
TARGET MARKET DETERMINATION

Made by: Grand Gulf Energy Limited (ACN 073 653 175) of Suite 1G, 56 Kings Park Road, West Perth WA 6005 (**Company**)

Product: Free attaching options in connection with a placement of fully paid ordinary shares (**Shares**) announced by the Company on 25 August 2023 (**Placement**) under a prospectus dated 10 October 2023 (**Options**).

Effective date: 10 October 2023

This target market determination (**TMD**) has been prepared by the Company in relation to an offer to issue the Options made by the Company under a prospectus dated 10 October 2023 (**Prospectus**). A copy of the Prospectus is available on the Company's website, www.grandgulfeenergy.com. CPS Capital Group Pty Ltd (ACN 088 055 636) has been appointed as the lead manager to the Placement (**Lead Manager**).

The offer will be made under, or accompanied by, a copy of the Prospectus. Any recipient of this TMD should carefully read and consider the Prospectus in full and consult their professional adviser if they have any questions regarding the contents of the Prospectus. Any recipient of this TMD who wants to acquire Options under the offer will need to complete the application form that will be in, or will accompany, the Prospectus. There is no cooling off period in respect of the issue of the Options. This TMD is not a disclosure document for the purposes of the *Corporations Act 2001* (Cth), and therefore has not been lodged, and does not require lodgement, with the Australian Securities and Investments Commission (**ASIC**) nor does it contain a full summary of the terms and conditions of the Options.

This TMD does not take into account what you currently have, or what you want and need, for your financial future. It is important for you to consider these matters and read the Prospectus before you make an investment decision. The Company is not licensed to provide financial product advice in relation to the Options.

1. TARGET MARKET

Factor	Target market
Investment Objective	The Company expects that an investment in Options will be suitable to investors who wish to gain exposure to equities in a small-cap mining company listed on the Australian Securities Exchange (ASX).
Investment Timeframe	<p>The target market of investors will take a short to medium term outlook on their investment. Investors with a medium-term outlook for their investment will benefit from an anticipated listing of the Options on ASX, as well as an ability to exercise Options and trade the underlying fully paid ordinary shares in the capital of the Company (Shares) issued on exercise should the exercise price of the Options be lower than the trading price of Shares. Investors with a medium-term outlook will benefit from an ability to exercise Options within the term of the Options and increase their shareholding and exposure to the potential upside in the Shares into the future.</p> <p>Given the need to pay the exercise price in order to acquire Shares, investors in the target market are in a financial position that is sufficient for them to invest their</p>

Factor	Target market
	funds over the time horizon of the exercise period of the Options, as set out in the Prospectus, during which their ability to liquidate their Options in the Company may be limited by a lack of liquidity in the Options and by the trading price of Shares.
Investment Metrics	<p>While the Company does not have an established eligibility framework for investors based on metrics such as age, expected return or volatility, it is expected that the target market of investors will be able to withstand potential fluctuations in the value of their investment.</p> <p>An exercise price is required to be paid to acquire Shares on exercise of the Options. As such, the capacity to realise the underlying value of the Options would require that they be exercised on or before the expiry date. Investors in the target market will need to be in a financial position to have sufficient available funds so as to facilitate an exercise of the Options prior to the expiry date. Prior to the expiry date, investors' ability to liquidate the Options may be limited by a lack of liquidity in the trading of Options and Shares and the price of the Shares. The Options offer no guaranteed income or capital protection.</p>
Risk	The Company considers that an investment in the Options is highly speculative, such that an investment in the Company is not appropriate for an investor who would not be able to bear a loss of some or all of the investment. Investors should also have a sufficient level of financial literacy and resources (either alone or in conjunction with an appropriate adviser) to understand and appreciate the risks of investing in Options as an asset class generally and the more specific risks of investing in an Australian listed mining company.

2. DISTRIBUTION CONDITIONS

The offer of Options under the Prospectus comprises offers of up to:

- (a) 100,000,000 Options to unrelated sophisticated and professional investors of the Company who participated in the Placement;
- (b) 120,000,000 Options to the Lead Manager (or its nominee) of the Placement; and
- (c) 5,000,000 Options to S3 Consortium Pty Ltd (ACN 135 239 968) (or its nominee).

The Prospectus will include jurisdictional conditions on eligibility. The Company will also include on its web landing page for the offer of Options a copy of this TMD and require that eligible recipients confirm that they meet the eligibility criteria of the expected target market outlined in this TMD before they apply for Options.

The Company considers that these distribution conditions will ensure that persons who invest in Options fall within the target market in circumstances where personal advice is not being provided to those persons by the Company.

3. REVIEW TRIGGERS

The Options are being offered for a limited offer period set out in the Prospectus, after the conclusion of which the Options will no longer be available for investment by way of issue. It follows that the TMD will only apply in the period between the commencement of the offer of the Options and the issue of the Options shortly after the close of the Offer (**Offer Period**).

To allow the Company to determine whether circumstances exist that indicate this TMD is no longer appropriate to the Options and should be reviewed, the following review triggers apply for the Offer Period:

- (a) a new offer of Options that requires preparation of a disclosure document is made after completion of the Offer Period;
- (b) any event or circumstance that would materially change a factor taken into account in making this TMD;
- (c) the existence of a significant dealing of the Options that is not consistent with this TMD. The Company does not consider that an on-sale of the Options on market is a significant dealing;
- (d) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Options or this TMD; and
- (e) material changes to the regulatory environment that applies to an investment in the Options.

4. REVIEW PERIOD

If a review trigger occurs during the Offer Period, the Company will undertake a review of the TMD in light of the review trigger.

The Company will otherwise complete a review of the TMD immediately prior to the issue of Options under the Offer.

5. INFORMATION REPORTING

The reporting requirements of all distributors is set out in the table below.

Reporting requirement	Period for reporting to the Company by the distributor	Information to be provided
Whether the distributor received complaints about the Options.	<ul style="list-style-type: none">• For such time as the Offer Period remains open, within 10 business days after the end of each quarter.• Within 10 business days after the end of the Offer Period.	<ul style="list-style-type: none">• The number of complaints received.• A summary of the nature of each complaint or a copy of each complaint.
A significant dealing of the Options that is not consistent with this TMD	As soon as reasonably practicable after the significant dealing	<ul style="list-style-type: none">• Details of the significant dealing.• Reasons why the

Reporting requirement	Period for reporting to the Company by the distributor	Information to be provided
	occurs, but in any event no later than 10 business days after the significant dealing occurs.	distributor considers that the significant dealing is not consistent with this TMD.
A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.	Within 10 business days after the end of the close of the offer of Options in accordance with the Prospectus.	A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.

6. CONTACT DETAILS

Contact details in respect of this TMD for the Company are:

Lloyd Flint
Company Secretary
Phone: +61 8 9226 2209
Email: info@grandgulf.net

GRAND GULF ENERGY LIMITED

ACN 073 653 175

OPTIONS PROSPECTUS

For the offer of:

- (a) up to 100,000,000 New Options to participants in the Placement, on the basis of one (1) New Option for every four (4) Shares subscribed for and issued to the participants under the Placement (**Placement Options Offer**);
- (b) 120,000,000 New Options to the Lead Manager of the Placement (or its nominee) (**Lead Manager Options Offer**); and
- (c) 5,000,000 New Options to S3 Consortium (or its nominee) (**S3 Consortium Offer**),

(together, the **Offers**).

IMPORTANT NOTICE

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

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

IMPORTANT NOTICE

This Prospectus is dated 10 October 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 New Options 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 New Options offered by this Prospectus should be considered as highly speculative.

Important – if you wish to accept your entitlement to the New Options, you do not need to take any action.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus.

In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters 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 New Options under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

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

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

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

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

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

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

Overseas shareholders

These 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 an offer or to issue this Prospectus.

The Offers are not being extended and the New Options will not be issued to Shareholders with a registered address which is outside Australia.

For further information on overseas Shareholders please refer to Section 2.14.

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 its 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.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of

New Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (www.grandgulfenergy.com).

Eligible Applicants will be deemed to have accepted their respective entitlement if the Company does not receive notice to the contrary prior to the Closing Date in response to an Application Form accompanying this Prospectus. In doing so, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.grandgulfenergy.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 +61 8 9226 2209 during office hours or by emailing the Company at info@grandgulf.net.

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

Company website

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

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that

the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

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

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

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of New Options 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.

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

The personal information you provide to the Company may be collected, held and used by the Company to 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.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 8 9226 2209.

CORPORATE DIRECTORY

Directors

Craig Burton
Non-Executive Chair

Dane Lance
Managing Director

Keith Martens
Non-Executive Director

Company Secretary

Lloyd Flint

Registered Office

Suite 1G, 56 Kings Park Road
WEST PERTH WA 6005

Telephone: +61 8 9226 2209
Email: info@grandgulf.net
Website: www.grandgulfenergy.com

Auditor*

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
PERTH WA 6000

Share Registry*

Advanced Share Registry Services
110 Stirling Hwy
NEDLANDS WA 6009

Telephone: +61 8 9323 2000

Legal Advisers

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

Lead Manager to the Placement

CPS Capital Group Pty Ltd
Level 41, 108 St Georges Terrace
PERTH WA 6000

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

TABLE OF CONTENTS

1.	INDICATIVE TIMETABLE	1
2.	DETAILS OF THE OFFERS	2
3.	PURPOSE AND EFFECT OF THE OFFERS	6
4.	RIGHTS ATTACHING TO SECURITIES	8
5.	RISK FACTORS	13
6.	ADDITIONAL INFORMATION.....	21
7.	DIRECTORS' AUTHORISATION.....	26
8.	GLOSSARY.....	27

1. INDICATIVE TIMETABLE

1.1 Key Offer Information

Action	Date*
Lodgement of Prospectus with ASX and ASIC	10 October 2023
Opening Date of Offers under Prospectus	10 October 2023
Closing Date (5:00pm AWST)**	13 October 2023
Issue of New Options under the Offers	17 October 2023
Expected date of Official Quotation of New Options on ASX	19 October 2023

* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the New Options are expected to be quoted on ASX may vary with any change in the Closing Date.

2. DETAILS OF THE OFFERS

2.1 Background

On 25 August 2023, the Company announced that it had received firm commitments from existing and new sophisticated and professional investors (**Investors**) to raise a total of \$3,200,000 (before costs) through the issue of a total of 400,000,000 Shares (**Placement Shares**) at an issue price of \$0.008 per Share (**Placement**).

The Company is offering Investors the opportunity to apply for one (1) free attaching New Option for every four (4) Shares subscribed for by Investors under the Placement.

The Placement comprises the following components:

- (a) 191,539,030 Shares (**Tranche 1 Placement Shares**) issued on 4 September 2023 to Investors under the Company's existing placement capacity pursuant to ASX Listing Rules 7.1 (149,014,327 Shares) and 7.1A (42,524,703 Shares) (**Tranche 1 Placement**); and
- (b) up to 208,460,970 Shares to be issued to Investors subject to Shareholder approval (**Tranche 2 Placement Shares**).

The Company obtained Shareholder approval, at the general meeting held on 9 October 2023 (**General Meeting**), to issue one (1) New Option for every four (4) Placement Shares subscribed for and issued to Investors under the Placement.

In addition, the Company obtained Shareholder approval for the issue of the Tranche 2 Placement Shares and the New Options at the General Meeting.

2.2 Lead Manager

CPS Capital Group Pty Ltd (**Lead Manager**) was engaged by the Company to act as Lead Manager to the Placement under a mandate agreement dated 18 August 2023 with the following material terms:

- (a) **Engagement:** The Lead Manager will be engaged as and lead manager and provide capital raising activities and corporate advice to the Company.
- (b) **Right of first refusal:** The Company agrees to grant the Lead Manager a right of first refusal for any capital raising conducted by the Company for 24 months from the date of the mandate agreement;
- (c) **Fees:** The Company has agreed to pay/issue the Lead Manager:
 - (i) a management fee of 2% of the gross proceeds raised under the August Placement (\$64,000);
 - (ii) a placing fee of 4% of the gross proceeds raised under the August Placement (\$128,000);
 - (iii) subject to Shareholder approval being obtained, 20,000,000 New Options; and

- (iv) subject to Shareholder approval being obtained, one (1) New Option for every four (4) Shares subscribed for and issued under the Placement.

The mandate letter otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, indemnity provisions and confidentiality provisions).

2.3 Placement Options Offer

The Placement Options Offer is an offer of one (1) New Option for every four (4) Shares subscribed for and issued to Investors under the Placement.

The New Options offered under the Placement Options Offer pursuant to this Prospectus will be exercisable at \$0.025 each on or before three (3) years from the date of issue and otherwise on the terms set out in Section 4.1. All Shares issued upon exercise of the 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 the Shares.

The maximum number of New Options to be issued under the Placement Options Offer is 100,000,000, calculated on the basis of one (1) New Option for every four (4) Shares subscribed for under the Placement.

No funds will be raised from the Placement Options Offer as the New Options are being issued for nil consideration.

The Company will apply for Official Quotation of the New Options offered pursuant to the Placement Options Offer.

2.4 Lead Manager Options Offer

The Lead Manager Options Offer is an offer of 120,000,000 New Options to the Lead Manager (or its nominee) (**Lead Manager Options Offer**).

No funds will be raised from the Lead Manager Options Offer as the New Options are being issued in consideration for services provided by the Lead Manager.

The New Options offered under the Lead Manager Options Offer pursuant to this Prospectus will be exercisable at \$0.025 each on or before three (3) years from the date of issue and otherwise on the terms set out in Section 4.1.

All Shares issued upon exercise of the 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 the Shares.

The Company will apply for Official Quotation of the New Options offered pursuant to the Lead Manager Options Offer.

2.5 S3 Consortium Offer

The S3 Consortium Offer is an offer of 5,000,000 New Options to S3 Consortium Pty Ltd (ACN 135 239 968) (**S3 Consortium**) (or its nominee) (**S3 Consortium Offer**).

No funds will be raised from the S3 Consortium Offer as the New Options are being issued in consideration for digital marketing services provided by S3 Consortium.

The New Options offered under the S3 Consortium Offer pursuant to this Prospectus will be exercisable at \$0.025 each on or before three (3) years from the date of issue and otherwise on the terms set out in Section 4.1.

All Shares issued upon exercise of the 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 the Shares.

The Company will apply for Official Quotation of the New Options offered pursuant to the S3 Consortium Offer.

2.6 Minimum subscription

There is no minimum subscription for the Offers.

2.7 Not underwritten

The Offers are not underwritten.

2.8 Oversubscriptions

No oversubscriptions will be accepted by the Company under the Offers.

2.9 Applications under the Placement Options Offer

To receive New Options pursuant to the Placement Options Offer you do not need to do anything, as the Lead Manager will make applications on your behalf.

Applications for New Options will only be made by the Lead Manager for Eligible Applicants, at the direction of the Company and will be made using the appropriate Application Form accompanying this Prospectus.

No subscription monies are payable for the New Options offered pursuant to this Prospectus under the Placement Options Offer as the New Options are being issued as an entitlement to Eligible Applicants.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than **5:00pm (AWST) on the Closing Date**.

The Company reserves the right to close the Offers early.

Please contact the Company Secretary on +61 8 9387 6602 if you have any queries regarding the application process.

2.10 Applications under Lead Manager Options Offer and S3 Consortium Offer

The Lead Manager Options Offer and S3 Consortium Offer is only available to those who are personally invited to accept the Lead Manager Options Offer and S3 Consortium Offer.

An Application Form for the Lead Manager Options Offer and S3 Consortium Offer will only be provided by the Company to the Lead Manager and S3 Consortium (or their respective nominees).

No subscription monies are payable for the New Options offered pursuant to this Prospectus under the Lead Manager Options Offer and S3 Consortium Offer as the New Options are being issued as part consideration payable for the provision

of services provided by the Lead Manager and S3 Consortium as disclosed in Sections 2.2 and 2.5 respectively.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form by no later than **5:00pm (AWST) on the Closing Date**.

The Company reserves the right to close the Offers early.

2.11 ASX Listing

Application for Official Quotation 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 three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Options.

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

2.12 Issue of New Options

New Options issued pursuant to the Offers will be issued in accordance with the timetable set out in Section 1 of this Prospectus.

2.13 Defects in Applications

If an Application Form is not completed correctly, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

2.14 Overseas shareholders

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer 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, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia except to institutional and professional investors in jurisdictions whereby the Offers are exempt from local prospectus or registration requirements. 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.

Nominees and custodians

Nominees and custodians may not submit an Application Form on behalf of any Shareholder resident outside Australia without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

2.15 Enquiries

Any questions concerning the Offers should be directed to the Company Secretary on +61 8 9226 2209.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers

The purpose of the Placement Options Offer is to offer Investors who participated in the Placement one (1) free New Option for every four (4) Shares subscribed for under the Placement.

The purpose of the Lead Manager Options Offer is to satisfy the Company's agreement to issue 120,000,000 New Options to the Lead Manager (or its nominee).

The purpose of the S3 Consortium Offer is to satisfy the Company's agreement to issue 5,000,000 New Options to S3 Consortium (or its nominee).

In addition to the above purposes, the Offers are being made under this Prospectus to remove any trading restrictions attaching to the New Options and any Shares issued on exercise of the New Options. The Company confirms that:

- (a) the New Options offered under this Prospectus are being issued with disclosure under this Prospectus (which is a disclosure document under Part 6D.2 of the Corporations Act); and
- (b) the Offers are being made such that the relief provided under *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80* with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Subject to the New Options being granted to Official Quotation on the ASX, holders of the New Options will be able to trade the New Options on the ASX and will be able to exercise the New Options into Shares and trade those Shares without the need for additional disclosure and without any trading restrictions.

3.2 Effects of the Offers

The principal effects of the Placement and Offers, assuming the Company issues the maximum number of New Options under the Offers, will be to:

- (a) increase the number of Options currently on issue from 258,560,606 as at the date of this Prospectus to 483,570,606; and
- (b) to remove any trading restrictions attaching to the New Options and to enable the on-sale of any Shares issued on exercise of the New Options issued under this Prospectus.

3.3 Effect of the Offers on capital structure

The effect of the Offers on the capital structure of the Company, assuming the Company issues the maximum number of New Options under the Offers, is set out below.

Shares¹	Number
Shares currently on issue ¹	1,866,786,058
Shares offered pursuant to the Offers	Nil
Total Shares on completion of the Offers	1,866,786,058

Options	Number
Options currently on issue ²	258,560,606
New Options offered pursuant to the Placement Options Offer ³	100,000,000
New Options offered pursuant to the Lead Manager Options Offer ³	120,000,000
New Options offered pursuant to the S3 Consortium Offer ³	5,000,000
Total Options on completion of the Offers	483,560,606

Performance Rights	Number
Performance Rights currently on issue	170,000,000
Performance Rights offered pursuant to the Offers	Nil
Total Performance Rights on completion of the Offers	170,000,000

Notes:

1. The rights attaching to the Shares are summarised in Section 4.2 of this Prospectus.
2. Comprising:
 - (a) 103,333,333 quoted options exercisable at \$0.08 on or before 16 June 2025;
 - (b) 60,000,000 unquoted options exercisable at \$0.025 on or before 15 October 2024;
 - (c) 10,000,000 unquoted options exercisable at \$0.07 on or before 16 June 2026; and
 - (d) 85,227,273 unquoted options exercisable at \$0.05 on or before 31 March 2026.
3. New Options exercisable at \$0.025 each on or before three (3) years from the date of issue, the terms of which are set out at Section 4.1. The Company intends to apply for quotation of the New Options issued pursuant to this Prospectus.

The capital structure on a fully diluted basis as at the date of this Prospectus is 2,295,346,664 Shares and on completion of the Offers would be 2,520,346,664 Shares.

3.4 Financial effect of the Offers

No funds will be raised from the Offers as the New Options are being issued for nil cash consideration. However, if all New Options are exercised into Shares, the Company will receive approximately \$5,625,000.

The expenses of the Offers are estimated to be approximately \$240,538. The expenses of the Offers will be met utilising the Company's existing cash reserves.

Accordingly, the immediate financial effect of the Offers will be to reduce the Company's existing cash reserves by \$240,538.

3.5 Substantial Shareholders

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

Shareholder	Shares	%
Timothy Paul Neesham	150,358,510	8.78%
Brown Bricks Pty Ltd ATF HM/AC	95,623,711	6.70%
Craig Burton	97,006,869	8.20%
James Peter Allchurch	188,816,397	15.95%

The Company confirms that no existing Shareholder will increase its shareholding to above 19.9% as a result of the Offers.

4. RIGHTS ATTACHING TO SECURITIES

4.1 Terms of the New Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) fully paid ordinary share (**Share**) in the Company upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.025 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is three (3) years from the date of issue (**Expiry Date**). 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 exercise notice (**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 Shares on exercise**

Within five (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 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 Options.

If a notice delivered under paragraph (g)(ii) is for any reason 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 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 Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency 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 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 in the Company currently on issue and the Shares that will be issued on the exercise of the New Options 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.

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).

(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.

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 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, or if authorised 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.

5. RISK FACTORS

5.1 Introduction

The New Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential 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 New Options and Shares issued upon the exercise of the New Options may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

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

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

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

5.2 Company specific

Risk Category	Risk
Additional Requirements for Capital	The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the recently completed 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.
Climate Risk	There are a number of climate-related factors that may affect the field 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. The Company may be impacted by changes to local or

Risk Category	Risk
	<p>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. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>
<p>Exploration and Development Risks</p>	<p>Helium exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company. The Company is subject to customary risks associated with an exploration company, such as dry wells or sub-commercial discoveries, the volatility of commodity prices and exchange rates, exploration costs, proximity to infrastructure, unanticipated operational and technical difficulties, native title and risks with respect to the holding of exploration tenure.</p> <p>The production from successful wells may also be impacted by various operating conditions, including insufficient storage or transportation capacity, or other geological and mechanical conditions. In addition, managing drilling hazards or environmental damage and pollution caused by exploration and development operations could greatly increase the associated cost and profitability of individual wells.</p>
<p>Commodity Price Volatility and Exchange Rates</p>	<p>If the Company achieves success leading to helium production, the revenue it will derive through the sale of helium 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 helium, forward selling by producers, production cost levels in major producing regions, technological advancements, forward selling activities and other macro-economic factors.</p>

5.3 Industry specific

Risk Category	Risk
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 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>
Drilling Risks	<p>The Company may encounter hazards inherent in drilling activities, such as unusual or unexpected formations, abnormal pressures or rock properties, adverse weather conditions, mechanical difficulties, conditions which could result in damage to plant or equipment or shortages or delays in delivery of rigs and other equipment.</p> <p>Whilst the Company intends to take adequate precautions to minimise risks associated with drilling activities, there can be no guarantee that the Company will not experience one or more material incidents during drilling activities that may have an adverse impact on the operating and financial performances of the Company, including costs associated with control of well operation, recovery of plant and equipment, environmental rectification and compensation along with delays and other impacts on anticipated results.</p>
Development Risk	<p>In the event that the Company is successful in locating commercial quantities of helium through exploration, then that development could be delayed or unsuccessful for a number of reasons including extreme weather, unanticipated operational occurrences, failure to obtain necessary approvals, insufficient funds, fiscal and regulatory change, a drop in commodity price, supply chain failure, unavailability of appropriate labour, or an increase in costs. If one or more of these occurrences has a material impact, then the Company's operational and financial performance may be negatively affected.</p>
Agents and Contractors	<p>The Company outsources substantial parts of its production activities pursuant to service contracts with third party contractors. The Directors are unable to predict the risk of financial failure or default of the insolvency of any of the contractors that will be used by the Company in any of its activities or other managerial failure by any of the other service providers used by the Company for any activity. Contractors may also underperform their obligations of their contract, and in the event that their contract is terminated, the Company may not be able to find a suitable replacement on satisfactory terms.</p>

Risk Category	Risk
Contractual	<p>The Company's interest in the Red Helium Project is subject to the terms of the operating agreement with joint venture company Valence Resources LLC (Valence), which operates the Project. As announced on 24 April 2023, the Company has increased its working interest in its majority owned Vallance to 77.5%.</p> <p>The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under this agreement.</p> <p>If the Company is unable to satisfy its undertakings under this agreements the Company's interest in the Project may be jeopardised.</p>
Reserves and Resources Estimates	<p>Helium volume estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates are imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment or, even if valid when originally calculated, may alter significantly when new information or techniques become available. As further information becomes available through additional drilling and analysis the estimates are likely to change. Any adjustments to volumes could affect the Company's exploration and development plans which may, in turn, affect the Company's performance.</p>
Occupational Health and Safety	<p>Site safety is a critical element of the Company. While the Company has a strong commitment to achieving a safe performance on site and a strong record in achieving safety performance, a serious site safety incident could impact upon the reputation and financial performance of the Company.</p> <p>Additionally, laws and regulations may become more complex and stringent. Failure to comply with applicable regulations or requirements may result in significant liabilities, suspended activities and increased costs.</p>
Environmental	<p>The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and exploration operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or well 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 fires may impact on the Company's ongoing compliance with environmental</p>

Risk Category	Risk
	<p>legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.</p> <p>The disposal of process waste is 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>
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, 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. 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 well. 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 tenements.</p>
Decommissioning	<p>If the Company successfully discovers and develops helium, decommissioning and rehabilitation costs will likely be incurred at the end of the operating life of the asset. The scope and timing of decommissioning costs are uncertain and can vary due to a number of factors, including changes to legal and regulatory requirements, or improvement to decommissioning methodology. Unfavourable changes in decommissioning costs and associated provisions could adversely impact project economics.</p>

5.4 General risks

Risk Category	Risk
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.
Market Conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Competition Risk	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.
Litigation Risks	The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.
Taxation	The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All existing and prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring New Options from a taxation viewpoint and generally.

Risk Category	Risk
	To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of subscribing for New Options offered under this Prospectus.
Reliance on Key Personnel	The Company's future success depends on its continuing ability to retain and attract highly qualified and experienced personnel. Competition for such personnel can be intense and there can be no assurance that Stavely will be able to attract and retain additional highly qualified personnel in the future. The ability to attract and retain necessary personnel could have a material adverse effect on the Company reputation and financial position.
Economic Conditions and Other Global or National Issues	<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 its Shares remains unknown. The Company's Share price 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>

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 New Options.

Existing and prospective investors should consider that an investment in the Company is highly speculative.

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

Before deciding whether to subscribe for New Options 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 Notices 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
10 October 2023	Leading North American Drill Engineering Group Appointed
9 October 2023	Results of Meeting
4 October 2023	Notice of AGM Date
21 September 2023	Appendix 4G

Date	Description of Announcement
21 September 2023	Corporate Governance Statement

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 at www.grandgulfenergy.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 the ASX.

The highest, lowest and last market sale prices of the Shares on the 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	\$0.013	20 June 2023, 23 June 2023 and 26 June 2023
Lowest	\$0.007	9 October 2023
Last	\$0.007	9 October 2023

6.4 Interests of Directors

Other than as set out below or elsewhere 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 of the Company as at the date of this Prospectus is set out in the table below:

Date of this Prospectus

Director	Shares	Options	Performance Rights
Keith Martens	28,775,516 ¹	Nil	18,061,226 ²
Dane Lance	Nil	10,000,000 ³	30,000,000 ⁴
Craig Burton	97,006,869 ⁵	Nil	Nil

Completion of the Offers

Director	Shares	Options	Performance Rights
Keith Martens	28,775,516 ¹	Nil	18,061,226 ²
Dane Lance	Nil	10,000,000 ³	30,000,000 ⁴
Craig Burton	97,006,869 ⁵	Nil	Nil

Notes:

1. Comprising 13,775,516 Shares held indirectly by Martens Petroleum Consulting Pty Ltd (of which Mr Martens is the sole director) and 15,000,000 Shares held indirectly by Onslow Superannuation Fund (of which Mr Martens is trustee and beneficiary).
2. Comprising 15,000,000 Class B Performance Rights and 3,061,226 Performance Shares.
3. Exercisable at \$0.07 on or before 16 June 2026.
4. Comprising 10,000,000 Class B Performance Rights and 20,000,000 Class C Performance Rights.
5. Held indirectly by Alba Capital Pty Ltd (of which Mr Burton is a director), Skye Equity Pty Ltd (of which Mr Burton is the sole director) and Craig Burton ATF CI Burton Family A/C (of which Mr Burton is trustee).

Remuneration

The remuneration of the Directors is decided by the Board prior to the Company's first annual general meeting, to be divided among themselves and in default of agreement then in equal shares. The total maximum remuneration of the Directors is varied by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable.

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 annual remuneration paid to the Directors for the previous two financial years, and the proposed remuneration for the current financial year.

Director	Remuneration for the Financial year ended 30 June 2022	Remuneration for the Financial year ended 30 June 2023	Proposed Remuneration for the Financial year ending 30 June 2024
Keith Martens	\$602,666	\$120,000	\$120,000
Dane Lance	\$196,948	\$317,184	\$274,992
Craig Burton	\$116,000	\$30,000	\$30,000

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 2 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 solicitors to the Company in respect of the Prospectus. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) 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 the ASIC, Steinepreis Paganin has been paid fees totalling \$10,052.75 (excluding GST and disbursements) for legal services provided to the Company.

CPS Capital Group Pty Ltd has acted as Lead Manager to the Placement. Refer to Section 2.2 of this Prospectus for the fees to be paid to the Lead Manager in respect of the Placement. During the 24 months preceding lodgement of this

Prospectus with the ASIC, the Lead Manager has received \$428,824 (excluding GST) in fees from the Company for its 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 (if applicable), 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; and
- (b) in light of the above, 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. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

CPS Capital Group Pty Ltd has given its written consent to being named as the Lead Manager to the Placement in this Prospectus. CPS Capital Group Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

6.7 Estimated Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$240,538 (excluding GST) and are expected to be applied towards the items set out in the table below:

Item	Amount
ASIC fees	\$3,206
ASX fees	\$16,942
Legal fees	\$15,000
Share registry fees	\$10,000
Lead Manager Fees for Placement	\$192,000
Miscellaneous	\$3,390
Total	\$240,538

7. DIRECTORS' AUTHORISATION

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

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

8. GLOSSARY

\$ means an Australian dollar.

Applicant means an investor that applies for New Options pursuant to the Placement Options Offer, Lead Manager Options Offer or S3 Consortium Offer (as the case may be).

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

ASIC means Australian Securities & 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 official listing rules of ASX.

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

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Board means the board of Directors as constituted from time to time.

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.

Closing Date means the date specified in the timetable in the Section 1 (unless extended or closed earlier).

Company means Grand Gulf Energy Limited (ACN 073 653 175).

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 at the date of this Prospectus.

Eligible Applicant is an applicant entitled to participate in the Offers.

General Meeting has the meaning given in Section 2.1.

Investors has the meaning given in Section 2.1.

Lead Manager means CPS Capital Group Pty Ltd (ACN 088 055 636).

Lead Manager Options Offer means the offer of New Options to the Lead Manager as set out in Section 2.4.

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

Offers means the Placement Options Offer and Lead Manager Options Offer the subject of this Prospectus and **Offer** means either of them (as the context requires).

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Opening Date means the opening date of the Offer as set out in the indicative timetable in Section 1.

Option means an option to acquire a Share, including where the context requires, New Options.

Optionholder means a holder of an Option.

Performance Rights means a performance right convertible into a Share upon the satisfaction of the relevant performance criteria.

Placement has the meaning given in Section 2.1.

Placement Options Offer means the offer of New Options to Investors as set out in Section 2.1.

Prospectus means this prospectus.

S3 Consortium means S3 Consortium Pty Ltd (ACN 135 239 968).

S3 Consortium Offer means the offer of New Options to the S3 Consortium as set out in Section 2.5.

Section means a section of this Prospectus.

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

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

Shareholder means the holder of a Share.