

Matthew Driscoll
Non-Executive Chairman
Tennant Minerals Limited
22 February 2023

TENNANT MINERALS LIMITED ACN 086 471 007

PROSPECTUS

For offers of:

- (a) up to approximately 71,428,572 New Options to Placement Participants on the basis of one (1) New Option for every two (2) Placement Shares subscribed for and issued under the Placement (**Placement Offer**); and
 - (b) up to 14,000,000 New Options to Brokers (**Broker Offer**),
- (together, the **Options Offers**).

This Prospectus also contains an offer of up to 100,000 Shares at an issue price of \$0.035 per Share to raise up to \$3,500 (**Cleansing Offer**).

IMPORTANT NOTICE

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

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

IMPORTANT NOTICE

This Prospectus is dated 22 February 2023 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

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

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

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

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your

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

Forward-looking statements

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

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

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

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

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

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

No offering where offering would be illegal and applicants outside Australia

The Offers do not, and are not intended to, constitute offers in any place or jurisdiction in which, or to any person to whom, it would not be

lawful to make such offers or to issue this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

No action or formality has been taken to register or qualify the Securities or the Offers, or to otherwise permit a public offering of Securities in any jurisdiction outside Australia.

This Prospectus has been prepared for publication in Australia and may not be distributed outside Australia, except to institutional and professional investors in transactions exempt from local prospectus or registration requirements or investors who can participate in compliance with applicable securities laws.

For further information on overseas Shareholders please refer to Section 2.8.

Continuous disclosure obligations

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

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

Having taken such precautions and having made such enquires as are

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

Please refer to Section 6.2 for further details.

Electronic Prospectus

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

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on 0499 900 044 during office hours or by emailing the Company at SUsher@tennantminerals.com.

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

Company Website

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

Risk Factors

Prospective investors and Shareholders should be aware that there are a number of risk factors that may influence the performance of the Company and the value of its Securities. The key risk factors of which prospective investors and Shareholders should be aware are set out in Section 5. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should

be considered highly speculative. Prospective investors and Shareholders should consider consulting their professional advisers in relation to the issue of Securities pursuant to this Prospectus.

Taxation implications

The Directors do not consider it appropriate to give investors advice regarding the taxation consequences in relation to the issue of Securities under this Prospectus.

The Company, its officers and its advisers do not accept any responsibility or liability for any taxation consequences to investors.

Financial forecasts

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

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

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

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

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be

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

Definitions and Time

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

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

Privacy statement

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

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

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

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

Enquiries

If you are unclear in relation to any matters raised in this Prospectus or are in doubt as to how to deal with it, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on 0499 900 044.

CORPORATE DIRECTORY

Directors

Matthew Driscoll
Non-Executive Chairman

Neville Bassett
Non-Executive Director

Michael Scivolo
Non-Executive Director

Dr Allison Dugdale
Non-Executive Director

Company Secretary

Stuart Usher

Registered Office

Level 1
247 Oxford Street
LEEDERVILLE WA 6007

Telephone: +61 8 6141 3500

Website: www.tennantminerals.com

ASX Code

TMS

Australian legal adviser

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditor*

Nexia Perth Audit Services Pty Ltd
Level 3
88 William Street
PERTH WA 6000

Share Registry*

Advanced Share Registry Limited
110 Stirling Highway
NEDLANDS WA 6009

Telephone:
1300 113 258 (within Australia)
+61 8 9389 8033 (International)

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

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1. KEY OFFER INFORMATION

1.1 Indicative Timetable

| Action | Date |
|--|--|
| Announcement of the Placement | 15 February 2023 |
| Lodgement of Prospectus with the ASIC and ASX and release of Appendix 3B to ASX | 22 February 2023 |
| Opening Date of the Offers | 22 February 2023 |
| Issue of Placement Shares under the Placement | 23 February 2023 (after market close) |
| Closing Date of the Offers | 15 March 2023 |
| Issue of Securities under the Offers | 17 March 2023 |
| Official Quotation of New Options issued under the Options Offers and Official Quotation of Shares issued under the Cleansing Offer (if any) | 22 March 2023 |

Dates may change

The above dates are indicative only and subject to change. The Company reserves the right to amend any or all of these dates and times without notice. The commencement of quotation of the New Options is subject to confirmation from ASX. Any extension of the Closing Date of an Offer may have a consequential effect on the issue date of the respective Securities under that Offer. The Company also reserves the right not to proceed with any of the Offers at any time.

1.2 Background to the Offers

1.2.1 Introduction

The Placement Offer

As announced on 15 February 2023, the Company secured funding of \$5 million (before associated costs) by a placement of 142,857,143 Shares (**Placement Shares**) to sophisticated and professional investors at an issue price of \$0.035 per Share (**Placement**).

The Company has agreed to issue one (1) free attaching New Option for every two (2) Placement Shares subscribed for and issued under the Placement.

The purpose of the Placement Offer being made under this Prospectus is to make the offer of approximately 71,428,572 New Options (subject to rounding of allocations under the Placement) to the participants that subscribed for and were allocated Placement Shares under the Placement (**Placement Participants**).

The Placement Shares are proposed to be issued on or about 23 February 2023 and in any event prior to the Closing Date of the Cleansing Offer.

The Broker Offer

The Company engaged PAC Partners Securities Pty Ltd (**Lead Manager**) to act as lead manager and bookrunner to the Placement. In consideration for lead manager services provided in relation to the Placement, the Company has agreed to:

- (a) pay the Lead Manager a selling fee of 6% plus GST on the total gross proceeds raised under the Placement; and
- (b) issue 14,000,000 New Options to the Lead Manager and certain other brokers who assisted with facilitation of the Placement (collectively with the Lead Manager, the **Brokers**).

The purpose of the Broker Offer being made under this Prospectus is to make the offer of 14,000,000 New Options to the Brokers.

Further information in relation to the Placement is set out in the Company's ASX announcement released on 15 February 2023.

1.2.2 Use of funds

The funds raised under the Placement are intended to be applied as set out in the table below:

| Item | Amount |
|---|--------------------|
| Geophysics (inducing polarisation) | \$100,000 |
| Bluebird extension and resource drilling | \$2,250,000 |
| Bluebird metallurgy and development studies | \$500,000 |
| Regional targets reverse circulation and diamond drilling | \$860,000 |
| Expenses of the Offers | \$47,344 |
| Lead Manager fees | \$300,000 |
| Working capital and corporate administration | \$942,656 |
| Total | \$5,000,000 |

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

1.2.3 Issue of Securities

The Company intends to complete the issue of the Placement Shares by issuing:

- (a) 67,857,143 Placement Shares using a combination of its available placement capacities under ASX Listing Rules 7.1 and 7.1A; and
- (b) 75,000,000 Placement Shares pursuant to the approval of Shareholders, which was obtained at the Company's annual general meeting held on 30 November 2022.

In addition, the Company intends to complete the issue of the 71,428,572 New Options under the Placement Offer and the 14,000,000 New Options under the Broker Offer using its available placement capacity under ASX Listing Rule 7.1.

2. DETAILS OF THE OFFERS

2.1 The Placement Offer

The Placement Offer is for approximately 71,428,572 New Options (subject to rounding of allocations under the Placement) and is available for application by Placement Participants only on the basis of one (1) New Option for every two (2) Placement Shares subscribed for and allocated under the Placement.

The Placement Offer will only be extended to Placement Participants. Application Forms in relation to the Placement Offer will only be provided to these parties.

The New Options to be issued under the Placement Offer will be issued on the terms and conditions set out in Section 4.1.

Any Shares issued upon the future exercise of New Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to Shares.

No funds will be raised pursuant to the Placement Offer as the New Options are being issued free attaching at a nil issue price in accordance with the terms of the Placement.

Entitlements to New Options under the Placement Offer are non-renounceable.

2.2 The Broker Offer

The Broker Offer is for 14,000,000 New Options and is available for application by the Brokers only on the basis of the allocations determined by the Lead Manager.

The Broker Offer will only be extended to the Brokers. Application Forms in relation to the Broker Offer will only be provided to these parties.

The New Options to be issued under the Broker Offer will be issued on the terms and conditions set out in Section 4.1.

Any Shares issued upon the future exercise of New Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to Shares.

No funds will be raised pursuant to the Broker Offer as the New Options are being issued at a nil issue price in consideration for lead manager services provided to the Company in relation to the Placement.

2.3 The Cleansing Offer

The Cleansing Offer is an offer of up to 100,000 Shares at an issue price of \$0.035 per Share to raise up to \$3,500 (before associated expenses).

The Cleansing Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

The Shares to be issued under the Cleansing Offer will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to Shares.

2.4 Minimum subscription

There is no minimum subscription to any of the Offers.

2.5 Applications under the Offers

2.5.1 The Placement Offer

Applications for New Options under the Placement Offer must only be made by Placement Participants using the Application Form attached to or accompanying this Prospectus.

Applicants under the Placement Offer must lodge their Application Form as directed.

No payment is required to subscribe for New Options under the Placement Offer.

All applications under the Placement Offer, once received, are irrevocable.

The Company reserves all discretions in relation to applications in the Placement Offer.

2.5.2 The Broker Offer

Applications for New Options under the Broker Offer must only be made by the Brokers using the Application Form attached to or accompanying this Prospectus.

Applicants under the Broker Offer must lodge their Application Form as directed.

No payment is required to subscribe for New Options under the Broker Offer.

All applications under the Broker Offer, once received, are irrevocable.

The Company reserves all discretions in relation to applications in the Broker Offer.

2.5.3 The Cleansing Offer

Applications for Shares under the Cleansing Offer must be made by investors at the direction of the Company and must be made using the Application Form attached to or accompanying this Prospectus.

Payment for the Shares under the Cleansing Offer must be made in full at the issue price of \$0.035 per Share.

Cheques should be made payable to "Tennant Minerals Limited" and crossed "Not Negotiable". Completed Application Forms and accompanying cheques must be mailed or delivered to the address set out on the Application Form by no later than the Closing Date of the Cleansing Offer.

The Company reserves the right to reject or scale back any application in the Cleansing Offer. The Company's decision on the number of Shares to be allocated to an applicant will be final.

2.5.4 Implications of an application

By completing an Application Form, applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of this Prospectus.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by no later than 5.00pm (WST) on the Closing Date.

2.6 ASX listing

2.6.1 New Options

Application for Official Quotation by ASX of the New Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the New Options offered pursuant to this Prospectus before the expiration of 3 months after the date of this Prospectus, or such period as varied by the ASIC, the Company will not issue any New Options. No application monies will be repayable if the New Options are not issued within this time period given that the New Options are being issued under both of the Options Offers for nil consideration.

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

2.6.2 Shares

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. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 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.

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

2.7 Issue

2.7.1 The Options Offers

The issue of New Options under the Options Offers will take place as soon as practicable after the Closing Date of the Options Offers as set out in the indicative timetable set out at Section 1.1.

Holding statements for the New Options issued under the Options Offers will be mailed as soon as practicable after the date of issue.

2.7.2 The Cleansing Offer

The issue of Shares under the Cleansing Offer will take place as soon as practicable after the Closing Date of the Cleansing Offer. Application monies will be held in a separate subscription account until the Shares are issued. This account will be established and kept by the Company on trust for each applicant. Any interest earned on the application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether any Shares are issued and each applicant waives the right to claim any interest.

The Directors will determine the recipients of all of the Shares under the Cleansing Offer. The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares

issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date of the Cleansing Offer. Interest will not be paid on monies refunded.

2.8 No offering where offering would be illegal and applicants outside Australia

The Offers do not, and are not intended to, constitute offers in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such offers or to issue this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia, except to institutional and professional investors in transactions exempt from local prospectus or registration requirements or investors who can participate in compliance with applicable securities laws. Any failure to comply with such restrictions may constitute a violation of applicable securities 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.

Further details in respect of participation by investors are set out in the Important Notice Section.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose and effect of the Placement Offer

The purpose of the Placement Offer is to remove any trading restrictions attaching to the New Options issued under the Placement Offer and any Shares issued on exercise of these New Options, given that the New Options offered under the Placement Offer are being issued with disclosure under this Prospectus.

Subject to ASX granting Official Quotation of the New Options, this will allow holders to trade the New Options on the ASX and ensure that any Shares issued on exercise of the New Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised directly under the Placement Offer as the New Options are being issued free attaching at a nil issue price in accordance with the terms of the Placement. However, if all of the New Options are exercised, the Company will receive approximately \$4,285,714 in aggregate, by virtue of payment of the exercise price.

The principal effect of the Placement Offer, assuming all New Options offered under the Placement Offer are issued, will be to increase the total number of Options on issue by approximately 71,428,572 Options on completion of the Placement Offer.

3.2 Purpose and effect of the Broker Offer

The purpose of the Broker Offer is to remove any trading restrictions attaching to the New Options issued under the Broker Offer and any Shares issued on exercise of these New Options, given that the New Options offered under the Broker Offer are being issued with disclosure under this Prospectus.

Subject to ASX granting Official Quotation of the New Options, this will allow holders to trade the New Options on the ASX and ensure that any Shares issued on exercise of the New Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised directly under the Broker Offer as the New Options are being issued in consideration for lead manager services provided by the Brokers in relation to the Placement. However, if all of the New Options are exercised, the Company will receive approximately \$840,000 in aggregate, by virtue of payment of the exercise price.

The principal effect of the Broker Offer, assuming all New Options offered under the Broker Offer are issued, will be to increase the total number of Options on issue by 14,000,000 Options on completion of the Broker Offer.

3.3 Purpose and effect of the Cleansing Offer

The purpose of the Cleansing Offer is to remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date of the Cleansing Offer (including prior to the date of this Prospectus). Accordingly, the purpose of the Cleansing Offer is not to raise capital.

All of the funds raised under the Cleansing Offer (if any) will be applied towards the expenses of the Offers. On that basis, there will be no surplus proceeds from the Cleansing Offer. Refer to Section 6.7 for further details relating to the estimated expenses of the Offers.

3.4 Financial effects of the Offers

The New Options to be issued pursuant to the Options Offers will be issued at a nil issue price. Accordingly, there will be no immediate effect on the Company's balance sheet. However, capital will be raised if the New Options are exercised, which will affect the Company's balance sheet.

The Company is unable to specify with any certainty the extent of any change to the balance sheet, given that there is no certainty if or when any of the New Options will be exercised.

The expenses of the Offers (exceeding any amount raised under the Cleansing Offer) will be met from the Company's existing cash reserves.

Accordingly, the Offers will have an effect on the Company's financial position, being the decrease in the Company's existing cash reserves.

3.5 Effect of the Offers on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Securities offered under this Prospectus are issued and that no Options are exercised, is set out below:

Shares

| | Number |
|--|--------------------|
| Shares currently on issue | 616,576,265 |
| Placement Shares to be issued under the Placement ¹ | 142,857,143 |
| Shares offered pursuant to the Cleansing Offer | 100,000 |
| Total Shares on issue on completion of the Offers | 759,533,408 |

Notes:

- As noted at Section 1.2.1, the Company proposes to issue the Placement Shares on or about 23 February 2023 and in any event prior to the Closing Date of the Cleansing Offer.

Options

| | Number |
|--|--------------------|
| Options currently on issue ¹ | 409,700,000 |
| New Options offered pursuant to the Placement Offer ² | 71,428,572 |
| New Options offered pursuant to the Broker Offer | 14,000,000 |
| Total Options on issue on completion of the Offers | 495,128,572 |

Notes:

- Comprising:
 - 383,700,000 listed Options (ASX: TMSO) exercisable at \$0.03 each on or before 23 April 2024; and
 - 26,000,000 unlisted Options exercisable at \$0.08 each on or before 8 April 2025.
- The actual number of New Options issued under the Placement Offer may vary due to rounding of allocations under the Placement.

The capital structure of the Company on a fully diluted basis as at the date of this Prospectus would be 1,026,276,265 Shares and on completion of the Offers and the Placement (assuming all Securities offered under this Prospectus are issued) would be 1,254,661,980 Shares.

3.6 Pro-forma balance sheet

The unaudited pro-forma balance sheet as at 31 December 2022 shown below has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming completion of the Placement, in addition to assuming that all Securities offered under this Prospectus are issued and including the expenses of the Offers.

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

| | AUDITED 30 June 2022 | PRO-FORMA 31 December 2022 |
|----------------------------------|-------------------------|-------------------------------|
| | \$ | \$ |
| CURRENT ASSETS | | |
| Cash | 4,705,811 | 6,631,071 |
| Trade and other receivables | 151,055 | 301,199 |
| TOTAL CURRENT ASSETS | 4,856,866 | 6,932,270 |
| | | |
| NON-CURRENT ASSETS | | |
| Exploration | - | - |
| Plant and equipment | - | - |
| TOTAL NON-CURRENT ASSETS | - | - |
| | | |
| TOTAL ASSETS | 4,856,866 | 6,932,270 |
| | | |
| CURRENT LIABILITIES | | |
| Creditors and borrowings | 970,504 | 1,132,609 |
| TOTAL CURRENT LIABILITIES | 970,504 | 1,132,609 |
| | | |
| TOTAL LIABILITIES | 970,504 | 1,132,609 |
| | | |
| NET ASSETS (LIABILITIES) | 3,886,362 | 5,799,661 |
| | | |

| | AUDITED 30 June 2022 | PRO-FORMA 31 December 2022 |
|--------------------------|-------------------------|-------------------------------|
| | \$ | \$ |
| EQUITY | | |
| Issued capital | 44,192,244 | 48,702,041 |
| Reserves | 1,441,057 | 1,583,915 |
| Accumulated Losses | (41,744,485) | (44,483,841) |
| Non-controlling interest | (2,454) | (2,454) |
| TOTAL EQUITY | 3,886,362 | 5,799,661 |

Notes:

1. Placement of 142,857,143 Shares at an issue price of \$0.035 per Share less costs of the Offers of \$47,344 less Placement costs of \$300,000.
2. Total estimated expenses of Offers at \$121,867.
3. 14,000,000 Options to Brokers at an exercise price of \$0.06 expiring 15 July 2025, valued at \$142,857 on a Black-Scholes valuation model.
4. Company operating costs from 1 July to 31 December 2022 of \$2,739,356.

3.7 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, the persons who (together with their associates) have a relevant interest in 5% or more of the Shares on issue is Kalgoorlie Mine Management Pty Ltd which holds 118,739,677 Shares, representing an interest of 19.26%.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Terms and conditions of New Options

The terms and conditions of the New Options are set out below:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.06 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on 15 July 2025 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The New Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New 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 New Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 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 New 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 708A(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 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

If a notice delivered under paragraph (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 New 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 Optionholder 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 New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.

(k) **Change in exercise price**

A New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.

(l) **Transferability**

The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

4.2 Rights and liabilities attaching to Shares

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

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

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. The 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 him, or in respect of which he is 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).

Where there are 2 or more joint holders of a Share and more than one of them is present at a meeting and tenders a vote in respect of the Share, the Company will count only the vote cast by the member whose name appears first in the Company's register of members.

(c) Issues of further Shares

The Directors may, on behalf of the Company, issue, grant options over unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Constitution, ASX Listing Rules, the Corporations Act and any rights for the time being attached to the shares in any special class of those shares.

(d) Variation of Rights

Unless otherwise provided by the terms of issue of a class of shares and subject to the Corporations Act, the rights attached to the shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued shares of the affected class.

(e) Transfer of Shares

Subject to the Constitution, the Corporations Act and ASX Listing Rules, Shares are freely transferable.

The Shares may be transferred by a proper transfer effected in accordance with the ASX Settlement Operating Rules, by any other method of transferring or dealing with Shares introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by either the Directors or ASX that is permitted by the Corporations Act.

The Directors may decline to register a transfer of Shares (other than a proper transfer in accordance with the ASX Settlement Operating Rules) where permitted to do so under the ASX Listing Rules. If the Directors decline to register a transfer, the Company must, within 5 Business Days after the transfer is delivered to the Company, give the party lodging the transfer written notice of the refusal and the reason for the refusal. The Directors must decline to register a transfer of Shares when required by law, by the ASX Listing Rules or by the ASX Settlement Operating Rules.

(f) Dividends

The Directors may from time to time determine dividends to be distributed to members according to their rights and interests. The Directors may fix the time for distribution and the methods of distribution. Subject to the terms of issue of shares, the Company may pay a dividend on one class of shares to the exclusion of another class.

Each share carries the right to participate in the dividend in the same proportion that the amount for the time being paid on the share (not credited) bears to the total amounts paid and payable (excluding amounts credited) in respect of such shares.

(g) Dividend reinvestment and Share plans

Subject to the requirements in the Corporations Act and the ASX Listing Rules, the Directors may implement and maintain dividend reinvestment plans (under which any member may elect that dividends payable by the Company be reinvested by way of subscription for fully paid shares in the Company).

(h) Capitalisation of profits

Subject to the ASX Listing Rules and any rights or restrictions attaching to any class of shares, the Company may capitalise profits. Members are entitled to participate in a capital distribution in the same proportions in which they are entitled to participate in dividends.

(i) Winding-up

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

(j) **Shareholder liability**

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

(k) **Alteration of constitution**

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

5. RISK FACTORS

5.1 Introduction

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

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

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

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

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

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

5.2 Company specific

| Risk Category | Risk |
|--|--|
| Potential for dilution | <p>Upon completion of the Offers, assuming all New Options offered under this Prospectus are issued, the number of Options on issue in the Company will increase from 409,700,000 Options to 495,128,572 Options.</p> <p>If the Options are exercised, each Share will represent a lower proportion of the ownership of the Company. The likelihood of Options being exercised is dependent on a range of factors, mainly the price of Shares from time to time until the Options expire and the financial capacity of Optionholders to exercise their Options.</p> |
| Exploration, development, mining and processing risks | <p>The tenements of the Company are at various stages of exploration, and prospective investors should understand that exploration and developments are high-risk undertakings.</p> <p>There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing</p> |

| Risk Category | Risk |
|--|---|
| | <p>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 tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the tenements, a reduction in the base reserves of the Company and possible relinquishment of the tenements.</p> <p>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 uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.</p> |
| Tenement applications and license renewal | <p>The Company cannot guarantee additional applications for tenements made by the Company will ultimately be granted, in whole or in part. Further the Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all. The Company has yet to receive regulatory and environmental approval to convert its exploration licences into production concessions. There is a risk that these approvals may not be obtained.</p> |
| Additional requirements for capital | <p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to funding secured under the Placement. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p> |
| Mine development | <p>Possible future development of a mining operation at any of the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.</p> |

| Risk Category | Risk |
|------------------------|--|
| Insurance risks | There are significant exploration and operating risks associated with exploring for copper and gold, including adverse weather conditions, environmental risks and fire, all of which can result in injury to persons as well as damage to or destruction of the extraction plant, equipment, production facilities and other property. In addition, the Company's subsidiaries will be subject to liability for environmental risks such as pollution and abuse of the environment. The occurrences of a significant event against which the Company is not fully insured could have a material adverse effect on its operations and financial performance. In addition, in the future some or all of the Company's insurance coverage may become unavailable or prohibitively expensive. |

5.3 Industry specific

| Risk Category | Risk |
|--------------------------|---|
| Climate risk | <p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(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. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(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.</p> <p>All these risks associated with climate change may significantly change the industry in which the Company operates.</p> |
| Operations | <p>The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment.</p> <p>No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p> |
| Exploration costs | <p>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. Accordingly,</p> |

| Risk Category | Risk |
|---|---|
| | 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. |
| Commodity price volatility and exchange rate risks | <p>The revenue the Company will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for various commodities, technological advancements, forward selling activities and other macro-economic factors.</p> <p>Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.</p> <p>The Company gives no assurance that the fluctuations in the commodity prices will not affect timing and viability of the projects.</p> |
| Resource estimates | <p>Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.</p> |
| Tenure and access | <p>Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved.</p> <p>Tenements are subject to the applicable mining acts and regulations. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. 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.</p> <p>It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be affected.</p> <p>The Directors closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.</p> |
| Failure to satisfy expenditure commitments | <p>Interests in tenements are governed by the mining acts and regulations that are current in those States and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance.</p> |

| Risk Category | Risk |
|-----------------------------------|---|
| | Consequently, the Company could lose title to or its interest in its tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. |
| Government policy changes | Adverse changes in 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 Northern Territory and other States in which the Company operates (or may operate in the future) may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation. |
| Regulatory risks | <p>The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.</p> <p>Obtaining necessary permits can be a time consuming process and there is a risk that the Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Company's tenements.</p> |
| Equipment availability and | The Company's ability to undertake mining and exploration activities is dependent upon its ability to source and acquire appropriate mining equipment. Equipment is not always available and the market for mining equipment experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment economically or at all then this would have a material adverse effect on the Company's financial and/or trading position. |
| Environmental | <p>The operations and proposed activities of the Company are subject to State and Federal 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.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.</p> |

| Risk Category | Risk |
|--|---|
| | <p>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p> <p>Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.</p> |
| <p>Native title and Aboriginal Heritage</p> | <p>In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (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.</p> <p>Further to this, it is possible that an Indigenous Land Use Agreement (ILUA) may be registered against one or more of the tenements in which the Company has an interest. The terms and conditions of any such ILUA may be unfavourable for, or restrictive against, the Company. The Directors will closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.</p> <p>In addition, the existence of the Aboriginal heritage sites within any tenements may lead to restrictions on the areas that the Company will be able to explore and mine.</p> |

5.4 General risks

| Risk Category | Risk |
|---|--|
| <p>Economic conditions and other global or national issues</p> | <p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p> <p>Specifically, it should be noted that the current evolving conflict between Ukraine and Russia is impacting global macroeconomics and markets generally. The nature and extent of the effect of this conflict on the performance of the Company and the value of the Securities remains unknown. The trading price of the Securities may be adversely affected in the short to medium term by the economic uncertainty caused by the conflict between Ukraine and Russia and overall impacts on global macroeconomics. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.</p> |
| <p>Market conditions</p> | <p>Share market conditions may affect the value of the Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> |

| Risk Category | Risk |
|----------------------------------|---|
| | <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) global health epidemics or pandemics; (e) currency fluctuations; (f) changes in investor sentiment toward particular market sectors; (g) the demand for, and supply of, capital; (h) political tensions; and (i) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p> <p>Prospective investors should be aware that there are risks associated with any securities investment. Securities listed on a stock market, and in particular securities of exploration companies, experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the Securities regardless of the Company's performance.</p> |
| COVID-19 | <p>Coronavirus disease (SARS-CoV-2 (severe acute respiratory syndrome coronavirus 2), coronavirus disease 2019 or COVID 19, including any future resurgence or evolutions or mutations thereof or any related or associated epidemic, pandemic or disease outbreak) (COVID-19) is continuing to impact global economic markets. The nature and extent of the effect of COVID-19 on the performance of the Company remains unknown. The market price of Shares may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any 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.</p> <p>In addition, the effects of COVID-19 on the market price of the Securities and global financial markets generally may also affect the Company's ability to raise equity or debt if and when required or require the Company to issue capital at a discount, which may result in dilution for some or all Shareholders.</p> |
| Competition risk | <p>The industry in which the Company will be involved is subject to domestic and global competition. 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.</p> |
| Reliance on key personnel | <p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p> |
| Dividends | <p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital</p> |

| Risk Category | Risk |
|---|--|
| | requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company. |
| Force Majeure | The Company's existing projects or projects acquired in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, political hostilities, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics, pandemics or quarantine restrictions. |
| Dilution | <p>In the future, the Company may elect to issue Shares or engage in capital raisings to fund operations and growth, for investments or acquisitions that the Company may decide to undertake, to repay debt or for any other reason the Board may determine at the relevant time.</p> <p>While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12 month period (other than where exceptions apply), Shareholder interests may be diluted as a result of such issues of Shares or other securities.</p> |
| Taxation and taxation changes | <p>Taxation law is complex and frequently changing, both prospectively and retrospectively. Changes in taxation laws (including employment tax, GST, stamp duty and the ability to claim offsets) and changes in the way taxation laws are interpreted or administered, create a degree of uncertainty and may impact the tax liabilities or future financial results of the Company. In particular, both the level and basis of taxation may change.</p> <p>An investment in the Securities involves tax considerations which may differ for each Shareholder. Each prospective investor is encouraged to seek professional taxation and financial advice in connection with any investment in the Company and the consequences of acquiring and disposing of Securities.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares or New Options under this Prospectus.</p> |
| Litigation and other proceedings | <p>The Company is exposed to potential legal and other claims or disputes in the course of its business, including (without limitation) native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation.</p> <p>Any costs involved in defending or settling legal and other claims or disputes that may arise, or where a claim or dispute is proven, could be costly and may impact adversely on the Company's operations, financial performance and financial position and/or cause damage to its reputation.</p> |

5.5 Speculative investment

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

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

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

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

6. ADDITIONAL INFORMATION

6.1 Litigation

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.

6.2 Continuous disclosure obligations

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

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

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

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

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

| Date | Description of Announcement |
|-------------|--|
| 15 Feb 2023 | Proposed issue of securities - TMS |
| 15 Feb 2023 | Tenant Completes Successful \$5M Capital Raising |
| 14 Feb 2023 | Presentation - Bluebird High-grade copper-gold discovery |
| 13 Feb 2023 | Trading Halt |

| Date | Description of Announcement |
|-------------|--|
| 8 Feb 2023 | Spectacular Bluebird Drill Hit 30.5m @ 6.2% Cu, 6.8 g/t Au |
| 6 Feb 2023 | Trading Halt |
| 31 Jan 2023 | Quarterly Activities/Appendix 5B Cash Flow Report |
| 24 Jan 2023 | Mineralised Structures at Key Cu-Au Targets Near Bluebird |
| 14 Dec 2022 | Intensely Copper Mineralised Drill Hits Extend Bluebird |
| 30 Nov 2022 | Results of AGM |
| 21 Nov 2022 | Drilling Doubles Strike Length of Bluebird Copper-Gold |
| 31 Oct 2022 | Quarterly Activities/Appendix 5B Cash Flow Report |
| 28 Oct 2022 | Massive Copper Sulphide Zone Intersected at Bluebird |
| 21 Oct 2022 | Notice of Annual General Meeting/Proxy Form |
| 13 Oct 2022 | Step-out Drilling Commenced at Bluebird Cu-Au Discovery |
| 12 Oct 2022 | Date of AGM & Closing Date of Director Nominations |
| 29 Sep 2022 | Corporate Governance Statement |
| 29 Sep 2022 | Appendix 4G |
| 29 Sep 2022 | Annual Report to shareholders |

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

The announcements are also available through the Company's website www.tennantminerals.com.

6.3 Market price of Shares

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

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

| | (\$) | Date |
|---------|----------|------------------|
| Highest | \$0.0490 | 8 February 2023 |
| Lowest | \$0.0290 | 4 January 2023 |
| Last | \$0.034 | 22 February 2023 |

Whilst it is intended that the New Options will be quoted there is no current market or trading history for the New Options. It is not possible to predict what the value of the Shares or New Options will be following completion of the Offers and the Directors do not make any representations as to such matters.

6.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 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 or proposed director:

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

Security holdings

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

| Director | Shares | Options ¹ |
|--------------------|-----------|----------------------|
| Matthew Driscoll | 1,000,000 | 500,000 |
| Neville Bassett | Nil | Nil |
| Michael Scivolo | Nil | Nil |
| Dr Allison Dugdale | 1,000,000 | 642,110 |

Notes:

1. Listed Options (ASX: TMSO) exercisable at \$0.03 each on or before 23 April 2024.

Remuneration

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

A Director may be paid fees or other amounts (i.e., non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors:

| Director | Previous Financial Year (FY2022) ¹ | Current Financial Year (FY2023) ¹ |
|---------------------------------|---|--|
| Matthew Driscoll | 60,000 | 60,000 |
| Neville Bassett | 40,000 | 40,000 |
| Michael Scivolo | 40,000 | 40,000 |
| Dr Allison Dugdale ² | - | 35,000 |

Notes:

1. Includes base directors' fees or salary, inclusive of superannuation.
2. Appointed on 12 August 2022.

6.5 Interests of experts and advisers

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

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

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

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (f) 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 any of these persons for services provided in connection with:

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

(h) the Offers.

Steinepreis Paganin has acted as the Australian legal adviser to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$205,141.98 (excluding GST and disbursements) for legal services provided to the Company.

PAC Partners Securities Pty Ltd acted as lead manager to the Placement. PAC Partners Securities Pty Ltd has received a selling fee of 6% plus GST on the total gross proceeds raised under the Placement and will be issued up to 14,000,000 New Options (the subject of the Broker Offer) in consideration for these services as detailed in Section 1.2.1. During the 24 months preceding lodgement of this Prospectus with the ASIC, PAC Partners Securities Pty Ltd has not received any fees from the Company for any other services.

6.6 Consents

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

Each of the parties referred to in this Section:

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

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

PAC Partners Securities Pty Ltd has given its written consent to being named as the lead manager to the Placement in this Prospectus. As at the date of this Prospectus, PAC Partners Securities Pty Ltd (including its related entities) is not a Shareholder of the Company and currently has no relevant interest in any of the Company's Securities.

Nexia Perth Audit Services Pty Ltd has given its written consent to be named as auditor to the Company in this Prospectus and the inclusion of the 30 June 2022 audited financial information of the Company in Section 3.6.

6.7 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$47,344 (excluding GST) and are expected to be applied towards the items set out in the table below:

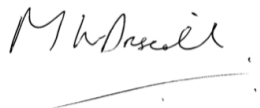
| | \$ |
|---|-----------------|
| ASIC fees | 3,206 |
| ASX fees | 19,138 |
| Legal fees | 10,000 |
| Miscellaneous (including printing and distribution) | 15,000 |
| Total | \$47,344 |

As noted at Section 3.4, the expenses of the Offers (exceeding any amount raised under the Cleansing Offer) will be met from the Company's existing cash reserves.

7. DIRECTORS' AUTHORISATION

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

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



Matthew Driscoll
Non-Executive Chairman
Tennant Minerals Limited

8. GLOSSARY

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

Application Form means the application form attached to or accompanying this Prospectus for each of the Placement Offer, the Broker Offer and the Cleansing Offer, or any one of them, as the context requires.

ASIC means the Australian Securities and Investments 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 listing rules of the ASX.

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

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

Brokers has the meaning given to that term at Section 1.2.1, being the Lead Manager and certain other brokers who assisted with facilitation of the Placement.

Broker Offer means the offer of New Options to the Brokers as detailed in Section 2.2.

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

Cleansing Offer means the offer of Shares as detailed in Section 2.3.

Closing Date means the closing date specified in the indicative timetable set out in Section 1.1 (subject to the Company reserving the right to extend the Closing Date of any of the Offers or close any of the Offers early, as applicable).

Company means Tennant Minerals Limited (ACN 086 471 007).

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

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

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

Lead Manager has the meaning given to that term at Section 1.2.1.

New Option means an Option issued on the terms and conditions set out in Section 4.1.

Offers means together the Placement Offer, the Broker Offer and the Cleansing Offer.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share, including a New Option.

Optionholder means a holder of an Option.

Options Offers means together the Placement Offer and the Broker Offer.

Placement has the meaning given to that term at Section 1.2.1, being the capital raising undertaken by the Company as announced on 15 February 2023.

Placement Participants has the meaning given to that term at Section 1.2.1, being the participants in the Placement.

Placement Offer means the offer of New Options to Placement Participants as detailed in Section 2.1.

Placement Shares has the meaning given to that term at Section 1.2.1, being the Shares to be issued to Placement Participants pursuant to the Placement.

Prospectus means this prospectus.

Section means a section of this Prospectus.

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

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

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.