consolidation Agreements**). The material terms and conditions of the Consolidation Agreements are set out below in this section.

#### 6.1.1 WLPL SHARE SALE AGREEMENTS

The Company has entered into share sale agreements (**WLPL SPA**) with the following shareholders of WLPL pursuant to which the Company will acquire an additional 10.1% of the share capital in WLPL in exchange for Shares in the capital of the Company:

WLPL Shareholder	WLPL Shares Acquired	WLPL % Interest Acquired	Consideration Shares <sup>1</sup>
Max Baker	8,000,000	8.1%	1,108,167
Minority WLPL Shareholders	2,000,000	2.0%	277,040
<b>Total</b>	<b>10,000,000</b>	<b>10.1%</b>	<b>1,385,207</b>

The material terms and conditions of the WLPL SPA are set out below:

**Acquisition:** The Company agrees to acquire, and each WLPL shareholder agrees to sell, the legal and beneficial interest their respective WLPL shares, free from encumbrances.

**Consideration:** The number of Shares to be issued in consideration for the WLPL shares being acquired (**Consideration Shares**) was determined by the following formula:

*WLPL Share Value divided by \$0.45 (being the price per Share under the Offer)*

*For purposes of this calculation, the "WLPL Share Value" means the Australian dollar amount equal to (i) the number of WLPL shares being sold multiplied by US\$0.04 (ii) divided by the AUD:USD exchange rate for the day prior to the date of the Prospectus, as published by the Reserve Bank of Australia (being 0.6417).*

The number of Consideration Shares based on the above formula is set out in the table above.

**Conditions Precedent:** Settlement of each WLPL Share Sale Agreement is conditional upon the satisfaction (or waiver) of the following conditions precedent (**Conditions Precedent**):

- the Company receiving a conditional approval letter from the ASX to admit the Company to the Official List (on terms that are acceptable to the Company, in its sole discretion); and
- the Company and each WLPL shareholder obtaining all necessary consents and approvals (including shareholder and regulatory approvals) to lawfully complete the matters set out in their respective WLPL SPA.

The Conditions Precedent under each WLPL SPA may only be waived by mutual agreement of the parties to that agreement in writing. If the Conditions Precedent under each WLPL SPA are not satisfied or waived on or before 5.00pm (AWST) 31 December 2023, any party to that agreement may terminate the agreement.

**Settlement:** Settlement under each WLPL SPA will occur on that date which is 5 business days after the satisfaction (or waiver) of the Conditions Precedent or such other date as agreed by the parties to that agreement.

<sup>1</sup> Based on an exchange rate of 0.6417.

## 6 Material Contracts (cont.)

The WLPL SPA otherwise contain terms and conditions, including representations and warranties, indemnities and confidentiality provisions, considered standard for an agreement of this nature.

### 6.1.2 RHPL SHARE SALE AGREEMENTS

The Company has entered into share purchase agreements (RHPL SPAs) with the following shareholders of RHPL (RHPL Shareholders) pursuant to which the Company will acquire 82.6% of the share capital in RHPL in exchange for Shares in the capital of the Company:

RHPL Shareholder	RHPL shares acquired	RHPL % interest acquired	Consideration Shares
Shanthar Pathmanathan	2,552	51.0%	9,717,511
Jasveer Jessy	880	17.6%	3,350,865
Naim Royden Jones	700	14.0%	2,665,461
Matthew David Mitchell	0	0%	0
<b>Total</b>	<b>4,132</b>	<b>82.6%</b>	<b>15,733,837</b>

Upon completion of the Consolidation Agreement, Shanthar Pathmanathan will hold no shares or other economic interest in RHPL.

The material terms and conditions of the RHPL SPAs are set out below:

**Acquisition:** The Company agrees to acquire, and each RHPL shareholder agrees to sell, the legal and beneficial interest their respective RHPL shares, free from encumbrances.

**Consideration:** The number of Shares to be issued in consideration for the RHPL shares being acquired (**Consideration Shares**) was determined by the following formula:

*RHPL Share Value divided by \$0.45 (being the price per Share under the Offer)*

*For purposes of this calculation, the "RHPL Share Value" means the Australian dollar amount equal to (i) the number of RHPL shares being sold multiplied by US\$1,099.56 (ii) divided by the AUD:USD exchange rate for the day prior to the date of the Prospectus, as published by the Reserve Bank of Australia (being 0.6417).*

The number of Consideration Shares based on the above formula is set out in the table above.

**Conditions Precedent:** Settlement of each RHPL SPA is conditional upon the satisfaction (or waiver) of the following outstanding conditions precedent (**Conditions Precedent**):

- the Company receiving a conditional approval letter from the ASX to admit the Company to the Official List (on terms that are acceptable to the Company, in its sole discretion); and
- if the RHPL shareholder is an Australian resident, the RHPL Shareholder applying for its Consideration Shares under the Prospectus for the purposes of Chapter 6D of the Corporations Act.

The Conditions Precedent under each RHPL SPA may only be waived by mutual agreement of the parties to that agreement in writing. If the Conditions Precedent under each RHPL SPA are not satisfied or waived on or before 5.00pm (AWST) on 31 December 2023, any party to that agreement may terminate the agreement.

**Settlement:** Settlement under each RHPL SPA will occur on that date which is 5 business days after the satisfaction (or waiver) of the Conditions Precedent or such other date as agreed by the parties to that agreement.

### 6.1.3 FMSL SECURITIES PURCHASE AGREEMENTS

The Company has entered into share purchase agreements (FMSL SPAs) with the following shareholders of FMSL pursuant to which the Company will acquire an additional 25.5% of the share capital in FMSL, in exchange for Shares in the capital of the Company:

FMSL Shareholder	FMSL shares acquired	FMSL % interest acquired	Consideration Shares
Max Baker	1,790	12.9%	6,818,693
Foster Wilson	0	0%	0
Jasveer Jessy and associates	55	0.4%	209,512
Minority FMSL Shareholders	1,682	12.2%	6,407,281
<b>Total</b>	<b>3,527</b>	<b>25.5%</b>	<b>13,435,486</b>

The material terms and conditions of the FMSL SPAs are set out below:

**Acquisition:** Each FMSL shareholder agrees to sell, and the Company agrees to purchase FMSL Shares held by the FMSL shareholders in exchange for the Consideration Shares (defined below).

**Consideration:** The number of Shares to be issued in exchange for the FMSL Shares being purchased (**Consideration Shares**) was determined by the following formula:

*FMSL Share Value divided by \$0.45 (being the price per Share under the Offer)*

*For purposes of this calculation, the "FMSL Share Value" means the Australian dollar amount equal to (i) the number of RHPL shares being sold multiplied by US\$1,100 (ii) divided by the AUD:USD exchange rate for the day prior to the date of the Prospectus, as published by the Reserve Bank of Australia (being 0.6417).*

The number of Consideration Shares based on the above formula is set out in the table above.

**Conditions Precedent:** Settlement of each FMSL SPA is conditional upon the satisfaction (or waiver) of the following outstanding conditions precedent (**Conditions Precedent**):

- the Company receiving a conditional approval letter from the ASX to admit the Company to the Official List;
- if the FMSL shareholder is resident in Australia, the FMSL shareholder having applied for its Consideration Shares under this Prospectus, such that the offer is deemed to have been made with disclosure for the purposes of section 706 of the Corporations Act 2001;
- the representations and warranties of the Company and each FMSL shareholder being true and correct in all material respects as of the date signing their respective FMSL SPA and as of the date of the settlement;
- no statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or adopted by any court or governmental authority of competent jurisdiction that prohibits or directly and materially adversely affects any of the transactions contemplated by the FMSL SPAs, and no proceeding shall have been commenced that may have the effect of prohibiting or materially adversely affecting any of the transactions contemplated by the FMSL SPAs; and
- the Company and each FMSL shareholder having duly performed and complied in all material respects with all agreements, covenants and conditions required by their respective FMSL SPA to be performed or complied with by it prior to or on the settlement.

The Conditions Precedent under each FMSL SPA may only be waived by mutual agreement of the parties to that agreement in writing. If the above conditions are not satisfied or waived on or before 31 December 2023, any party may terminate the FMSL Agreement.

**Settlement:** Settlement under each FMSL SPA will occur on that date which is 2 business days after the satisfaction (or waiver) of the Conditions Precedent or such other date as agreed by the parties to that agreement.

The FMSL SPAs otherwise contain terms and conditions, including representations and warranties, indemnities and confidentiality provisions, considered standard for an agreement of this nature.

## 6 Material Contracts (cont.)

It is noted that for a select number of FMSL vendors that hold their FMSL shares via an Australian proprietary limited company, the Company has agreed to acquire the shares of the holding company (as opposed to the FMSL shares directly), on equivalent terms (including with respect to calculation of the Shares to be issued in consideration for the acquisition). The share purchase agreements with this vendors contain warranties confirming that the vendor holding company has no material assets, liabilities or operations other than its shareholding in FMSL.

### 6.2 OPTION AGREEMENTS

As set out in Section 2.4 above, the Company has an interest in a number of exploration and option agreements through Panther Lithium Corporation (PLC) a wholly owned subsidiary of WLPL (**Option Agreements**). The material terms and conditions of the Option Agreements are set out below in this Section 6.2.

#### 6.2.1 BLACK MOUNTAIN EXPLORATION AND SECURED OPTION AGREEMENT

PLC, entered into an exploration and secured option agreement with Black Mountain Lithium Corporation (also known as Black Mtn. Lithium Corp.) (**BMLC**) dated to be effective 20 July 2022 (**BMLC Option Agreement**) pursuant to which BMLC granted PLC the sole and exclusive right to access and explore and the option to purchase 27 lode claims at the Black Mountain Project (the **BMLC Claims**). The agreement was subsequently amended by agreement on 27 April 2023, the material terms and conditions of which are summarised below:

**Exploration Right:** BMLC grants PLC the sole and exclusive right to access, explore, sample, map, drill, survey and test the BMLC Claims for all metalliferous and nonmetalliferous minerals of any nature (**Exploration Right**).

**Grant of Option:** BMLC granted PLC the sole and exclusive option to purchase the BMLC Claims together with all appurtenances and water rights and free and clear from all liens and encumbrances (**Purchase Option**).

On 27 April 2023, PLC exercised the Purchase Option.

**Consideration:** the following outstanding amounts remain payable by PLC to BMLC as consideration under this agreement:

Consideration	USD
Second tranche of a Purchase Option exercise payment <sup>1</sup>	1,250,000
6 month Purchase Option anniversary payment <sup>2</sup>	500,000
12 month Purchase Option anniversary payment <sup>2</sup>	750,000
24 month Option anniversary payment <sup>2</sup>	1,000,000
<b>Total consideration</b>	<b>3,500,000</b>

**Notes:**

- <sup>1</sup> To be paid via the issue of Shares (at a deemed issue price equal to the Offer price at Listing). Assuming a AUD:USD exchange rate of 0.6417 at Listing, 4,328,779 Shares will be issued. If the Shares are not publicly traded by 29 December 2023, then the payment shall be payable in cash.
- <sup>2</sup> BMLC may elect to receive payment in the form of cash or Shares at a 10% discount to the 10-day VWAP, subject to a floor price equal to the Offer Price. In the case BMLC elects to receive the payment in Shares, the Shares will be issued subject to Shareholder approval.

**Trading restriction:** BMLC agrees not to offer, sell, transfer or otherwise agree to dispose of the Shares issued under the BMLC Option Agreement for a period specified by the representative of the underwriters of the Shares not exceeding 365 days following any registration statement filed in connection with the Offer (or such other period as may be required by law or applicable stock exchange) and agrees to execute and deliver such other agreements as may be reasonably requested by the Company to give effect to the restraint.

The BMLC Option Agreement otherwise contains terms and conditions, including representations and warranties and confidentiality provisions, considered standard for an agreement of this nature.

## 6.2.2 BLACK MOUNTAIN EXPLORATION AND OPTION TO LEASE AGREEMENT

PLC has entered an exploration and option to lease agreement dated 9 September 2022 with Vesper Resources LLC (**Vesper**) pursuant to which Vesper granted PLC the sole and exclusive right to access and explore and the option to lease two lode claims at the Black Mountain Project (**Vesper Black Mountain Claims**). PLC has subsequently executed the option to lease and entered into a 10-year mining lease agreement with Vesper dated 16 December 2022 (**1st Vesper Lease Agreement**). The material terms and conditions of the 1st Vesper Lease Agreement is summarised below:

### 6.2.2.1 1st Vesper Option Agreement

**Lease:** Vesper grants, leases and lets the Vesper Black Mountain Claims to PLC for purposes of mining all metalliferous and nonmetalliferous minerals of any nature (**Lease**). The parties agree that any additional properties or interest acquired by either party within five (5) miles from the exterior boundaries of the Vesper Black Mountain Claims form part of the Lease and agree to mutually execute any documentation necessary to effectuate their agreement.

**Term:** the Lease expires on 16 December 2032 and shall continue so long as thereafter as mining operations are conducted on the Vesper Black Mountain Claims or continuously pursued unless or until the Purchase Option (defined below) is exercised (**Term**).

**Grant of Option:** during the Term, PLC has the option to purchase the Vesper Black Mountain Claims from Vesper by written notice to Vesper (**Purchase Option**). On exercise of the Purchase Option, Vesper and PLC have agreed to enter into a purchase and sale deed whereby Vesper will agree to grant all its rights in the Vesper Black Mountain Claims except for its right to the Royalty (defined below).

**Consideration:** the following outstanding amounts remain payable by PLC to Vesper as consideration under this agreement:

Consideration	USD
Anniversary payments <sup>1,5</sup>	450,000
Expenditure commitment <sup>2,5</sup>	400,000
Payment of exercise of Purchase Option <sup>3,5</sup>	4,000,000
2% Net Smelter Royalty <sup>4,5</sup>	-
<b>Total consideration</b>	<b>4,850,000</b>

**Notes:**

- 1 PLC agrees to pay Vesper US\$50,000 on or before 16 December each year up to and including 16 December 2031 (ninth anniversary payment) in consideration for the Lease totalling US\$450,000.
- 2 PLC must expend at least US\$40,000 per year during the Term performing work on the Vesper Black Mountain Claims or related to the Vesper Black Mountain Claims (of which no more than 10% can be applied to administrative expenses, costs or fees) up to a maximum required expenditure of US\$400,000.
- 3 PLC agrees to pay Vesper US\$4,000,000 in consideration of the purchase of the Vesper Black Mountain Claims, on exercise of the Purchase Option and entry into a purchase and sale deed. The Purchase Options can be exercised at any time during the Term.
- 4 PLC agrees to pay Vesper a production royalty equal to 2% of net smelter returns resulting from commercial production or commercial mining on the Vesper Black Mountain Claims (**Royalty**). At any time, PLC has the right and option to purchase all of Vesper's rights to the Royalty by providing written notice to Vesper and making a one-time cash payment of US\$2,000,000 to Vesper. Vesper grants PLC a right of first refusal with respect to any sale, assignment or transfer of the Royalty by Vesper.
- 5 The parties agree that all dollar amounts are to be adjusted for inflation according to the Consumer Price Index (**CPI**) from the date of 1 September 2022.

**Termination:** the 1st Vesper Lease Agreement, may be terminated as follows:

- (a) by PLC at any time prior to the expiration of the Term by delivering a written surrender notice to Vesper;
- (b) by Vesper if it believes that PLC is in default under the terms of the 1st Vesper Lease Agreement and PLC does not commence curing the alleged default within 30 days of notice by Vesper or otherwise contest the alleged default in accordance with the 1st Vesper Lease Agreement; or
- (c) upon entry into a purchase and sale deed by Vesper and PLC on exercise of the Purchase Option.

The 1st Vesper Lease Agreement otherwise contains terms and conditions, including representations and warranties, indemnities, dispute resolution and confidentiality provisions, considered standard for an agreement of this nature.

## 6 Material Contracts (cont.)

### 6.2.3 COPPER MOUNTAIN EXPLORATION AND OPTION TO LEASE AGREEMENT

PLC has entered an exploration and option to lease agreement dated 16 September 2022 with Vesper pursuant to which Vesper granted PLC the sole and exclusive right to access and explore and the option to lease two lode claims at the Copper Mountain Project (**Vesper Copper Mountain Claims**). PLC has subsequently executed the option to lease and entered into a 10-year mining lease agreement with Vesper dated 20 September 2022 (**2nd Vesper Lease Agreement**).

The material terms and conditions of the 2nd Vesper Lease Agreement are summarised below:

#### 6.2.3.1 2nd Vesper Lease Agreement

**Lease:** Vesper grants, leases and lets the Vesper Copper Mountain Claims to PLC for purposes of mining all metalliferous and nonmetalliferous minerals of any nature (**Lease**). The parties agree that any additional properties or interest acquired by either party within five (5) miles from the exterior boundaries of the Vesper Black Mountain Claims form part of the Lease and agree to mutually execute any documentation necessary to effectuate their agreement.

**Term:** the Lease expires on 20 September 2032 and shall continue so long as thereafter as mining operation are conducted on the Vesper Black Mountain Claims or continuously pursued with respect to unless or until the Purchase Option (defined below) is exercised (**Term**).

**Grant of Option:** during the Term, PLC has the option to purchase the Vesper Black Mountain Claims from Vesper by written notice to Vesper (**Purchase Option**). On exercise of the Purchase Option, Vesper and PLC have agreed to enter into a purchase and sale deed whereby Vesper will agree to grant all its rights in the Vesper Copper Mountain Claims.

**Consideration:** the following outstanding amounts remain payable by PLC to Vesper as consideration under this agreement:

Consideration	USD
Anniversary payments <sup>1,5</sup>	330,000
Expenditure commitment <sup>2,5</sup>	200,000
Payment of exercise of Purchase Option <sup>3,5</sup>	2,000,000
2% Net Smelter Royalty (during Term) <sup>4,5</sup>	–
<b>Total consideration</b>	<b>2,530,000</b>

**Notes:**

- 1 PLC agrees to pay Vesper US\$20,000 on or before 20 September 2023, US\$30,000 on or before 20 September 2024 and US\$40,000 for each subsequent year up to and including 20 September 2031 (ninth anniversary payment) in consideration for the Lease totalling US\$330,000.
- 2 PLC must expend at least US\$20,000 per year during the Term performing work on the Vesper Copper Mountain Claims or related to the Vesper Copper Mountain Claims (of which no more than 10% can be applied to administrative expenses, costs or fees) up to a maximum required expenditure of US\$200,000.
- 3 PLC agrees to pay Vesper US\$2,000,000 in consideration of the purchase of the Vesper Black Mountain Claims, on exercise of the Purchase Option and entry into a purchase and sale deed. The Purchase Options can be exercised at any time during the Term.
- 4 PLC agrees to pay Vesper a production royalty equal to 2% of net smelter returns resulting from commercial production or commercial mining on the Vesper Black Mountain Claims (Royalty). At any time, PLC has the right and option to purchase all of Vesper's rights to the Royalty by providing written notice to Vesper and making a one-time cash payment of US\$2,000,000 to Vesper.
- 5 All payments to be adjusted for inflation according to the Consumer Price Index (CPI) from 15 September 2022.

**Termination:** the 2nd Vesper Lease Agreement, may be terminated as follows:

- (a) by PLC at any time prior to the expiration of the Term by delivering a written surrender notice to Vesper;
- (b) by Vesper if it believes that PLC is in default under the terms of the 2nd Vesper Lease Agreement and PLC does not commence curing the alleged default within 30 days of notice by Vesper or otherwise contest the alleged default in accordance with the 2nd Vesper Lease Agreement; or
- (c) upon entry into a purchase and sale deed by Vesper and PLC on exercise of the Purchase Option.

The 2nd Vesper Lease Agreement otherwise contains terms and conditions, including representations and warranties, indemnities, dispute resolution and confidentiality provisions, considered standard for an agreement of this nature.

### 6.3 OFFER MANAGEMENT AGREEMENT

Effective from 1 April 2023, the Joint Lead Managers have been mandated by the Company to undertake activities jointly, such activities being reasonably necessary and for the purposes of conducting the Offer and maximising the prospects of the success of the Offer, including (but not limited to) acting as joint lead managers and providing settlement support in respect of the Offer.

On 23 August 2023, the Company and the Joint Lead Managers entered into an Offer Management Agreement to formalise the terms upon which the Joint Lead Managers would manage the Offer.

A summary of fees payable to the Joint Lead Managers in connection with this engagement is listed below:

Offer Management Agreement	
Management Fee <sup>1</sup>	6.25% of total capital raised under the Offer.
Wilson's Retainer <sup>2</sup>	Wilson's \$15,000 per month.
JLM Options <sup>3</sup>	Options equal to 5% of the total number of Shares issued to investors procured by the JLMs under the Offer.
Subsequent Raising Fee	In the event that a capital raising is completed with any third parties introduced by the JLMs, within 6 months of the date of termination or expiry of the Offer Management Agreement, a fee equal to the fees that would have been payable if the subsequent raising had been completed during the term of the Offer Management Agreement.
Takeover Event Fee	In the event the Offer does not complete, and a takeover event occurs within 9 months of the date of Offer Management Agreement, the Company will pay the JLM's a 'Takeover Event Fee' equal to the higher of 50% of the Management Fee and JLM Options or 1% of the Company's enterprise value.

**Notes:**

- <sup>1</sup> The Management Fee is payable in cash, in consideration for services provided by the Joint Lead Managers in connection with the Offer. Pursuant to the Offer Management Agreement, Wilson's will receive 65% of the Management Fee whilst Jett Capital will receive 35% of the Management Fee, subject to each JLM procuring applications to raise at least 25% of the total proceeds from the Offer (**Minimum Capital Amount**). If the capital raised by a JLM is less than the Minimum Capital Amount, the fee payable to each JLM will instead be calculated based on the percentage of total capital raised by each JLM.
- <sup>2</sup> The monthly retainer is payable in cash to Wilson's over the period from May 2023 to completion of the Offer. Pursuant to a separate engagement, the Company has also agreed to pay Jett Capital a monthly work fee of US\$15,000, which is payable to Jett Capital from April 2023 and is intended to be terminated by the Company upon completion of the Offer.
- <sup>3</sup> The JLM options are exercisable at \$0.585 on or before the date that is three (3) years from the date of Official Quotation of the Shares. Pursuant to the Offer Management Agreement, Wilson's will receive 65% of the JLM Options whilst Jett Capital will receive 35% of the JLM Options (or, in the event the Capital Raised by one of the JLMs is less than the Minimum Capital Amount, the number of options issued to each JLM will be based on the percentage of the total capital raised by each JLM).

The Company has also agreed to pay or reimburse the Joint Lead Managers for all reasonable legal costs and expenses incurred by them in connection with the Offer, of up to \$50,000 (plus GST and disbursements), as well as other additional out-of-pocket expenses.

In accordance with the Offer Management Agreement and as is customary with these types of arrangements:

- the Company has (subject to certain usual limitations) agreed to indemnify the Joint Lead Managers, their related bodies corporate, their directors, officers, advisers and employees against any losses arising directly or indirectly in connection with the Offer (including for publicity, regulatory reviews or non-compliance of the Prospectus), or a breach by the Company of any provision of, including representation or warranty given by the Company, the Offer Management Agreement;
- the Company and the Joint Lead Managers have given representations, warranties and undertakings in connection with (among other things) the conduct of the Offer and content of the Prospectus;
- the Joint Lead Managers may (in certain circumstances, including having regard to the materiality of the relevant event) terminate the Offer Management Agreement and be released from their obligations under it on the occurrence of certain events on or prior to the final settlement date of the Offer, including (but not limited to) where:
  - in a material respect, a statement contained in the Offer materials is or becomes misleading or deceptive or likely to mislead or deceive, or the Offer materials omit any information they are required to contain (having regard to the relevant Corporations Act requirements);
  - the ASX does not approve the Listing;

## 6 Material Contracts (cont.)

- (iii) material adverse changes (subject to a materiality threshold) to the financial markets, political or economic conditions of key countries, trading halts on all stock listed on certain stock exchanges, banking moratoriums, hostilities commence or escalate in key countries or a major terrorist act is perpetrated in key countries;
- (iv) subject to a materiality threshold, the Company breaches the Corporations Act, the Competition and Consumer Act, the ASIC Act or the Listing Rules;
- (v) there is a material adverse change, or event involving a prospective material adverse change, in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company or its corporate group;
- (vi) there is a material change arising out of a regulatory investigation or legal actions are commenced against the Company or members of its corporate group;
- (vii) a breach of the representations, warranties and undertakings or default of the Offer Management Agreement; or
- (viii) either the S&P/ASX All Ordinaries Index falls to a level that is 87.5% or less of the level as at the close of trading on day prior to the Bookbuild, and remains at or below that level for at least two consecutive business days, or closes at that level on the business day immediately prior to the settlement of the Offer.

Please note that the above is not an exhaustive list of the termination events in the Offer Management Agreement.

The Offer Management Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

### 6.4 EXECUTIVE SERVICES AND EMPLOYMENT AGREEMENT

#### 6.4.1 MANAGING DIRECTOR – SHANTHAR PATHMANATHAN

The Company has entered into an employment agreement with Shanthar Pathmanathan, pursuant to which Shanthar Pathmanathan has been appointed as Managing Director of the Company (**SP Employment Agreement**). The material terms and conditions of which are summarised below:

<b>Remuneration</b>	\$280,000 per annum (excluding superannuation of \$30,800) (base salary)
<b>Prior Services</b>	<p>The Company acknowledges that Mr Pathmanathan has previously performed services for the Company during the period commencing 1 January 2022 and ending 31 May 2023 (<b>Relevant Period</b>) consistent with those set out in SP Employment Agreement that he has not been fully compensated for.</p> <p>In consideration of these services, the Company has agreed to:</p> <ul style="list-style-type: none"><li>(a) pay Mr Pathmanathan a cash fee of \$172,833 calculated as 50% of the base salary for the relevant period less fees already paid (totalling \$3,000 per month over the relevant period); and</li><li>(b) issue Mr Pathmanathan 502,143 shares calculated as 50% of the base salary for the relevant period less fees already paid (totalling \$3,000 per month over the relevant period) at a deemed average Share price of \$0.34 per Share which were issued on 18 August 2023.</li></ul>
<b>Term</b>	The employment will continue until the SP Employment Agreement is validly terminated in accordance with its terms.
<b>Termination</b>	<p>Either the Company or Mr Pathmanathan may terminate the SP Employment Agreement by providing the other with three months' written notice. The Company may dispense of part or all of the notice period by making payment in lieu of the base salary for the equivalent period.</p> <p>The Company may terminate Mr Pathmanathan's employment summarily for cause without notice or payment in lieu of notice.</p>

The SP Employment Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, non-compete and confidentiality provisions).

#### 6.4.2 EXECUTIVE DIRECTOR APPOINTMENT – FREDERICK FORNI

The Company has entered into an executive services agreement with Fred Forni, pursuant to which Fred Forni has been appointed as Executive Director of the Company (**FF Services Agreement**). The material terms and conditions of which are summarised below:

<b>Remuneration</b>	\$220,000 per annum ( <b>Base Payment</b> )
<b>Equity Remuneration</b>	<p>The Company has agreed to issue Mr Forni (or his nominee) the following number of equity securities as incentive-based remuneration:</p> <ul style="list-style-type: none"> <li>(a) 500,000 Shares on execution of this Agreement, issued on 18 August 2023; and</li> <li>(b) an aggregate of 4,000,000 Performance Rights (to be issued prior to Listing) comprising of: <ul style="list-style-type: none"> <li>(i) 1,000,000 Class A Performance Rights;</li> <li>(ii) 500,000 Class B Performance Rights;</li> <li>(iii) 1,000,000 Class C Performance Rights;</li> <li>(iv) 1,000,000 Class D Performance Rights; and</li> <li>(v) 500,000 Class E Performance Rights,</li> </ul> </li> </ul> <p>on the terms and conditions set out in Section 8.4.</p> <p>The issue of the Performance Rights is subject to ASX granting in-principle confirmation in respect of ASX Listing Rule 6.1 to allow the Company to issue the Performance Rights on the proposed terms. If ASX does not accept the proposed terms of the Performance Rights, Mr Forni acknowledges and agrees that the Company will amend the terms of the Performance Rights in the manner required by ASX.</p>
<b>Prior Services</b>	<p>The Company acknowledges that Mr Forni has previously performed services during the Relevant Period consistent with those set out in FF Services Agreement that he has not been fully compensated for.</p> <p>In consideration of these services, the Company has agreed to:</p> <ul style="list-style-type: none"> <li>(a) pay Mr Forni a cash fee of \$130,333 calculated as 50% of the Base Payment for the Relevant Period less fees already paid (totalling \$3,000 per month over the Relevant Period); and</li> <li>(b) issue Mr Forni 376,607 Shares calculated as 50% of the Base Payment for the Relevant Period less fees already paid (totalling \$3,000 per month over the Relevant Period) at a deemed average Share price of \$0.34 per Share which were issued on 18 August 2023.</li> </ul>
<b>Term</b>	The engagement will continue until the FF Services Agreement is validly terminated in accordance with its terms.
<b>Termination</b>	<p>Either the Company or Mr Forni may terminate the FF Services Agreement by providing the other with three months' written notice. The Company may dispense of part or all of the notice period by making payment in lieu of the Base Payment for the equivalent period.</p> <p>The Company may terminate Mr Forni's engagement summarily for cause without notice or payment in lieu of notice.</p>

The FF Services Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, non-compete and confidentiality provisions).

**6.4.3 NON-EXECUTIVE DIRECTOR APPOINTMENT – NEIL STUART**

The Company has entered into a letter of appointment with Neil Francis Stuart pursuant to which the Company has agreed to pay Mr Stuart \$60,000 per annum (including statutory superannuation) for services provided to the Company as a Non-Executive Director.

In addition, as part of his remuneration package, Mr Stuart will be issued 1,250,000 Performance Rights comprising of:

- (a) 250,000 Class A Performance Rights;
- (b) 250,000 Class B Performance Rights;
- (c) 500,000 Class D Performance Rights; and
- (d) 250,000 Class E Performance Rights,

on the terms and conditions set out in Section 8.4.

The issue of the Performance Rights is subject to ASX granting in-principle confirmation in respect of ASX Listing Rule 6.1 to allow the Company to issue the Performance Rights on the proposed terms. If ASX does not accept the proposed terms of the Performance Rights, Mr Stuart acknowledges and agrees that the Company will amend the terms of the Performance Rights in the manner required by ASX.

The agreement contains additional provisions considered standard for an agreement of this nature.

**6.4.4 NON-EXECUTIVE CHAIRMAN APPOINTMENT – MURRAY BLEACH**

The Company has entered into a letter of appointment with Murray Bleach pursuant to which the Company has agreed to pay Mr Bleach \$84,000 per annum (including statutory superannuation) for services provided to the Company as a Non-Executive Chairman.

In addition, as part of his remuneration package, Mr Bleach will be issued 4,000,000 Performance Rights comprising of:

- (a) 500,000 Class A Performance Rights;
- (b) 500,000 Class B Performance Rights;
- (c) 1,000,000 Class C Performance Rights;
- (d) 1,000,000 Class D Performance Rights; and
- (e) 1,000,000 Class E Performance Rights,

on the terms and conditions set out in Section 8.4.

The issue of the Performance Rights is subject to ASX granting in-principle confirmation in respect of ASX Listing Rule 6.1 to allow the Company to issue the Performance Rights on the proposed terms. If ASX does not accept the proposed terms of the Performance Rights, Mr Bleach acknowledges and agrees that the Company will amend the terms of the Performance Rights in the manner required by ASX.

The agreement contains additional provisions considered standard for an agreement of this nature.

#### 6.4.5 COMPANY SECRETARY – CRAIG MCNAB

The Company has entered a consultancy agreement with Mining Corporate Pty Ltd (**Mining Corporate**) to provide company secretarial services.

Subject to ongoing engagement by the Company, a monthly fee will be agreed to upon the official admission of the company to the ASX. In addition to the fee, the parties agree Mining Corporate will charge an administration fee of 2% of the fee set to cover incidental costs such as printing and telephone.

In addition, as part of its remuneration package, Mining Corporate (or its nominees) will be issued an aggregate of 650,000 Performance Rights comprising of:

- (a) 250,000 Class A Performance Rights; and
- (b) 400,000 Class F Performance Rights,

on the terms and conditions set out in Section 8.4.

The issue of the Performance Rights is subject to ASX granting in-principle confirmation in respect of ASX Listing Rule 6.1 to allow the Company to issue the Performance Rights on the proposed terms. If ASX does not accept the proposed terms of the Performance Rights, Mining Corporate acknowledges and agrees that the Company will amend the terms of the Performance Rights in the manner required by ASX.

The agreement otherwise contains terms and conditions considered standard for an agreement of this nature.

#### 6.4.6 CHIEF STRATEGY OFFICER – RAMESH CHAKRAPANI

The Company has entered into a consultancy agreement (**RC Consultancy Agreement**) with Ramesh Chakrapani through The DivZero Group Limited Liability Company (**DivZero**) pursuant to which the Company has agreed to pay Mr Chakrapani \$180,000 per annum.

In addition, the Company has agreed to issue Mr Chakrapani (or his nominee) the following non-cash remuneration:

- (a) 250,000 Shares (to be issued prior to Listing);
- (b) 250,000 Options exercisable at \$0.50 on or before 31 March 2024 and otherwise on the terms set out in Section 8.3 (to be issued prior to Listing); and
- (c) a total of 2,500,000 Performance Rights (to be issued prior to Listing), comprising, 1,000,000 Class A, 500,000 Class B, 500,000 Class C and 500,000 Class D, on the terms and conditions set out in Section 8.4.

The issue of the Performance Rights is subject to ASX granting in-principle confirmation in respect of ASX Listing Rule 6.1 to allow the Company to issue the Performance Rights on the proposed terms. If ASX does not accept the proposed terms of the Performance Rights, Mr Chakrapani acknowledges and agrees that the Company will amend the terms of the Performance Rights in the manner required by ASX.

The engagement will continue until the RC Consultancy Agreement is validly terminated in accordance with its terms. Either party to the RC Consultancy Agreement may terminate it by giving three (3) months written notice to the other party. The RC Consultancy Agreement may also be terminated by the Company summarily for cause without notice or payment in lieu of notice.

The RC Consultancy Agreement otherwise contains terms and conditions considered standard for an agreement of this nature (including representations and warranties, non-compete and confidentiality provisions).

### 6.5 DEEDS OF INDEMNITY, INSURANCE AND ACCESS

The Company is party to a deed of indemnity, insurance and access with each of the Directors. Under these deeds, the Company indemnifies each Director to the extent permitted by law against any liability arising as a result of the Director acting as a director of the Company. The Company is also required to maintain insurance policies for the benefit of the relevant Director and must allow the Directors to inspect board papers in certain circumstances. The deeds are considered standard for documents of this nature.

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NEVADA

# 7 Taxation

Resurgent East

Resurgent North

**RESURGENT**  
CLAYSTONE LITHIUM



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# 7 Taxation

## 7.1 TAXATION CONSIDERATIONS

This Section provides a general summary of the Australian tax implications for Australian resident investors who participate in the Offer and hold their Shares on capital account.

The comments below are not specific advice to investors. The application of tax legislation may vary according to your individual circumstances and the comments below may not be applicable to you and cannot be relied on. You should seek and rely on your own independent tax advice in relation to the tax consequences of participating in the Offer. Neither the Company, nor any of its employees, officers, or its advisers accept any liability or responsibility with respect to the tax consequences.

The following tax comments are based on the tax law in Australia in force as at the Prospectus Date. Australian tax laws are complex. This summary is not an authoritative or complete statement of all potential tax implications for each investor. During the period of ownership of the Shares by investors, the taxation laws of Australia, or their interpretation, may change. The precise implications of ownership or disposal will depend upon each investor's specific circumstances. Investors should seek their own professional advice on the taxation implications of holding or disposing of the Shares.

The following information is a general summary of the Australian income tax and duty implications for Australian resident individuals, complying superannuation entities, trusts, partnerships and corporate investors. These comments do not apply to, or address the tax considerations applicable to:

- (a) investors who are not residents of Australia for tax purposes (or become non-residents of Australia for tax purposes);
- (b) investors who hold Shares on revenue account or as trading stock;
- (c) investors who are exempt from Australian income tax;
- (d) investors who acquire their Shares under an employee share scheme; or
- (e) investors subject to the Taxation of Financial Arrangements regime in Division 230 of the *Income Tax Assessment Act 1997* (Cth).

Taxation issues, such as (but not limited to) those covered by this Section 7.1 are only one of the matters an investor needs to consider when making a decision about their investments. This Section 7.1 does not constitute financial product advice (as defined in the *Corporations Act 2001* (Cth)). Investors should consider seeking advice from an independent adviser who holds an Australian Financial Services Licence before making such a decision.

### 7.1.1 DIVIDENDS PAID ON SHARES

Dividends may be paid on a Share by the Company and the Company may attach 'franking credits' to any dividends paid. A dividend may be fully franked, partly franked, or unfranked. Franking credits broadly represent the extent to which a dividend is paid by the Company out of profits that have been previously subject to Australian corporate income tax.

It is noted for completeness that the concept of a dividend for Australian tax purposes is broad and can include payments in respect of an off-market share buy-back.

#### (a) Australian resident individuals and complying superannuation entities

Dividends paid by the Company on a Share should constitute assessable income of an Australian tax resident investor.

Individuals or complying superannuation entities (that are Australian tax residents) should include the dividends in their assessable income for the year in which the dividend is paid, together with any franking credits attached to that dividend provided they are a 'qualified person' (refer to section 7.1.1(d) below).

Such investors should be entitled to a tax offset equal to the franking credits attached to the dividends. The tax offset can be applied to reduce the tax payable on the investor's taxable income. Where the tax offset exceeds the tax payable on the investor's taxable income, the investor should be entitled to a tax refund equal to the excess.

To the extent that the dividend is unfranked, an investor will generally be taxed on the dividends received at their marginal rate (with no tax offset) plus the Medicare levy (if applicable).

**(b) Corporate investors**

Corporate investors are required to include the dividend and the associated franking credits (if any) in their assessable income (provided they are a 'qualified person' (refer to section 7.1.1(d) below)). Corporate investors should be entitled to a tax offset equal to the amount of the franking credits (if any) attached to the dividend.

Excess franking credits received by corporate investors will not give rise to a refund for a company but may be converted into carry forward tax losses.

An Australian resident corporate investor should be entitled to a credit in its own franking account to the extent of the franking credits attached to the distribution received. This will allow the corporate investor to pass on the franking credits to its shareholders by the payment of franked dividends.

**(c) Trusts and partnerships**

Investors who are trustees (other than trustees of complying superannuation entities or trusts that are taxed as companies) or partnerships should include any dividends paid by the Company in determining the net income of the trust or partnership. Subject to the 'qualified person' rules (outlined in section 7.1.1(d) below), any franking credits attached to dividends received should also be included in the net income of the trust or partnership. As a result, the relevant beneficiary of the trust or partner may be entitled to a tax offset equal to the beneficiary's/partner's share (as relevant) of the franking credits received by the trust or partnership.

**(d) Qualified Persons**

Where an investor is not a 'qualified person', any franking credits on a dividend would not be included in their assessable income and the investor would not be entitled to a tax offset.

Broadly, to be a 'qualified person', an investor must satisfy the holding period rule and if necessary, the related payment rule.

The holding period rule generally requires shares to be held 'at risk' for a continuous period of more than 45 days (which is measured as the period commencing the day after the shares were acquired by the investor and ending on the 45th day after the shares become ex-dividend (i.e. on the day after the record date for the dividend)).

Under the related payment rule, a different testing period applies where the investor has made, or is under an obligation to make, a related payment in relation to the dividend. The related payment rule requires the investor to have held the shares at risk for the continuous 45 day period as above but within the period commencing on the 45th day before, and ending on the 45th day after, the day the shares become ex-dividend.

There are specific integrity rules that prevent taxpayers from obtaining a tax benefit from additional franking credits where dividends are received as a result of 'dividend washing' arrangements (which broadly involves disposing of shares ex-dividend and re-purchasing the shares on a cum-dividend basis).

These rules are subject to exceptions and special rules that apply to trusts and beneficiaries. The 'qualified persons' rules and the integrity provisions associated with claiming tax offsets for franking credits are complex and investors should seek independent tax advice on the tax consequences arising in their circumstances.

**7.1.2 DISPOSAL OF SHARES**

Australian resident investors that hold their Shares on capital account will generally be subject to Australian capital gains tax (CGT) regime on the disposal of their Shares. The comments below are not applicable for investors that hold their Shares on revenue account, as trading stock or subject to Taxation of Financial Arrangements regime.

Under the CGT regime, an investor will derive:

- (a) a capital gain on the disposal of their Shares where the capital proceeds received on disposal exceeds the cost base of the Shares; or
- (b) a capital loss on the disposal of their shares where the capital proceeds received on disposal is less than the reduced cost base of the Shares.

The CGT cost base of the Shares is broadly the amount paid to acquire the Shares plus any non-deductible transaction and incidental costs (less any amounts received as a return of capital).

In an arm's length transaction, the capital proceeds will generally be the proceeds from the sale. However, the capital proceeds can be substituted with the market value of the Shares in certain circumstances.

A CGT discount may be available to reduce the capital gain (after offsetting any current or prior year capital losses) where the investor is an individual, trustee or complying superannuation entity provided that the Shares that are disposed of were held for at least 12 months prior to the disposal.

The CGT discount for individuals and trusts is 50% and for complying superannuation entities is 33⅓%.

Where the investor is the trustee of a trust (other than the trustee of a complying superannuation entity or a trust that is taxed as a company) that has held the Shares for at least 12 months before disposal, the CGT discount may flow through to presently entitled beneficiaries of the trust where the beneficiaries would themselves be entitled to apply the CGT discount. Investors should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.

If an investor derives a net capital gain, the net capital gain should be included in the investor's assessable income. Capital losses may only be offset against capital gains realised by the investor in current or future income years, subject to certain loss recoupment tests being satisfied. Capital losses cannot be offset against other assessable income.

Investors should seek their own professional advice in respect of the consequences of a disposal of (or any other dealings in relation to) their Shares.

#### **7.1.3 TAX FILE NUMBERS**

An investor is not required to quote their tax file number (TFN) or where relevant, an Australian Business Number (ABN) to the Company. However, if their TFN or ABN is not quoted, Australian tax may be required to be deducted by the Company from dividends paid at the maximum marginal tax rate for the relevant income year plus the Medicare levy (if applicable).

#### **7.1.4 DUTY**

No transfer duty or landholder duty should be payable by investors on the acquisition of the Shares.

Investors should seek their own tax advice as to the potential for duty in their own particular circumstances.

#### **7.1.5 AUSTRALIAN GOODS AND SERVICES TAX (GST)**

The acquisition, redemption or disposal of the Shares by an Australian resident (registered for GST) would generally be an input taxed financial supply, and therefore should not be subject to GST.

An Australian resident investor registered for GST may not be entitled to claim full input tax credits in respect of GST on expenses incurred relating to the acquisition or disposal of the Shares.

Investors should seek their own tax advice on the impact of GST in their own particular circumstances.

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NEVADA

# 8 Additional Information

Resurgent East

Resurgent North

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CLAYSTONE LITHIUM

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## 8 Additional Information

### 8.1 LITIGATION

A former Director, Jasveer Jessy, claims that the Company owes him 320,000 Options which ought to have been issued to him for providing financial assistance to the Company (the terms of which Options are unascertained), unpaid capital raising fees (the amount nor the entity to which it relates has not been notified) and certain other immaterial reimbursements. He also claims that FMSL owes allegedly accrued interest on a now fully redeemed convertible note in FMSL. The Company and FMSL dispute the validity of each of these claims and are unaware of any documentation or other basis which supports his claims.

Otherwise, as at the date of 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.

### 8.2 RIGHTS ATTACHING TO SHARES

A summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus is detailed below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attached to the Shares in any specific circumstance, the Shareholder should seek legal consultation.

#### (a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to vote at general meetings of the Company. The Company's constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.

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

#### (b) Voting rights

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

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by them in respect of which they are appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

#### (c) Dividend rights

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

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

## 8 Additional Information (cont.)

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

### (d) Winding-up

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

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

### (e) Shareholder liability

As the Shares issued under the Offer and Consideration Offers 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 Shares as they shall, in their absolute discretion, determine.

### (h) Variation of rights

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

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

### (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.

### 8.3 TERMS AND CONDITIONS OF OPTIONS

The following terms and conditions apply to each of the Options currently on issue and the JLM Options:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option is as follows (**Exercise Price**):

Option class	Number of Options	Exercise Price
<b>Options on issue</b>		-
Class B (presently on issue)	5,290,667	\$0.25
Class C (presently on issue)	920,222	\$0.45
Class D (presently on issue)	771,000	\$0.52
Class E (to be issued to consultant prior to Listing)	250,000	\$0.50
JLM Options (to be issued to the JLMs or their nominee/s prior to Listing)	1,722,222	\$0.585

(c) **Expiry Date**

Each Option will expire at 5:00pm (AWST) on the dates set out below (**Expiry Date**):

Option class	Number of Options	Expiry Date
<b>Options on issue</b>		-
Class B	5,290,667	31 December 2024
Class C	920,222	30 June 2024
Class D	771,000	23 December 2024
Class E (to be issued to a consultant)	250,000	31 March 2024
JLM Options	1,722,222	Three (3) years from date of Official Quotation of the Shares

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Share on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708(A)(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

## 8 Additional Information (cont.)

(iii) if admitted to the Official List at the time, apply for Official Quotation of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issued of capital offered to Shareholders during the pendency of the Options without exercising the Options.

(k) **Change in Exercise Price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are not transferable, except with the prior written approval of the company and subject to compliance with the Corporations Act.

### 8.4 TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The following terms and conditions apply to the Performance Rights proposed to be on issue at Listing:

(a) **Plan**

For any Performance Rights issued under the Plan (as summarized in Section 8.6), in the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.

(b) **Entitlement**

Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder on conversion, to be issued one Share.

(c) Vesting conditions

Performance Right class	Number of Performance Rights	Vesting Criteria ("Milestones")
Class A	3,100,000	Receipt of conditional listing approval from ASX, on terms satisfactory to the Company.
Class B	1,800,000	The Company's 20-day volume weighted average share price (calculated across 20 consecutive trading days on which the Company's shares actually traded) (20-day VWAP) reaching 200% higher than the Offer price.
Class C	2,500,000	The Company's 20-day VWAP reaching 500% higher than the Offer share price.
Class D	3,000,000	Either (1) when drilling on a project prospective for claystone-type mineralised systems ( <b>Claystone Project</b> ), the completion of 10 drill holes (within an 8km <sup>2</sup> area) which drill holes are comprised of at least 450 metres of cumulative intersections with an average grade of 750 ppm lithium (as verified by a Competent Person*); or (2) when drilling on a project prospective for pegmatite-type ("hard-rock") mineralised systems ( <b>Hard Rock Project</b> ), the completion of 10 drill holes (within a 3km <sup>2</sup> area) which drill holes are comprised of at least 300 metres of cumulative intersections with an average grade of 1.00% lithium oxide (Li <sub>2</sub> O)(as verified by a Competent Person*).
Class E	1,750,000	The Company announcing to ASX either (1) a 20Mt Indicated and/or Measured Mineral Resource* at a minimum grade of 1.0% Li <sub>2</sub> O for a Hard-rock Project (as verified by a Competent Person*), or (2) a 400Mt Indicated and/or Measured Mineral Resource* at a minimum grade of 1,000 ppm lithium for a Claystone Project (as verified by a Competent Person*).
Class F	400,000	Satisfaction of each of the following:  (a) receipt of conditional listing approval from ASX, on terms satisfactory to the Company; and  (b) the Recipient remaining engaged in the role of company secretary of the Company for 12 months following the date of issue of the Performance Rights.

\*As defined in the Australiasion Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition.

(d) **Independent verification**

Each Milestone must be independently verified upon achievement before the applicable Performance Rights attaching to that Milestone may vest.

(e) **Exercise Price**

The Exercise Price of each vested Performance Right is nil.

(f) **Expiry Date**

Performance Rights expire on the date that is (**Expiry Date**):

- (i) where a Performance Right has vested, the date which is 3 months from the date of vesting; and otherwise,
- (ii) for Class A, the first anniversary of their issue date, for Classes B, C and D, the third anniversary of their issue date, for Class E, the fourth anniversary of their issue date, and for Class F, the date which is 15 months after their issue date.

A Performance Right that has not been converted to Shares prior to the Expiry Date will automatically lapse on the Expiry Date.

## 8 Additional Information (cont.)

### (g) Conversion

Upon vesting, each Performance Right will, at the holder's election, convert into Shares on a one for one basis. The holder may apply to convert vested Performance Rights at any time prior to the Expiry Date by filling out a notice of conversion in the form provided by the Company and returning the form to the Company Secretary (**Notice of Conversion**).

### (h) Timing of issue of Shares and quotation of Shares on conversion

As soon as practicable after the issue of a Notice of Conversion by the Holder, the Company will:

- (i) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
- (ii) if required, issue a substitute holding certificate for any remaining unexercised Performance Rights held by the holder; and
- (iii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act. However, if the Company is required but is prohibited by law from giving ASX a valid notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of the Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

### (i) Shares issued on exercise

All Shares issued upon the conversion of Performance Rights will rank *pari passu* in all respects with the then Shares of the Company.

### (j) Transfer

The Performance Rights are not transferable.

### (k) Lapse of a Performance Right

If the Milestone attached to the relevant Performance Right has not been satisfied within the time period set out in paragraph (f), the relevant Performance Rights will automatically lapse.

### (l) Participation in new issues

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

### (m) Reorganisation of capital

If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

### (n) Adjustment for bonus issue

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.

### (o) Dividend and voting rights

The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.

### (p) Quotation

No application for quotation of the Performance Rights will be made by the Company.

### (q) No rights to return of capital

A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

### (r) Rights on winding up

A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

(s) **No other rights**

A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

(t) **Subdivision 83AC-C**

Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to the Performance Rights.

(u) **Ceasing to be engaged by the Company**

Where the holder of the Performance Rights ceases in their role as a director, an employee or a consultant of the Company (as applicable), all unvested Performance Rights will automatically be forfeited by the Holder, unless the Board otherwise determines in its discretion to permit some or all of the Performance Rights to vest. The holder shall maintain legal and beneficial ownership of any Performance Rights that have vested but are yet to convert to Shares.

(v) **Change of Control**

Upon:

(i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:

- a. having received acceptances for not less than 50.1% of the Company's Shares on issue; and
- b. having been declared unconditional by the bidder; or

(ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent any Performance Rights remain unvested, the vesting of such Performance Rights will be accelerated and the Performance Rights will automatically convert into Shares on a one-for-one basis.

## **8.5 FURTHER INFORMATION REGARDING PERFORMANCE RIGHTS**

The following additional information is provided with respect to the Performance Rights proposed to be issued by the Company to Directors, employees and consultants (together, the **Recipients**) prior to Listing, in accordance with ASX Guidance Note 19.

- (a) The Performance Rights are being issued to the Recipients as part of their respective remuneration packages, in order to link part of the remuneration payable to the recipients to specific performance milestones set out in Section 8.4 of the Prospectus. The Performance Rights are being issued to incentivise the Recipients and are not ordinary course of business remuneration securities.
- (b) A summary of the agreements for each of the Recipients (being Mr Frederick Forni, Mr Neil Stuart, Mr Murray Bleach, Mining Corporate Pty Ltd, DivZero and Mr Trinity Cooper) are included at Sections 6.4.2 to 6.4.6 of the Prospectus.

The Company considers that each of the Recipients will play a significant role in meeting the Milestones attaching to their respective Performance Rights. Specifically:

(a) Fred Forni: Executive Director

<b>Class A</b>	Mr Forni was intimately involved in structuring the Chariot group in preparation for Listing. Given the nature of the Chariot group structure, this work involved advising on numerous, complex cross-border (Australia-U.S.A.) matters. As a qualified lawyer, Mr Forni has effectively acted as the group's de-facto general counsel and has been instrumental in preparing the Prospectus and reviewing a host of other legal documents in connection with the Listing.
<b>Class B and C</b>	Mr Forni will lead the strategy and planning processes of the Company, legal and regulatory compliance requirements and reviewing, approving, implementing and monitoring the business plan and annual budget.  Mr Forni will also ensure that the Company, whilst executing on its operational plan, will be safe guarded from potential risks that could otherwise undermine Share price performance.
<b>Class D and E</b>	Mr Forni is expected to contribute towards the management of the Company, procurement of financing and corporate structure planning needed to achieve the drilling milestones (re Class D) and facilitate the definition of a Mineral Resource (re Class E), as applicable.

(b) Murray Bleach: Non-Executive Chairman

<b>Class A</b>	Mr Bleach's involvement is believed to be important to increasing the Company's credibility with institutional investors and enhancing the prospects of a successful IPO. In addition, Mr Bleach has been involved in reviewing the Prospectus and associated documentation in connection with the Listing.
<b>Class B and C</b>	Mr Bleach will be required to organise the Board and will be required to facilitate the management of the business through various corporate governance measures in order to safeguard against risks that could otherwise undermine the Share price performance and Company valuation.  Mr Bleach will also be involved in marketing the Company to various parties in the financial markets and other customary responsibilities for a Non-Executive Chairman of a mineral exploration company that have a clear and direct impact on Company value.
<b>Class D and E</b>	Mr Bleach will be required to contribute towards the overarching corporate governance and management of the Company to facilitate the realisation of the drilling and resource milestones (as applicable). In his role as Non-Executive Chairman, Mr Bleach will be tasked with, among other things: (a) leadership of the Board, for the efficient organisation and conduct of the Board's function, (b) bringing independent judgement to bear on issues of strategy, performance, present and future availability and utilisation of resources and standards of conduct and (c) monitoring the performance of management in meeting agreed goals and objectives and ensuring that the necessary financial and human resources are in place to enable the Company to meet those goals and objectives.

(c) Neil Stuart: Non-Executive Director

<b>Class A</b>	Mr Stuart has contributed towards the development of the Company's exploration plan and, with extensive experience in the mining industry, brings credibility to the Company from the standpoint of the institutional investor community.  The Company believes Mr Stuart involvement as a director is instrumental the success of the ASX listing.
<b>Class B and C</b>	Mr Stuart will provide high level advice to our operational and technical teams to ensure the best possible exploration outcomes to achieve share price milestones.  Mr Stuart will also be involved in marketing the Company to various parties in the financial markets and other customary responsibilities for a Non-Executive Director of a mineral exploration company that have a clear and direct impact on Company value.
<b>Class D and E</b>	Mr Stuart will provide crucial geological and technical advice and guidance on the Company's exploration activities to facilitate the realisation of the drilling and Mineral Resource milestones (as applicable).

(d) **Ramesh Chakrapani: Chief Strategy Officer**

<b>Class A</b>	<p>Mr Chakrapani has been responsible for project-managing the Listing process, including preparation of the Prospectus and selected materials and analysis for use in discussions with advisors, investors and other counterparties.</p> <p>Mr Chakrapani also has had the most significant role in drafting the Prospectus (outside of the Company's legal advisors) and served as the representative for the independent committee of the Board in negotiating the FMSL and WLPL Acquisitions.</p>
<b>Class B and C</b>	<p>Mr Chakrapani will be responsible for managing and developing financing strategies/options for the Company. These activities will include possible future capital raises, strategic transactions involving the current portfolio and possible future divestments to enable shareholder value growth on an accretive basis.</p> <p>Mr Chakrapani will also be involved in marketing the Company to various parties in the financial markets including but not limited to potential investors, strategic partners and capital raising advisors (as appropriate) to enhance shareholder value.</p>
<b>Class D and E</b>	<p>Mr Chakrapani will be required to develop the corporate strategy, marketing materials, and financing opportunities and transactions to finance the Company. These financings will enable the Company to execute its exploration plans in order to satisfy the drilling and Mineral Resource milestones (as applicable).</p> <p>Mr Chakrapani will also review exploration and drilling plans at a high level to ensure they reflect the Company's priorities and to ensure projects are adequately resourced.</p>

(e) **Trinity Cooper: Corporate Development Analyst**

<b>Class A</b>	<p>Mr Cooper has assisted with numerous aspects of the Listing process, including drafting the Prospectus and associated documentation, assisting with prospectus and acquisition due diligence and coordinating the involvement of various stakeholders and shareholders in connection with the Listing process.</p>
<b>Class B</b>	<p>Mr Cooper will be responsible for providing analytical support for strategic decision-making, financing activities and M&amp;A transactions to support the growth of the Company.</p>

(f) **Mining Corporate**

<b>Class A and F</b>	<p>Mining Corporate has been responsible for completing the financial information of the Prospectus and managing the Auditors and Independent Assurance Report. In addition, Mining Corporate have provided general tax, accounting, governance and general secretarial services for the Company, including advice/services relating to the complex pre-Listing structuring matters, beyond that which is typical for a company secretary of a mineral exploration company.</p> <p>Post-Listing, Mining Corporate will be expected to manage more complex accounting, taxation, corporate governance and general company secretarial matters than is typical for a company secretary of an ASX listed mineral exploration company, due to the complex, cross-border nature of the Chariot group structure at Listing. Mining Corporate's role in co-ordinating and managing these services across the various group entities (particularly the tax and accounting matters) is considered a critical aspect of the Company's business and overall performance. In addition, Mining Corporate will also be inherently involved in the longer-term outlook of Chariot by providing accounting, tax, compliance and secretarial services in connection with any value accretive transactions that are investigated or consummated by the Company pursuant to its growth agenda.</p>
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Details of the existing total remuneration package for the Recipients is disclosed at Sections 6.4.2 to 6.4.6 of the Prospectus.

Details of the security holdings of the Messrs Forni, Stuart and Bleach (assuming completion of the Offer) are set out in Section 5.5 of the Prospectus. On Listing, DivZero (together with its associates) will have an interest in 410,000 Shares, 250,000 Options (exercisable at \$0.50 on or before 31 March 2024) and 1,000,000 Class A, 500,000 Class B, 500,000 Class C and 500,000 Class D

## 8 Additional Information (cont.)

Performance Rights, Mining Corporate Ltd (together with its associates) will have an interest in 200,000 Shares and 250,000 Class A and 400,000 Class F Performance Rights and Mr Cooper will have an interest in 250,000 Shares and 100,000 Class A and 50,000 Class B Performance Rights.

The Company considers it necessary and appropriate to further remunerate and incentivise the Recipients to achieve the applicable performance milestones for the following reasons:

- (a) the issue of Performance Rights to the Recipients will further align the interests of the Recipients with those of Shareholders;
- (b) the Performance Rights are unlisted, therefore the grant of the Performance Rights has no immediate dilutionary impact on Shareholders;
- (c) the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Recipients; and
- (d) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights on the terms proposed.

The number of Performance Rights to be issued to each of the Recipients was determined by the Board following arm's length negotiations with each of the Recipients, and having regard to:

- (a) the financial benefit that the Recipients will obtain on satisfaction of the milestones, which is reasonable and commensurate when compared against the significant additional value of the Company in the event that the milestones are satisfied, compared to if the milestones are not satisfied;
- (b) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
- (c) the overall remuneration packages of the Recipients; and
- (d) incentives to attract and retain the services of the Recipients, who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.

The Board considers the number of Performance Rights to be appropriate and equitable for the following reasons:

- (a) the Performance Rights are consistent with ASX's policy regarding the base requirements for performance securities, which are detailed in section 9 of ASX Guidance Note 19;
- (b) the number of Shares into which the Performance Rights will convert if the milestones are achieved is fixed (one for one) which allows investors and analysts to readily understand and have reasonable certainty as to the impact on the Company's capital structure if the milestones are achieved;
- (c) there is an appropriate link between the milestones and the purposes for which the Performance Rights are being issued and the conversion milestones are clearly articulated by reference to objective criteria;
- (d) there is an appropriate link to the benefit of Shareholders and the Company at large through the achievement of the milestones, which have been constructed so that satisfaction of the milestones will be consistent with increases in the value of Company's business;
- (e) the Performance Rights which are proposed to be issued represent a small proportion of the Company's issued capital upon Listing (less than 10% of issued Share capital); and
- (f) the Performance Rights have an expiry date by which the milestones are to be achieved and, if the milestones are not achieved by that date, the Performance Rights will lapse.

## 8.6 SUMMARY OF THE COMPANY'S EMPLOYEE SECURITIES INCENTIVE PLAN

The Chariot Employee Incentive Plan (**Plan**) was adopted by the Board on or about the date of this Prospectus. The full terms of the Plan may be inspected at the registered office of the Company during normal business hours.

The material terms of the Plan are summarised below:

<b>Eligible Participant</b>	<p><b>Eligible Participant</b> means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.</p> <p>Directors are entitled to participate in the Plan.</p>
<b>Purpose</b>	<p>Purpose The purpose of the Plan is to:</p> <ul style="list-style-type: none"> <li>(a) assist in the reward, retention and motivation of Eligible Participants;</li> <li>(b) link the reward of Eligible Participants to Shareholders value creation; and</li> <li>(c) align the interest of Eligible Participants with shareholders of the Group by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Shares, Options and Performance Rights (<b>Securities</b>).</li> </ul>
<b>Maximum number of Securities</b>	<p>The Company will not make an invitation under the Plan which involves monetary consideration if the number of Plan Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b).</p> <p>The maximum number of equity securities proposed to be issued under the Plan, is 8,250,460 Securities. It is not envisaged that the maximum number of Securities will be issued immediately.</p>
<b>Plan administration</b>	<p>The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the <b>Participant</b> (being an Eligible Participant who has been granted securities under the Plan) relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.</p>
<b>Eligibility, invitation and application</b>	<p>The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination) of the Securities provided under the Plan on such terms and conditions as the Board decides.</p> <p>On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.</p> <p>If permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.</p>
<b>Grant of Securities</b>	<p>The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.</p>

<b>Rights attaching to Convertible Securities</b>	<p>Each <b>Convertible Security</b> (being an Option or Performance Right issued under the Plan) represents a right to acquire one or more Shares in accordance with the Plan.</p> <p>Prior to a Convertible Security being exercised, the holder:</p> <ul style="list-style-type: none"> <li>(a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than as expressly set out in the Plan;</li> <li>(b) is not entitled to receive notice of, or to vote or attend at a meeting of the shareholders of the Company;</li> <li>(c) may not sell, assign, transfer, grant or otherwise deal with a Convertible Security that has been granted to them;</li> <li>(d) is not entitled to receive any dividends declared by the Company; and</li> <li>(e) is not entitled to participate in any new issue of Shares (see Adjustment of Convertible Securities below).</li> </ul>
<b>Restrictions on dealing with Convertible Securities</b>	<p>Convertible Securities issued under the Plan cannot be sold, assigned, transferred, have a security interest granted over or otherwise dealt with unless in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the holder) with the consent of the Board in which case the Convertible Securities may be exercisable.</p> <p>A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.</p>
<b>Vesting of Convertible Securities</b>	<p>Any vesting conditions which must be satisfied before Convertible Securities can be exercised and converted to Shares will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant of the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.</p>
<b>Forfeiture of Convertible Securities</b>	<p>Convertible Securities will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> <li>(a) the case of unvested Convertible Securities only, where the holder ceases to be an Eligible Participant (e.g. is no longer employed or their office or engagement is discontinued with the Group);</li> <li>(b) where a Participant acts fraudulently or dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group;</li> <li>(c) where there is a failure to satisfy the vesting conditions in accordance with the Plan;</li> <li>(d) on the date the Participant becomes insolvent; or</li> <li>(e) on the Expiry Date.</li> </ul>
<b>Listing of Convertible Securities</b>	<p>A Convertible Security granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of an Option granted under the Plan on the ASX or any other recognised exchange.</p>

<b>Exercise of Convertible Securities and cashless exercise</b>	<p>To exercise a security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Securities (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.</p> <p>An invitation to apply for Convertible Securities may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.</p> <p><b>Market Value</b> means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.</p> <p>Convertible Securities may not be exercised unless and until that security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.</p>
<b>Timing of issue of Shares and quotation of Shares on exercise</b>	<p>Within five business days after the issue of a valid notice of exercise by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.</p>
<b>Restriction periods and restrictions on transfer of Shares on exercise</b>	<p>If the invitation provides that any Shares issued upon the valid exercise of a Convertible Security are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.</p> <p>Additionally, Shares issued on exercise of the Convertible Securities are subject to the following restrictions:</p> <ul style="list-style-type: none"> <li>(a) if the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Convertible Securities may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Act;</li> <li>(b) all Shares issued on exercise of the Convertible Securities are subject to restrictions imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available; and</li> <li>(c) all Shares issued on exercise of the Convertible Securities are subject to the terms of the Company's Securities Trading Policy.</li> </ul>
<b>Rights attaching to Shares on exercise</b>	<p>All Shares issued upon exercise of Convertible Securities will rank equally in all respects with the then Shares of the Company.</p>
<b>Change of control</b>	<p>If a change of control event occurs (being an event which results in any person (either alone or together with associates) owning more than 50% of the Company's issued capital), the Board may in its discretion determine the manner in which any or all of the holder's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from or in connection with the change of control event. The Board may specify in the Invitation how the Convertible Securities will be treated on a change of control event occurring, or the Board determining that such event is likely to occur.</p>
<b>Participation in entitlements and bonus issues</b>	<p>Subject always to the rights under the following two paragraphs, Participants will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.</p>

<b>Adjustment for bonus issue</b>	If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the Participant is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the Participant if the Participant held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.
<b>Reorganisation</b>	If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.
<b>Buy-Back</b>	Subject to applicable law, the Company may at any time buy-back Securities in accordance with the terms of the Plan.
<b>Employee Share Trust</b>	The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Convertible Securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Convertible Securities.
<b>Amendment of plan</b>	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) terms and conditions upon which any securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or futures effect.</p> <p>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or that is agreed to in writing by all Participants.</p>
<b>Plan duration</b>	<p>The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.</p> <p>If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.</p>
<b>Income Tax Assessment Act</b>	The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.

## 8.7 INTERESTS OF DIRECTORS

Other than as set out in this Prospectus, no 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 Offers; or
- (c) the Offers,

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

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

## **8.8 INTERESTS OF PROMOTERS, EXPERTS AND ADVISERS**

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

- (a) persons 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 financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds at the date of this Prospectus, or has held within the two years preceding lodgement of this Prospectus with 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 Offers; or
- (f) the Offers,

and no amount 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 with the formation or promotion of the Offers.

### **8.8.1 SHARE REGISTRY**

Automatic Registry Services has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus and will be compensated for these services on standard industry terms and conditions.

### **8.8.2 AUDITOR**

Moore Australia Audit (WA) (**Moore Audit**) has been appointed to act as auditor to the Company. The Company has been invoiced a total of \$34,600 (excluding GST) for audit services for the year ended 31 December 2022. During the 24 months preceding lodgement of this Prospectus with ASIC, Moore has provided other audit services to the Company, the total value of these services was \$11,500.

### **8.8.3 AUSTRALIAN LEGAL ADVISERS**

Steinepreis Paganin has acted as the Australian legal advisers to the Company primarily in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$170,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with ASIC, Steinepreis Paganin has provided legal services to the Company, the total value of these services was \$319,235 (excluding GST and disbursements). These services were in respect of the Company's general corporate legal matters.

### **8.8.4 INDEPENDENT GEOLOGIST – WYOMING LITHIUM AND NYAMUKONO PROJECTS**

CSA Global has acted as the Independent Geologist for the Company in respect to the Wyoming Lithium Projects and has prepared the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) which is included at Annexure A of this Prospectus. The Company estimates it has or will pay CSA Global approximately \$85,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, CSA Global has provided geology and exploration consultancy services to the Company, the total value of these services was \$94,217.

## 8 Additional Information (cont.)

### 8.8.5 INDEPENDENT GEOLOGIST – RESURGENT PROJECT

SRK has acted as the Independent Geologist for the Company in respect to the Resurgent Project and has prepared the Independent Technical Assessment Report (Resurgent Project) which is included at Annexure B of this Prospectus. The Company estimates it has or will pay SRK approximately US\$65,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, SRK has received no other fees from the Company.

### 8.8.6 AUTHORS OF SOLICITOR'S REPORT ON TITLE (WYOMING LITHIUM PROJECTS)

Crowley Fleck PLLP have prepared the Solicitor's Report on Title (Wyoming Lithium Projects) which is included at Annexure C of this Prospectus. The Company estimates it has or will pay Crowley Fleck PLLP approximately US\$47,703 for that Report. During the 24 months preceding lodgement of this Prospectus with ASIC, Crowley Fleck PLLP received approximately US\$48,160 in fees from the Company for their other previous services.

### 8.8.7 AUTHORS OF SOLICITOR'S REPORT ON TITLE (RESURGENT PROJECT)

Erwin Thompson Faillers have prepared the Solicitor's Report on Title (Resurgent Project) which is included at Annexure D of this Prospectus. The Company estimates it has or will pay Erwin Thompson Faillers approximately US\$45,448 for that Report. During the 24 months preceding lodgement of this Prospectus with ASIC, Erwin Thompson Faillers received US\$9,344 in fees from the Company for their other previous services.

### 8.8.8 INVESTIGATING ACCOUNTANT

Moore Australia Corporate Finance (WA) Pty Ltd (**Moore Corporate Finance**) has acted as Investigating Accountant and has prepared the Independent Limited Assurance Report which is included at Annexure F of this Prospectus. The Company estimates it will pay Moore Corporate Finance a total of \$60,000 (excluding GST) for these and prospectus related services. During the 24 months preceding lodgement of this Prospectus with ASIC, Moore Corporate Finance has provided services as independent expert to the Company, the total value of these services was \$203,600.

### 8.8.9 JOINT LEAD MANAGERS

Wilson and Jett Capital have acted as Joint Lead Managers to the Offers and will receive those fees set out in Section 1.11 following completion of the Offers for their services as Joint Lead Managers to the Offers. Further details in respect to the Offer Management Agreement are summarised at Section 6.3. During the 24 months preceding lodgement of this Prospectus with the ASIC, Wilson has received A\$45,000 in fees and Jett Capital has received US\$195,000 in fees from the Company.

### 8.8.10 AUTHOR OF SOLICITOR'S REPORT ON TITLE (NYAMUKONO PROJECTS)

Costa & Madzonga have prepared the Solicitor's Report on Title (Nyamukono Projects) which is included at Annexure E of this Prospectus. The Company estimates it has or will pay Costa & Madzonga approximately US\$5,000 for that Report. During the 24 months preceding lodgement of this Prospectus with ASIC, Costa & Madzonga received US\$4,500 in fees from the Company for their other previous services.

## 8.9 CONSENTS

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

#### **8.9.1 AUDITOR**

Moore Audit has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as auditor of the Company in the form and context in which it is named and to the inclusion of the audited financial information of the Company contained in Section 4 and in the Independent Limited Assurance Report included at Annexure F in the form and context in which the report is included.

#### **8.9.2 AUSTRALIAN SOLICITORS**

Steinepreis Paganin has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Australian legal advisers to the Company in the form and context in which it is named.

#### **8.9.3 INDEPENDENT GEOLOGIST – WYOMING LITHIUM AND NYAMUKONO PROJECTS**

CSA Global has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Independent Geologist of the Company in respect to the Wyoming Lithium Projects in the form and context in which it is named and to the inclusion of the Independent Technical Assessment Report (Wyoming Lithium and Nyamukono Projects) at Annexure A in the form and context in which the report is included.

#### **8.9.4 INDEPENDENT GEOLOGIST – RESURGENT PROJECT**

SRK has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Independent Geologist to the Company in respect to the Resurgent Project in the form and context in which it is named and to the inclusion of the Independent Technical Assessment Report (Resurgent Project) at Annexure B in the form and context in which the report is included.

#### **8.9.5 AUTHORS OF SOLICITOR'S REPORT ON TITLE (WYOMING LITHIUM PROJECTS)**

Crowley Fleck PLLP has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the authors of Solicitor's Report on Title (Wyoming Lithium Projects) in the form and context in which it is named and to the inclusion of the Solicitor's Report on Title (Wyoming Lithium Projects) at Annexure C in the form and context in which the report is included.

#### **8.9.6 AUTHORS OF SOLICITOR'S REPORT ON TITLE (RESURGENT PROJECT)**

Erwin Thompson Faillers has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the authors of Solicitor's Report on Title (Resurgent Project) in the form and context in which it is named and to the inclusion of the Solicitor's Report on Title (Resurgent Project) at Annexure D in the form and context in which the report is included.

#### **8.9.7 AUTHOR OF SOLICITOR'S REPORT ON TITLE (NYAMUKONO PROJECT)**

Costa & Madzonga has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the authors of Solicitor's Report on Title (Nyamukono Projects) in the form and context in which it is named and to the inclusion of the Solicitor's Report on Title (Nyamukono Projects) at Annexure E in the form and context in which the report is included.

#### **8.9.8 INVESTIGATING ACCOUNTANT**

Moore Corporate Finance has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Investigating Accountant to the Company in the form and context in which it is named and to the inclusion of the Independent Limited Assurance Report in Annexure F in the form and context in which the information and report is included.

#### **8.9.9 JOINT LEAD MANAGERS**

Wilsons and Jett Capital have each given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, their written consent to being named in this Prospectus as the Joint Lead Managers to the Company in the form and context in which it is named.

## 8.10 EXPENSE OF OFFERS

The total approximate expenses of the Offers payable by the Company are:

	Minimum Subscription (AUD) <sup>1</sup>
ASIC Fees	3,206
ASX Listing Fee	149,836
Legal Fees	385,000
Investigating Accountant Fees	61,986
Joint Lead Manager Fees <sup>2</sup>	1,179,749
Independent Geologists Fees	182,925
Mineral Title Report Fees	142,448
Auditor's Fees	34,600
Administration and miscellaneous	30,000
<b>Total</b>	<b>2,169,750</b>

### Notes:

- <sup>1</sup> As at the date of this Prospectus, the Company has incurred \$934,767 in expenses pursuant to the Offer. The Company estimates incurring an additional \$1,227,364 of expenditure to complete the Offer.
- <sup>2</sup> Refer to Section 6.3 for a summary of the Offer Management Agreement.

## 8.11 CONTINUOUS DISCLOSURE OBLIGATIONS

Following Admission, the Company will be a 'disclosing entity' (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be 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 (unless a relevant exception to disclosure applies). Price sensitive information will be publicly released through ASX before it is otherwise disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to ASX. In addition, the Company will post this information on its website after ASX confirms that an announcement has been made, with the aim of making the information readily accessible to the widest audience.

## 8.12 ELECTRONIC PROSPECTUS

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Shares in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company 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. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations act.

## 8.13 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company:

- this Prospectus;
- the Constitution; and
- the consents referred to in Section 8.9 of this Prospectus.

#### **8.14 STATEMENT OF DIRECTORS**

The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in Section 4, there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

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NEVADA

# 9 Authorisation

Resurgent East

Resurgent North

**RESURGENT**  
CLAYSTONE LITHIUM



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## 9 Authorisation

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

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

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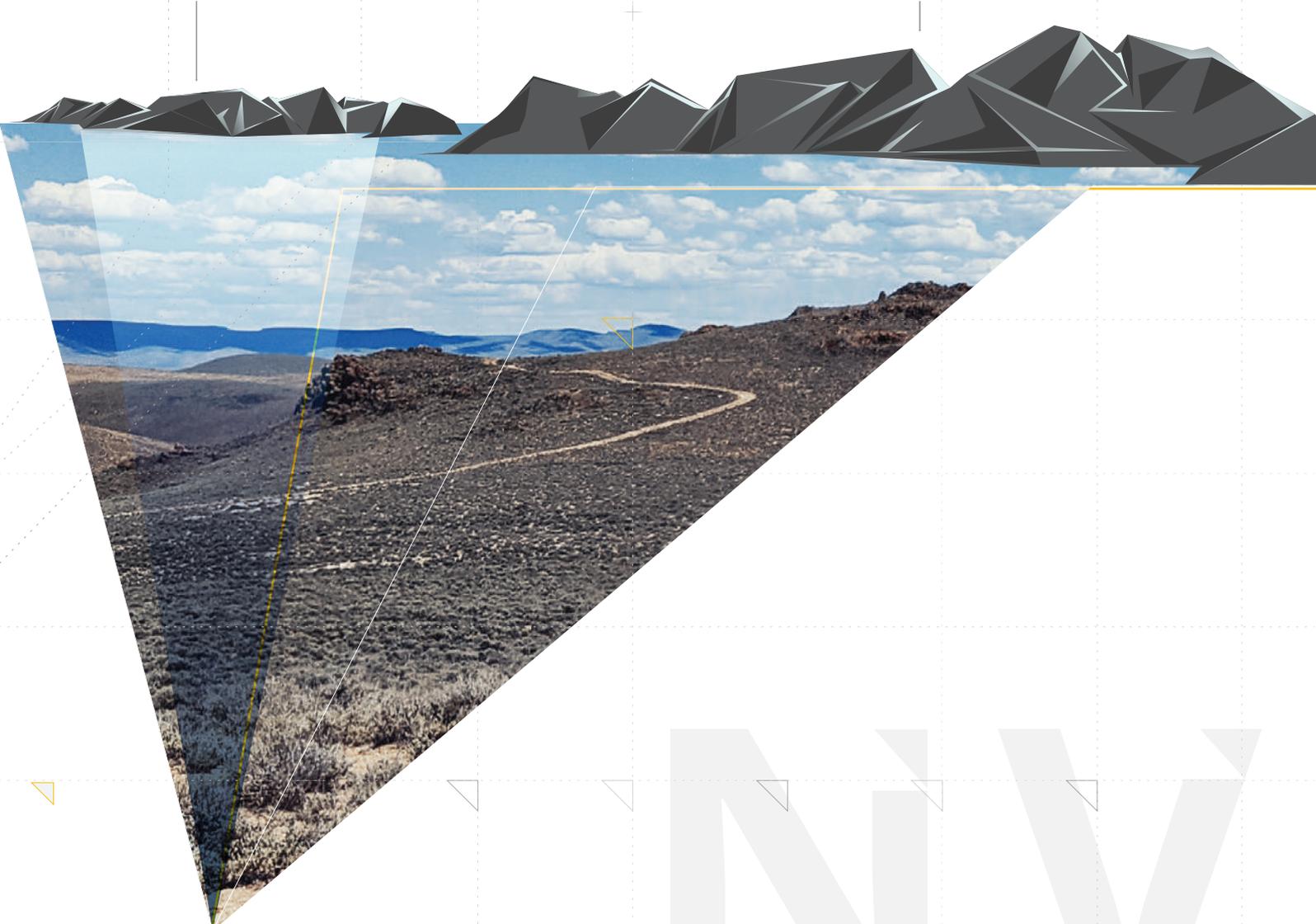
# 10 Glossary of Terms

NEVADA

RESURGENT  
CLAYSTONE LITHIUM

Resurgent East

Resurgent North



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## 10 Glossary of Terms

Term	Meaning
\$	Means Australian dollars.
US\$	Means United States dollars.
Acquisitions	Means the WLPL Acquisition, FMSL Acquisition and RHPL Acquisition.
Admission	Means admission of the company to the Official List, following completion of the Offers.
Applicant	Means a person who submits an Application Form.
Application Form	Means the relevant application for Shares pursuant to this Prospectus.
Application Monies	Means Application Monies for Shares under the Offer received and banked by the Company.
ASIC	Means Australian Securities & Investment Commission.
ASX	Means ASX Limited ACN 008 624 691 or the financial market operated by it as the context requires.
ASX Listing Rules	Means the official listing rules of ASX.
ASX Settlement Operating Rules	Means ASX Settlement Operating Rules of ASX Settlement Pty Ltd ABN 49 008 504 532.
Auditor	Means Moore Australia Audit (WA).
AWST	Means Australian Western Standard Time, being the time in Perth, Western Australia.
Black Mountain Project	Means the Black Mountain Lithium Project, see Section 2.5.1.
Board	Means the board of Directors as at the date of this Prospectus.
Bookbuild	The process through which Institutional Investors may be invited to bid under the Institutional Offer as described in Section 1.12.2.
Broker	Any ASX participating organisation appointed to act as a broker to the Offer (including, in the case of the Broker Firm Offer to New Zealand resident retail clients, a New Zealand affiliate of an ASX participating organisation).
Broker Firm Offer	The offer of Shares under this Prospectus to eligible Australian and New Zealand resident retail clients of Brokers as described in Section 1.1(a).
CHES	Means the Clearing House Electronic Subregister System operated by ASX Settlement.
Claims	Means the unpatented lode mining claims comprising the Projects, as detailed in the Solicitor's Reports on Title in Annexures C and D.
Closing Dates	Means the closing dates for the Offers as indicated in the Indicative Timetable, or such other time and date as the Board determines.
Company or Chariot	Means Chariot Corporation Limited ACN 637 559 847.
Conditions	Means the conditions of the Offer as defined in Section 1.7.
Constitution	Means the constitution of the Company.
Core Projects	Means the Black Mountain Project and Resurgent Project.
Corporations Act	Means the Corporations Act 2001 (Cth).
CSA Global	Means ERM Australia Consultants Pty Ltd trading as CSA Global.
Directors	Means the directors of the Company.
Electronic Prospectus	Means the electronic copy of this Prospectus located at the Company's website: <a href="https://www.chariotcorporation.com/site/content/site/investor-centre/prospectus/website-disclaimer">https://www.chariotcorporation.com/site/content/site/investor-centre/prospectus/website-disclaimer</a>
Exploration Pipeline Projects	The Copper Mountain Project, South Pass Project and Regional Wyoming Projects.
Exposure Period	Means the period of seven days after the date of lodgement of this Prospectus, which period may be extended by ASIC by not more than seven days pursuant to section 727(3) of the Corporations Act.
FMSL	Means FMS Lithium Corporation.

<b>Term</b>	<b>Meaning</b>
<b>FMSL Acquisition</b>	Means Chariot acquiring a further 25.51% of the issued capital in FMSL, in exchange for Shares, pursuant to the FMSL SPAs, as summarised in Section 6.1.3.
<b>FMSL SPA</b>	Means an agreement by which Chariot agrees to acquire shares in FMSL from an FMSL shareholder, the material terms of which are summarised in Section 6.1.3
<b>FMSL Subscription</b>	Has the meaning given in Section 2.1
<b>GST</b>	Means Goods and Service Tax.
<b>Indicative Timetable</b>	Means the indicative timetable for the Offers on page i of this Prospectus.
<b>Independent Geologists</b>	Means ERM Australia Consultants Pty Ltd (trading as CSA Global) and SRK Consulting (UK) Ltd
<b>Independent Limited Assurance Report</b>	Means the report contained in Annexure F.
<b>Independent Technical Assessment Reports</b>	Means the reports contained in Annexure A & B.
<b>Institutional Investor</b>	<p>An investor (and any person for whom it is acting) to whom offers or invitations in respect of securities can be made without the need for a lodged prospectus (or other formality) and in particular:</p> <ul style="list-style-type: none"> <li>(a) If in <b>Australia</b>, persons who are wholesale clients under Section 761G of the Corporations Act and either 'professional investors' or 'sophisticated investors' under sections 708(11) and 708(8) of the Corporations Act;</li> <li>(b) If in <b>New Zealand</b>, persons in New Zealand who are "wholesale investors" within the meaning of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 of New Zealand;</li> <li>(c) If in the <b>European Union (excluding Austria)</b>, a "qualified investor" (as defined in Article 2(e) of the Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union);</li> <li>(d) If in <b>Hong Kong</b>, a "professional investor" as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong;</li> <li>(e) If in <b>Singapore</b>, an "institutional investor" or an "accredited investor" (as such terms are defined in the Securities and Futures Act of Singapore);</li> <li>(f) If in the <b>United Kingdom</b>, (i) a "qualified investor" within the meaning of Article 2(e) of the UK Prospectus Regulation, and (ii) within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended;</li> <li>(g) If in the <b>United States</b>, an "institutional accredited investor" within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) or (12) under the US Securities Act.</li> </ul>
<b>Institutional Offer</b>	The offer of Shares under this Prospectus to certain Institutional Invested from Permitted Jurisdictions, as described in Section 1.1(b).
<b>Investigating Accountant</b>	Means Moore Australia Corporate Finance (WA) Pty Ltd
<b>Issue Date</b>	Means the date, as determined by the Directors, on which the Shares offered under this Prospectus are allotted, which is anticipated to be the date identified in the Indicative Timetable.
<b>Jett Capital</b>	Means Jett Capital Advisors LLC.
<b>JLM Options</b>	Means up to 1,722,222 Options to be issued to the Joint Lead Managers (or their respective nominees) under the Joint Lead Manager Mandate, on the terms set out in Section 8.3.
<b>Joint Lead Managers or JLM</b>	Means Wilsons Corporate Finance Limited and Jett Capital Advisors LLC
<b>Joint Lead Manager Mandate</b>	Means the mandate entered between the Company and the Joint Lead Managers for the provision of corporate advisory services.

<b>Term</b>	<b>Meaning</b>
<b>JORC or JORC Code 2012</b>	Means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and Minerals Council of Australia, effective December 2012.
<b>Listing</b>	Means listing on the Official List.
<b>Listing Rules</b>	Means the listing rules of ASX.
<b>Minimum Subscription</b>	Means the raising of \$15,500,000 pursuant to the Offer.
<b>Mineral Resource</b>	Means a mineral resource estimate as defined in the JORC Code 2012.
<b>Offer</b>	Means the offer of Shares described in Section 1.1
<b>Offers</b>	Means the Offer and Consideration Offer.
<b>Offer Price</b>	Means \$0.45 per Share under the Offer.
<b>Official List</b>	Means the official list of ASX.
<b>Official Quotation</b>	Means official quotation by ASX in accordance with the Listing Rules.
<b>Opening Date</b>	Means the date specified as the opening date in the Indicative Timetable, or such other time and date as the board determines.
<b>Option</b>	Means an option to acquire a Share.
<b>Ore Reserve</b>	Means an ore reserve estimate as defined in the JORC Code 2012.
<b>Performance Rights</b>	Means a performance right, which may be converted into a Share on the terms and conditions set out in Section 8.4.
<b>Permitted Jurisdictions</b>	Australia, New Zealand, European Union (excluding Austria), Hong Kong, Singapore, United Kingdom and the United States
<b>Projects</b>	Means, collectively, the Core Projects and Exploration Pipeline Projects.
<b>Prospectus</b>	Means this prospectus dated 23 August 2023.
<b>Resurgent Project</b>	Means the Resurgent Lithium Project, see Section 2.5.
<b>Rosepoint or RHPL</b>	Means Rosepoint Holdings Pty Ltd ACN 648 483 087
<b>RHPL Acquisition</b>	Means Chariot acquiring an 82.61% of the issued capital of Rosepoint, in exchange for Shares, pursuant to the RHPL SPAs, as summarised in Section 6.1.2.
<b>RHPL SPA</b>	Means an agreement by which Chariot agrees to acquire shares in RHPL from a RHPL shareholder, the material terms of which are summarised in Section 6.1.2.
<b>Section</b>	Means a section of this Prospectus.
<b>Securities</b>	Means any securities, including Shares, Options or Performance Rights issued or granted by the Company.
<b>Share</b>	Means a fully paid ordinary share in the capital of the Company.
<b>Share Registry</b>	Means Automic Group Share Registry.
<b>Shareholder</b>	Means a holder of one or more Shares.
<b>SPA</b>	Means a WLPL SPA, FMSL SPA and/or RHPL SPA.
<b>SRK</b>	Means SRK Consulting (UK) Ltd.
<b>USA, U.S.A. or U.S.</b>	Means the United States of America.
<b>U.S. Offering Circular</b>	Means the offering circular that must accompany any distribution of the Prospectus in the United States to Institutional Investors.
<b>U.S. Securities Act</b>	Means the US Securities Act of 1933.
<b>Wilsons</b>	Means Wilsons Corporate Finance Limited.
<b>WLPL</b>	Means Wyoming Lithium Pty Ltd ACN 658 647 717.
<b>WLPL Acquisition</b>	Means Chariot acquiring a further 10.7% of the issued capital of WLPL in exchange for Shares, pursuant to the WLPL SPAs, as summarised in Section 6.1.1.
<b>WLPL SPA</b>	Means an agreement by which Chariot agrees to acquire shares in WLPL from a WLPL shareholder, the material terms of which are summarised in Section 6.1.1.

Term	Meaning
Wyoming Lithium Projects	Means each of: <ul style="list-style-type: none"><li data-bbox="448 315 1442 349">(a) Black Mountain Project;</li><li data-bbox="448 351 1442 385">(b) Copper Mountain Project;</li><li data-bbox="448 387 1442 421">(c) South Pass Project; and</li><li data-bbox="448 423 1442 450">(d) Regional Wyoming Projects</li></ul>