

# Prospectus

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Macarthur Minerals Limited ACN 103 011 436 (**Company** or **Macarthur**)

A pro-rata renounceable rights issue of one (1) New Share for every five (5) Ordinary Shares held at the Record Date at an issue price of \$0.10 per New Share with one (1) free attaching New Option for every two (2) New Share allotted. Each New Option is exercisable at \$0.25 per Ordinary Share and expires 18 months from the date of issue, to raise approximately \$3.3 million (based on the number of Shares on issue as at the date of this Prospectus and assuming no Options are exercised prior to the Record Date) (**Entitlement Offer**).

Lead Manager to the Issue  
Mahe Capital Pty Ltd

This Prospectus includes an offer of any Securities not taken up under the Entitlement Offer (**Shortfall Offer**).

Your Entitlement and Acceptance Form must be received by Macarthur Minerals Limited ACN 103 011 436 with your payment no later than 5.00pm (Brisbane time) on 22 March 2024.

All amounts are expressed in Australian Dollars unless otherwise stated.

## **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 stockbroker, accountant or other professional adviser.

THIS PROSPECTUS IS NOT FOR RELEASE TO US WIRE SERVICES OR FOR DISTRIBUTION IN THE UNITED STATES

## Timetable for important dates

Announcement of Rights Issue	28 February 2024
Lodgement of Prospectus with ASIC and ASX	1 March 2024
Ex-date for Rights Issue Rights trading commences on a deferred settlement basis	6 March 2024
Record date to determine Rights ( <b>Record Date</b> )	7 March 2024
Prospectus and Entitlement and Acceptance form dispatched to shareholders	8 March 2024
Rights Issue opens and trading commences ( <b>Opening Date</b> )	8 March 2024
Rights Issue trading ends	15 March 2024
Rights Issue closing date for receipt of applications ( <b>Closing Date</b> )	22 March 2024
Announcement of results and shortfall (if any) under the Rights Issue New Shares and Options start trading on a deferred settlement basis	26 March 2024
Issue of New Shares, together with attaching Options	27 March 2024
Commencement of trading of New Shares and Options on ASX on a normal settlement basis Dispatch of holding statements	28 March 2024

These dates are indicative only and subject to change without notice. The Company, in conjunction with the Lead Manager, may extend the period of the Issue or bring forward the closing date at their discretion. This may have a consequential effect on the other dates.

No securities will be issued on the basis of this Prospectus any later than 13 months after the date of issue of this Prospectus.

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

## Lodgement with the Australian Securities and Investments Commission

This Prospectus was lodged with the Australian Securities and Investments Commission on 1 March 2024. Neither the ASIC nor the ASX take any responsibility as to the contents of this Prospectus.

# Table of Contents

- 1. Chair’s letter ..... 1
- 2. Key features of the offer ..... 2
- 3. Action required of Shareholders ..... 5
- 4. Purpose and Effect of the Offer ..... 7
- 5. Details of the Offer..... 12
- 6. Rights and Liabilities attaching to Shares..... 19
- 7. Rights and Liabilities attaching to Options..... 22
- 8. Risk Factors ..... 24
- 9. Other Material Information..... 35
- 10. Definitions..... 41
- 11. Corporate directory..... 43

# Prospectus

## 1. Chair's letter

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Dear Shareholder,

On behalf of your Directors, I have pleasure in providing you with the opportunity to participate in this renounceable pro-rata entitlement issue. The Company is offering one (1) New Share at \$0.10 per New Share for every five (5) shares currently held, along with one (1) free attaching New Option for every two (2) New Shares issued. These options are exercisable at \$0.25 per Ordinary Share and expire 18 months from the date of issue. The aim is to raise approximately A\$3.3 million (before costs associated with the Offers and assuming the Entitlement Offer is fully subscribed). Mahe Capital Pty Ltd is leading the Issue.

Some or all of the Directors who own Shares in the Company or control entities holding shares in the Company may participate in the Entitlement Offer.

Acceptance of the Entitlement Offer for New Shares and New Options can be made in full or in part by submitting Acceptance Monies via BPAY or EFT as per the instructions provided in this Prospectus and on the Entitlement and Acceptance Form.

Further details of the issue are set out in Section 2, and the action you may take in relation to the issue is set out in Section 3.

This Prospectus also includes the Shortfall Offer, allowing for the acquisition of any unclaimed New Shares and New Options from the Entitlement Offer. Your entitlement, as specified in the accompanying Entitlement Acceptance Form, holds significant value. Untaken entitlements will lapse, with the shortfall passing to the Lead Manager as Nominee. Additionally, shareholders have the opportunity to apply for extra New Shares and free attaching Options under the Shortfall Offer, which includes unclaimed subscriptions from both Eligible and Ineligible Shareholders during the Rights Issue.

On behalf of the Board, I would like to thank you for your continued support and I recommend this opportunity to you.

Yours sincerely



**Cameron McCall**  
**Executive Chairman and CEO**

# Prospectus

## **2. Key features of the offer**

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### **2.1 Issue summary**

This document is for a renounceable rights issue of up to approximately 33,250,698 fully paid ordinary New Shares to raise up to \$3.3 million before issue costs. Macarthur announced this issue on 28 February 2024.

Shareholders registered on 7 March 2024 are offered the right to subscribe for one (1) New Share in Macarthur for every five (5) shares held at that date together with one (1) free attaching New Option for every two (2) New Shares issued.

The subscription price for the New Shares is \$0.10 per share. Fractions will be disregarded in calculating the Entitlements.

Each Option will be issued with an exercise price of \$0.25 and expire 18 months from the date of issue.

The date by which subscription moneys for New Shares must be received by Macarthur, at its Share Registry, is 22 March 2024 (see Section 2).

The number of New Shares which you may apply for, and the total amount you would have to pay if you choose to take up all of your rights to subscribe for New Shares, is shown on the accompanying Entitlement and Acceptance Form. There is no minimum subscription.

The Directors may at any time decide to withdraw this document and the offer of New Shares made under this document, in which case the Company will return all applications moneys (without interest) within 28 days of giving notice of such withdrawal.

### **2.2 Renounceable issue and entitlements trading**

The Rights Issue is renounceable. Accordingly, there will be trading of Entitlements on ASX meaning shareholders may choose to sell or transfer all or any part of their Entitlement instead of paying the subscription price for the New Shares.

Entitlements trading will commence on 8 March 2024 and end on 15 March 2024.

This does not mean you have to sell your existing shares. Your right to subscribe for New Shares and New Options may be sold or transferred without selling the shares you presently hold.

Shareholders who do not take up their Entitlement will find that that Entitlement lapses and the shortfall passes to the Lead Manager as Nominee.

### **2.3 Rights attaching to the new shares**

The New Shares will rank in all respects with the other listed shares in Macarthur.

A summary of the rights attaching to the New Shares is set out in Section 6.

### **2.4 Rights attaching to the new options**

New Options issued under this Prospectus have the rights and liabilities set out in Section 7.

# Prospectus

## 2.5 Official Quotation of the new shares and new options

Application will be made within 7 days after the date of issue of this Prospectus for the New Shares and New Option to be granted Official Quotation on the ASX.

It is anticipated that quotation of the New Shares will commence on a deferred settlement basis the day after acceptances close.

## 2.6 Limitation on Offer

Subject to applicable laws and regulations, this offer is limited to existing shareholders of the Company with residency in Australia, and New Zealand. This Prospectus does not constitute an offer, or an invitation to subscribe for, any New Shares in any jurisdiction where it would be unlawful to make such an offer or invitation, or to any person to whom it would be unlawful to make such an offer or invitation.

## 2.7 Treatment of Ineligible Shareholders

The Company is of the view that it is unreasonable to extend the Offer to Shareholders outside of Australia or New Zealand having regards to:

- a) the number of Ineligible Shareholders in each place where the Offer would be made;
- b) the number and value of the Shares which would be offered to Ineligible Shareholders; and
- c) the cost of complying with the legal requirements and the requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, the Company is making the Offer to Eligible Shareholders with a registered address in Australia and New Zealand only. Where this Prospectus has been sent to Shareholders with registered addresses outside Australia or New Zealand who are not entitled to participate in the Offer, it is sent to them for information purposes only.

No action has been taken to register any offer or otherwise permit a public offering of securities outside Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside of Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek their own advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of or invitation to subscribe for securities in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

The Offer and the New Shares and New Options have not been, and will not be, registered under the U.S. Securities Act or the securities law of any state of the United States, and may not be offered or sold in the United States or to or for the account or benefit of any U.S. Persons, except in a transaction exempt from the registration requirements of the U.S. Securities Act and applicable United States state securities laws.

By lodging a completed Entitlement and Acceptance Form an investor is taken to have warranted that it is able to participate in the Offer without breach of the law and related matters in their respective jurisdiction. The Company reserves the right to treat as invalid any Entitlement and Acceptance Form that appears to have been submitted by an Ineligible Shareholder or person not entitled to receive an offer or invitation.

# Prospectus

Given the small number of Ineligible Shareholders and the cost of complying with applicable regulations outside of Australia and, New Zealand, the Company has decided that it would be unreasonable to extend the Offer to Ineligible Shareholders. The Prospectus will not be sent to those Shareholders.

The Company has appointed Mahe Capital Pty Ltd as Nominee to sell the Entitlements of Ineligible Shareholders. A summary of the terms of the appointment of the Nominee is set out in Section 5.14.

## 2.8 Risk Factors

The business of Macarthur is subject to risks, which might impact on its future performance. Many of these risks are outside the control of Macarthur and cannot be mitigated. There are also a number of risk factors that are specific to an investment in Macarthur. Details of the risk factors of which investors should be aware are described in more details in Section 6 of this Prospectus.

## 2.9 Enquiries

If you have any enquiries regarding the Prospectus or the Entitlement, please contact any of the following or your own financial advisor or stockbroker:

### The Company

Macarthur Minerals Limited

Telephone: +61 7 3221 1796

Email: [communications@macarthurminerals.com.au](mailto:communications@macarthurminerals.com.au).

### Share Registry

Computershare Investor Services Pty Ltd.

Telephone: 1300 850 505 (from within Australia) and +61 3 9415 4000 (from outside Australia).

# Prospectus

## **3. Action required of Shareholders**

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### **3.1 If you wish to take up all of your Rights**

- (i) refer to your Entitlement and Acceptance Form for the amount payable for all of your Rights; and
- (ii) make payment by BPAY® or, if you are resident in New Zealand, EFT, in Australian currency, for the appropriate Application Monies by following the instructions in Section 5.

### **3.2 if you wish to accept and take up all of your Rights and also apply for Shares under the Shortfall Offer**

- (i) calculate the amount payable for all of your Rights and the number of Shortfall Shares you wish to apply for; and
- (ii) make payment by BPAY® or, if you are resident in New Zealand, EFT, in Australian currency, for the appropriate Application Monies by following the instructions in Section 5.

### **3.3 if you wish only to accept and take up part of your Rights:**

- (i) calculate the amount payable for the number of Rights you wish to take up; and
- (ii) make payment by BPAY® or, if you are resident in New Zealand, EFT, in Australian currency, for the appropriate Application Monies by following the instructions in Section 5.

### **3.4 if you do not wish to accept and take up any of your Rights, and you wish to sell all of your Rights**

- (i) you may trade your Rights on ASX by contacting your ASX market participant (your stockbroker) and instructing them to sell your Rights; or
- (ii) for issuer sponsored holders only, if you wish to transfer all or part of your Rights other than on ASX, you must forward a completed Standard Renunciation and Acceptance Form to the Share Registry in relation to the Rights that you wish to transfer. If the transferee wishes to take up all or part of the Rights transferred to them, they must seek instructions for paying their Application Monies from the Share Registry. Both the transferor and the transferee must be issuer sponsored. If either party is CHESSE sponsored, they will need to arrange the transfer of rights through their sponsoring broker.

### **3.5 If you wish to accept part of your Rights and sell the balance**

- (i) for the Rights that you wish to accept, calculate the amount payable for the number of Rights you wish to take up and make payment by BPAY® or, if you are resident in New Zealand, EFT, in Australian currency, for the appropriate Application Monies by following the instructions in Section 5.
- (ii) for the Rights that you wish to sell, follow the instructions in paragraph (3.4) above.



# Prospectus

## 3.6 Rights Not Taken Up

If all or part of your Rights lapses you will receive no benefit. Any shortfall will pass to the Nominee.

Your Rights may have value. You are advised to deal with your Rights rather than allow them to lapse.

If you do not wish to take up any part of your Rights, you are not required to take any action. The Company and the Lead Manager will deal with the New Shares in accordance with the Lead Manager Agreement.

If you have any queries concerning your Entitlement, please contact the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) your stockbroker or professional adviser.

# Prospectus

## 4. Purpose and Effect of the Offer

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### 4.1 Allocation of Funds Raised

On completion of the Offer will result in an increase in cash at hand of up to \$3.3 million (before payment of the costs associated with the Offers).

The funds raised from the Offer are planned to be used in accordance with the table set out below and may be subject to change based on economic conditions and business events (assuming the Offers are fully subscribed):

<b>Estimated Use of Funds</b> All figures are	<b>Subscription</b> <b>\$</b>	<b>%</b>
Meeting Exploration budget of Lake Giles Iron Project to keep them in good standing	444,234	13%
Working Capital/Corporate Administration	2,481,739	75%
Other costs of Offer	139,593	4%
Lead Manager and Corporate Advisor Offer Fees	259,504	8%
<b>TOTAL</b>	<b>\$3,325,070</b>	<b>100%</b>

Notes:

This table is a statement of the proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the Company's decisions. The Company reserves the right to vary the way funds are applied.

- 1 Funds raised will, in the event less than Full Subscription is received, be allocated firstly towards the costs of the Offer and then proportionally as set out above.
- 2 General working capital is intended to accelerate and/or extend/continue the above initiative as required, and corporate administration and operating costs (including directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs).
- 3 See section 4.2 for further details relating to the estimated expenses of the Offer.

### 4.2 Expenses of the Offer

The total (cash) expenses of the Offer are estimated to be between \$399,097, consisting of the following:

<b>Cost</b> <sup>1</sup>	<b>(\$)</b>
Legal fees	55,000
ASX and ASIC fees	29,593
Lead Manager Fees/Capital raising fees <sup>2</sup>	259,504
Registry, printing, postage and other expenses	55,000
<b>Total</b>	<b>399,097</b>

1 These expenses have or will be paid by the Company.

2 This is the maximum fee and assumes that no Entitlement is taken up and the Lead Manager places all Shortfall Shares.

# Prospectus

## 4.3 Effect of the Offer

The principal effect of the Offer, assuming all Securities offered under this Prospectus are subscribed for, will be to:

- (a) increase the cash reserves and issued capital by up to \$3,325,070 immediately after completion of the Offer (prior to deducting the estimated expenses of the Offer which will be met from those cash reserves).
- (b) increase the total number of Shares on issue from 166,253,488 as at the date of this Prospectus to up to 199,504,186 immediately following completion of the Offer, assuming that no Options are exercised prior to completion of the Offer; and
- (c) increase in the number of Options on issue from 17,000,000 as at the date of this Prospectus to 33,625,349 Options (subject to rounding of fractional Entitlements).

Please see Section 4.4 of this Prospectus for further details.

## 4.4 Effect on Capital Structure

The effect of the Offers on the capital structure of the Company, assuming all Entitlements are accepted, is set out below.

<b>Shares<sup>1</sup></b>	<b>Number</b>
Shares on issue as at date of Prospectus	166,253,488
New Shares offered pursuant to the Entitlement Offer <sup>2</sup>	33,250,698
<b>Total Shares on issue after completion of the Offers<sup>3</sup></b>	<b>199,504,186</b>

Notes:

- (1) The rights and liabilities attaching to the Shares are summarised in section 6.
- (2) Assumes full subscription of the Entitlement Offer.
- (3) The Company reserves the rights to raise further funds from investors after the date of this Prospectus and such capital raising activities may result in additional Securities being issued prior to completion of the Offers.

# Prospectus

<b>Options<sup>1</sup></b>		
<b>Options on issue as at the date of the Prospectus:</b>		
<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Number Issued</b>
25 May 2024	\$0.65	500,000
26 October 2024	\$0.45	500,000
26 October 2025	\$0.40	500,000
20 March 2026	\$0.20	7,200,000
8 April 2024	\$0.65	17,000,000
<b>Total Options on issue as at the date of the Prospectus</b>		<b>25,700,000</b>
<b>New Options offered pursuant to the Entitlement Offer<sup>2</sup></b>		
<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Number Issued</b>
18 months from issue date	\$0.25	16,625,349
<b>Total Options on issue after completion of the Offers<sup>3</sup></b>		<b>42,325,349</b>

Notes:

- (1) The terms and conditions attaching to the New Options are summarised in section 7 of this Prospectus.
- (2) Assumes full subscription of the Entitlement Offer.
- (3) The Company reserves the right to raise further funds from investors after the date of this Prospectus and such capital raising activities may result in further Securities being issued prior to completion of the Offers.

## 4.5 Potential dilution of Shareholders

The Entitlement Offer will have the effect of diluting the percentage shareholdings of Shareholders who do not participate in the Entitlement Offer (including under the Shortfall Offer). In particular:

- (a) Shareholders who do not take up all or part of their pro rata Entitlement under the Entitlement Offer will have their percentage shareholding in the Company diluted proportional to the extent of their non-participation following the issue of Securities under the Entitlement Offer.
- (b) Shareholders who take up their full pro rata Entitlement under the Entitlement Offer will maintain their percentage shareholding.
- (c) Shareholders who take up their full pro rata entitlement under the Entitlement Offer and receive Securities under the Shortfall Offer, will increase their percentage shareholding in the Company to the extent they receive additional Securities under the Shortfall Offer.

# Prospectus

- (d) The proportional shareholdings of Ineligible Shareholders will be diluted as a consequence of the issue of New Shares under the Offers, and any issue of Shares underlying the New Options. Ineligible Shareholders are not entitled to participate in the Entitlement Offer.

## 4.6 Effect on control of the Company

The potential effect that the issue of the Securities under the Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including Eligible Shareholders interest in taking up their Entitlements and participation in the Shortfall Offer, as well as the level of participation by investors in taking up Securities under the Shortfall Offer.

While it is not possible for the Directors to predict the outcome of the factors set out above, a non-exhaustive list setting out the potential effect on control is set out below:

- (a) the percentage interest of Shareholders who are Ineligible Shareholders, and Eligible Shareholders who do not take up their Entitlement, will be diluted by approximately 10% (assuming the Offers are fully subscribed).
- (b) if all Eligible Shareholders take up their Entitlements under the Entitlement Offer and 100% of the Shortfall is placed (i.e. 100% of Entitlements of Ineligible Shareholders is placed), all Eligible Shareholders will hold the same percentage interest in the Company as before the Offers open.
- (c) in the more likely event that there is a Shortfall, Eligible Shareholders who do not subscribe for their full Entitlement under the Entitlement Offer will be diluted relative to those Shareholders who subscribe for some or all of their Entitlements.
- (d) Eligible Shareholders will be entitled to top-up their Shareholding over and above their Entitlements, by applying for Securities under the Shortfall Offer.

## 4.7 Pro-Forma Statement of Financial Position

Set out below in column (a) is the unaudited Consolidated Balance Sheet of Macarthur as at 31 December 2023.

Set out below in column (b) is an unaudited forecast Pro-Forma Consolidated Balance Sheet incorporating the effects of this rights issue.

The Company's pro-forma statement of financial position 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.

# Prospectus

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(a) Historical (Unaudited \$AUD) 31-Dec-23	(b)		
		31 March 2024 Quarter Movements	Pro-forma Transactions	Pro-forma 31-Mar-24
<b>Current Assets</b>				
Cash and cash equivalents	410,856	(226,181)	2,925,973	3,110,648
Other receivables	125,857	-	-	125,857
Security deposits and prepayments	50,327	-	-	50,327
<b>Total Current Assets</b>	<b>587,040</b>	<b>(226,181)</b>	<b>2,925,973</b>	<b>3,286,832</b>
<b>Non-current Assets</b>				
Plant and equipment	49,478	-	-	49,478
Right of Use asset	90,029	-	-	90,029
Investment in IML	3,563,498	-	-	3,563,498
Exploration and evaluation assets	74,960,970	-	-	74,960,970
<b>Total Non-current Assets</b>	<b>78,663,975</b>	<b>-</b>	<b>-</b>	<b>78,663,975</b>
<b>TOTAL ASSETS</b>	<b>79,251,015</b>	<b>(226,181)</b>	<b>2,925,973</b>	<b>\$ 81,950,807</b>
<b>Current Liabilities</b>				
Trade and other payables	263,390	-	-	263,390
Provisions	22,903	-	-	22,903
Lease Liability	75,234	-	-	75,234
Short-term loan	1,000,000	100,000	-	1,100,000
<b>Total Current Liabilities</b>	<b>1,361,527</b>	<b>100,000</b>	<b>-</b>	<b>1,461,527</b>
<b>Non-current Liabilities</b>				
Provisions	23,195	-	-	23,195
Lease Liability	17,780	-	-	17,780
<b>Total Non-current Liabilities</b>	<b>40,975</b>	<b>-</b>	<b>-</b>	<b>40,975</b>
<b>TOTAL LIABILITIES</b>	<b>1,402,502</b>	<b>100,000</b>	<b>-</b>	<b>1,502,502</b>
<b>NET ASSETS</b>	<b>77,848,513</b>	<b>(326,181)</b>	<b>2,925,973</b>	<b>80,448,305</b>
<b>SHAREHOLDERS' EQUITY</b>				
Contributed equity	128,329,540	-	2,094,668	130,424,208
Accumulated losses	(55,967,895)	(326,181)	-	(56,294,076)
Reserves	5,486,868	-	831,305	6,318,173
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>77,848,513</b>	<b>(326,181)</b>	<b>2,925,973</b>	<b>80,448,305</b>

# Prospectus

## 5. Details of the Offer

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### 5.1 Rights Issue

The Rights Issue is being made as a pro rata renounceable rights issue to existing shareholders of one (1) New Share for every five (5) Shares held on the Record Date at an issue price of \$0.10 together with one (1) free attaching Option for every two (2) New Shares subscribed for, to raise approximately \$3,325,070.

Each Option will be issued with an exercise price of \$0.25 and exercisable on or before the date that is 18 months after the date of issue of the Options.

Any fractional entitlements to New Shares or Options will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of approximately 33,250,698 New Shares and 16,625,349 free attaching Options will be issued pursuant to the Rights Issue.

All of the New Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6 for further information regarding the rights and liabilities attaching to the Shares.

All of the Options offered under this Prospectus will be issued on the terms and conditions set out in Section 7. All Shares issued on conversion of the Options will rank equally with the Shares on issue at the date of this Prospectus.

If all of the Options are exercised the Company will receive approximately \$4.15 million in additional funds. However, the exercise of Options is entirely at the discretion of the holder and is likely to depend on the share price of the Company prior to the expiry date of the Options.

The purpose of the Rights Issue and the intended use of funds raised are set out in Section 4.

The Rights Issue is renounceable which means that if you do not want to participate in the Rights Issue, or if you only wish to take up some of your Rights, you may trade your remaining Rights on ASX by contacting an ASX market participant (your stockbroker). Rights trading is scheduled to commence on 8 March 2024 on a deferred settlement basis and will end on 15 March 2024. The Company does not guarantee that there will be any market or value in trading the rights.

### 5.2 No Minimum Subscription

There is no minimum subscription to this Issue.

### 5.3 Rights Issue trading

The Rights are renounceable. This means that Eligible Shareholders may sell any part of the Rights to third parties if they do not wish to take them up. Any Rights not taken up by a shareholder will pass to the Lead Manager as Nominee.

The trading of the Rights is expected to commence on ASX on 8 March 2024 (initially on a deferred settlement basis) and is expected to cease at close of trading on ASX on 22 March 2024. You may incur brokerage fees if you sell all or part of your Entitlement on the ASX.

There is no guarantee that there will be a liquid market in traded Entitlements. A lack of liquidity may impact the ability to sell Entitlements on ASX and the price received for them.

# Prospectus

Entitlement trading may cause prices to rise and fall over the Entitlement trading period and the price will depend upon many factors including the demand for and supply of Entitlements on ASX and the value of the Company's existing Shares relative to the Issue Price.

## 5.4 Dealing with your Rights Issue

You have the option to apply for New Shares and New Options for all or part of your Rights Issue. You may sell some or all of your Rights Issue, subject to the availability of buyers. Alternatively, you can choose to take no action.

Rights Issues will be tradable on the ASX from 8 March 2024 (initially on a deferred settlement basis) until the close of trading on ASX on 15 March 2024.

If you intend to sell or purchase Rights Issues, please contact your broker or professional advisor during the trading period.

Rights Issues not exercised or sold by the conclusion of the Rights Issue trading period will result in the lapse of your Rights Issue.

## 5.5 Alternatives for Eligible Shareholders

Accompanying this Prospectus is a personalised Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) take up all of their Entitlement;
- (b) take up all of their Entitlement and apply for Shortfall Securities under the Shortfall Offer;
- (c) take up a proportion of their Entitlement and allow the balance to lapse;
- (d) trade their Entitlements (refer to sections 5.3 and 5.4 of this Prospectus for further information); or
- (e) allow all of their Entitlement to lapse.

## 5.6 Acceptance

Your acceptance of the Entitlement Offer and/or the Shortfall Offer must be made on the Entitlement and Acceptance Form and/or Shortfall Application Form (as appropriate) accompanying this Prospectus.

You may participate in the Entitlement Offer as follows:

- (a) if you wish to accept your full Entitlement, make payment by BPAY® or EFT for your full Entitlement as indicated on the Entitlement and Acceptance Form; or:
- (b) if you wish to subscribe for more than your Entitlement, make payment by BPAY® or EFT for the appropriate Application Monies (being the sum of your full Entitlement and the number of New Shares under the Shortfall Offer that you wish to acquire, multiplied by \$0.10 (ten cents) per New Share); or:
- (c) if you only wish to accept part of your Entitlement:
  - (i) make payment by BPAY® or EFT for the appropriate Application Monies (being the number of New Shares that you wish to acquire, multiplied by \$0.10 (ten cents) per New Share); and
  - (ii) you are not obliged to do anything in respect of the part of your Entitlement you do not wish to accept.



# Prospectus

If you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

The Entitlement Offer is renounceable. This means that Eligible Shareholders may sell their Entitlements to third parties if they do not wish to take them up. Refer to sections 5.3 and 5.4 for further information.

## 5.7 Implications of acceptance

By paying Application Monies, you will be taken to have acknowledged and represented to the Company and the Underwriter that:

- (a) you are bound by the terms of the Offers and this Prospectus;
- (b) you have reviewed a copy of this Prospectus and the accompanying Entitlement and Acceptance Form and read them both in their entirety;
- (c) your acceptance may not be varied or withdrawn by you except as required by law;
- (d) the Entitlement and Acceptance Form does not need to be signed or submitted to the Company or the Share Registry to be a valid application and the Directors' decision on whether to treat an acceptance as valid and how to construe or amend an acceptance is final;
- (e) you are eligible to be offered the New Shares and attaching Options in accordance with all applicable laws, and any acceptance by you on your own behalf or in respect of any person for which you are acting complies with all applicable law;
- (f) the New Shares have not, and will not be, registered under the securities laws in any jurisdiction outside Australia and New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws, in particular the US Securities Act;
- (g) you authorise the Company and its respective officers or agents to do anything on your behalf necessary for the New Shares and attaching Options to be issued to you, including to act on instructions of the Registry and use any contact details held on record by the Registry; and
- (h) you agree to be bound by the provisions of the Constitution (as amended and as it may be amended from time to time in the future), and the terms and conditions of the issue of the Options set out in Section 7.

## 5.8 Payment methods

### *BPAY*

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form if you pay by BPAY® but are taken to have made the declarations on that Entitlement and Acceptance Form;

# Prospectus

- (b) if you do not pay for your Entitlement and any Shortfall Securities in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares and New Options which is covered in full by your Application Monies paid by BPAY®; and
- (c) it is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5:00 pm (AEDT) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

If you have more than one holding of Shares and consequently receive more than one Entitlement and Acceptance Form when taking up your Entitlement in respect of one or those Shareholdings, only use the unique customer reference number (CRN) specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your Shareholdings. This can result in your application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any application in respect of your remaining Shareholdings will not be valid).

Non-shareholders who wish to participate in the Shortfall Offer must make payment by EFT for the appropriate Application Monies as directed on the Shortfall Application Form (being the number of New Shares that you indicate in the Shortfall Application Form that you wish to acquire, multiplied by \$0.10 (ten cents) per New Share).

## **EFT**

For non-Australian residents, you may pay by EFT, by following the instructions accompanying your Entitlement and Acceptance Form. Please note that should you choose to pay by EFT:

- (a) by paying the Application Monies you will be taken to have made the declarations on the Entitlement and Acceptance Form; and
- (b) if you do not pay for your Rights in full, you are deemed to have taken up your Rights in respect of such whole number of New Shares which is covered in full by your Application Monies.

You must quote your unique customer reference number as your payment reference/description when processing your EFT payment. If you have more than one shareholding and consequently receive more than one invitation to apply for New Shares, when taking up your Rights in respect of one of those shareholdings only use the unique customer reference number specific to that shareholding as set out in the applicable Application Form. Do not use the same customer reference number for more than one of your shareholdings. Failure to do any of this may result in your funds not being allocated to your application and New Shares and attaching Options subsequently not being issued to you.

It is your responsibility to ensure that your EFT payment is received by the Registry by no later than 5.00pm (AEDT) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any Application Monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any Application Monies received or refunded.

## **5.9 Shortfall Offer**

Any New Shares and attaching Options not taken up pursuant to the Rights Issue (including any Rights of Ineligible Shareholders not able to be sold by the Company's nominee) will form the Shortfall Offer (**Shortfall Shares**). The Shortfall Offer is a separate offer made pursuant to this Prospectus.

# Prospectus

The Shortfall Shares will first be made available for subscription to Eligible Shareholders. If all Shortfall Shares are not subscribed for by Eligible Shareholders the Company reserves the right to place those Shares (together with free attaching Options) to investors within three months following the Closing Date, subject to compliance with the ASX Listing Rules. The terms and conditions (including the issue price and free attaching Options) under the Shortfall Offer are the same as those for the Rights Issue.

All decisions regarding the allocation of Shortfall Shares will be made by the Board and will be final and binding on all Applicants under the Shortfall Offer as such there is no guarantee that any Shortfall Shares applied for will be issued.

The Company will have no liability to any Applicant who receives less than the number of Shortfall Shares that they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Shares under the Shortfall Offer any Application Monies will be returned to the Applicant (without interest) as soon as practicable.

## 5.10 Application for Shortfall Offer

To apply for Shortfall Shares under the Shortfall Offer, follow the instructions set out in the Entitlement and Acceptance Form and pay the Application Monies.

You may apply for as many New Shares as you wish under the Shortfall Offer regardless of the size of your present shareholding, however the Company retains absolute discretion with respect to allocations of New Shares under the Shortfall Offer.

## 5.11 ASX Listing

Application will be made within 7 days of the date of this Prospectus to the ASX Limited (**ASX**) for the New Shares to be issued pursuant to this Prospectus to be listed for official quotation by the ASX.

In the event that the ASX does not grant permission for the official quotation of the New Shares within 3 months after the date of issue of this prospectus, none of the New Shares will be allotted or issued unless the ASIC grant Macarthur an exception permitting the allotment or issue. If no allotment or issue is made, moneys paid on application for the New Shares will be refunded without interest within the time frame described under the *Corporations Act 2001*.

The ASX take no responsibility for the contents of this Prospectus including any reports which it contains.

## 5.12 Treatment of Overseas Applicants

Applicants' resident in countries outside Australia should consult their professional advisers as to whether any governmental or other consents are required, or other formalities need to be observed to enable them to apply for shares. The failure to comply with any applicable restrictions may constitute a violation of securities laws.

The distribution of this Prospectus outside of Australia and New Zealand may be restricted by law. This Prospectus is not intended to and does not constitute an offer of securities in any place which, or to any person to whom, the making of such an offer would not be lawful under the laws of any jurisdiction outside of Australia and New Zealand.

## 5.13 Lead Manager

The Offers are being managed by the Lead Manager.

# Prospectus

The agreement between the Company and the Lead Manager with respect to the Offers broadly provides that the Lead Manager is exclusively engaged by the Company in the role of lead manager for the purposes of completing the Offers.

The Company has agreed to pay the Lead Manager:

- (a) a lead manager fee equal to \$60,000 (exclusive of GST) (**Lead Manager Fee**).
- (b) a management fee equal to 1% (exclusive of GST) of the gross proceeds raised under the Offer (**Management Fee**).
- (c) a placement fee equal to 5% (exclusive of GST) of the gross proceeds raised under the Shortfall Offer and any additional capital raised in connection with the Offer by way of placement of new Securities under the Company's placement capacity under Listing Rule 7.1 and 7.1A (if any); and
- (d) One (1) new Option for every \$1.00 raised under the Offer to be issued on the same terms and conditions as the New Options issued pursuant to the Offer (**Lead Manager Options**).

The Lead Manager Fee and the Management Fee may be paid and/or issued to the Lead Manager or its nominees. The Lead Manager may elect to be paid the Lead Manager Fee and/or the Management Fee by way of subscription to new Shares on the same terms as the New Shares being offered under the Offer.

The number of Entitlements that the Company will transfer to the Nominee will be the same number of Entitlements that would have been available to Ineligible Shareholders if they were able to participate in the Offer.

If, in the reasonable opinion of the Nominee, there is no market, or no viable market, for the Entitlements of Ineligible Shareholders (**Excluded Rights**), or a surplus of sale proceeds over the expenses of the sale of Excluded Rights cannot be obtained, then the Excluded Rights will be allowed to lapse, and they will form part of the Shortfall.

## 5.14 Nominee Engagement

For the purposes of ASX Listing Rule 7.7 and section 9A(3)(c) of the Corporations Act, and subject to ASIC approval of such appointment being obtained (and in the event that ASIC approval of the nominee appointed is not obtained, ASIC approval of a replacement nominee appointed by the Company), the Company has appointed Mahe Capital Pty Ltd (or will appoint such replacement nominee) (**Nominee**) as the nominee to the Offer in respect of the Entitlements of the Ineligible Shareholders. As the Offer is a renounceable rights issue, the Company is required to appoint a foreign nominee to arrange for the sale of the Entitlements that Ineligible Shareholders would have otherwise been entitled to. The Nominee is required to account to the Ineligible Shareholders the net proceeds of the sale.

The ability to sell Entitlements on ASX, and the price at which Entitlements can be sold, will depend on various factors, including market conditions. The maximum extent permitted by law, neither the Company or the Nominee, nor their respective related bodies corporate, nor the Directors, officers, employees, agents and advisors of any of them, will be liable for a failure to sell Entitlements at a particular price.

The Company will pay the Nominee brokerage of 5% on the total gross dollar value of all rights sold for their role as the Nominee.

# Prospectus

The number of Entitlements that the Company will transfer to the Nominee will be the same number of Entitlements that would have been available to Ineligible Shareholders if they were able to participate in the Offer.

If, in the reasonable opinion of the Nominee, there is no market, or no viable market, for the Entitlements of Ineligible Shareholders (**Excluded Rights**), or a surplus of sale proceeds over the expenses of the sale of Excluded Rights cannot be obtained, then the Excluded Rights will be allowed to lapse and they will form part of the Shortfall.

## 5.15 Allotment of New Shares

Allotment of the New Shares will take place as soon as practicable and no later than 5 Business Days after the closing date of the Issue. Application moneys will be held in a subscription account until allotment. This account will be established and kept by the Company in trust for each applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether allotment takes place.

The New Shares will be issued and statements of shareholdings dispatched to holders as soon as possible after determination by the Company of entitlements.

If no allotment or issue is made, all moneys paid on application for the New Shares will be refunded without interest within the time period set out under the *Corporations Act 2001*.

## 5.16 Privacy Policy

Chapter 2C of the Corporations Act requires information about a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. This information must continue to be included in the public register if you cease to be a securityholder.

Macarthur Minerals and the Registry may collect personal information to process your application, implement the Offers and administer your holding of Shares. The personal information contained in the share register is also used to facilitate payments and corporate communications (including financial results), annual reports and other information to be communicated to holders of Shares, and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.

Your personal information may be disclosed to joint investors, the Registry, securities brokers, third party service providers (including print and mail service providers, technology providers and professional advisers), related entities of Magnetite Mines and its agents and contractors, the ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom your personal information may be disclosed may be located overseas.

Computershare's privacy policy is available on their website:

<https://www.computershare.com/au/privacy-policies>.

# Prospectus

## 6. Rights and Liabilities attaching to Shares

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### 6.1 Introduction

Full details of the rights and liabilities attaching to the Shares are:

- detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. 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.

### 6.2 Escrow restrictions

In the event that ASX determines that certain Shares should be classified as 'restricted securities', a Shareholder must not dispose of those restricted securities (and the Company must refuse to acknowledge a disposal) during the applicable escrow period, except as permitted by the ASX Listing Rules. Shareholders who hold restricted securities are taken to have agreed that the restricted securities are kept on the Company's issuer sponsored sub-register and to have a holding lock applied for the duration of the escrow period. Shareholders will not be entitled to participate in any return of capital on restricted securities during the escrow period except as permitted by the ASX Listing Rules.

### 6.3 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. Voting may be in person or by proxy, attorney or representative.

### 6.4 Dividends

Except as otherwise required by the Corporations Act and to the terms on which shares are on issue and the rights and restrictions attaching to shares, the Directors may from time to time:

- declare dividends (whether final or interim) to be paid to members on such terms, including the amount and the time for and the method of payment, as the Directors think fit; or
- determine that a dividend is payable, fix the amount and time for payment.

### 6.5 Transfer of Shares

A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

### 6.6 Future issues of securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper, and a share may be issued with preferential or special rights.

# Prospectus

## 6.7 Meeting and notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.

## 6.8 Winding up

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company.

## 6.9 Non-marketable parcels

In accordance with the ASX Listing Rules, the Board may sell Shares that constitute less than a marketable parcel by following the procedures set out in the Constitution. A marketable parcel of shares is defined in the ASX Listing Rules and is generally, a holding of shares with a market value of not less than \$500.

## 6.10 Liquidation rights

The Company has one class of shares on issue, ordinary shares. Each ordinary Share ranks equally in the event of liquidation.

## 6.11 Variation of rights

Subject to the Corporations Act and Listing Rules, the rights attached to the Shares may be varied in accordance with the Corporations Act.

## 6.12 Election of Directors

At every annual general meeting one third of the Directors (rounded up to the nearest whole number) must retire from office. Any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting must retire. These retirement rules do not apply to certain appointments including the managing director.

## 6.13 Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

## 6.14 Shareholder liability

As the Shares offered under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

## 6.15 Alteration to the Constitution

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. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

# Prospectus

## 6.16 Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of inconsistency



# Prospectus

## 7. Rights and Liabilities attaching to Options

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The free attaching Options to be issued pursuant to the Rights Issue each have the same terms and conditions as set out in this Section.

### 7.1 Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

### 7.2 Exercise Price

Subject to Section 7.10, the amount payable upon exercise of each Option will be \$0.25 when exercised on or before the Expiry Date (**Exercise Price**).

### 7.3 Expiry Date

Each Option will expire at 5.00 pm (AEDT) on or before the date that is 18 months after the date of issue of the Options or, where such date falls on a day that is not a Business Day, on the next Business Day (**Expiry Date**).

An Option not exercised before the relevant Expiry Date will automatically lapse on the relevant Expiry Date.

### 7.4 Exercise Period

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

### 7.5 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 Exercise of Options Notice (**Notice of Exercise**) and payment of the relevant Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

### 7.6 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 relevant Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

### 7.7 Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will, subject to compliance with all applicable laws, the ASX Listing Rules:

- (a) 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;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (c) 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.

# Prospectus

If a notice delivered under Section 7.7(b) 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.

## 7.8 **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

## 7.9 **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act, the ASX Listing Rules at the time of the reconstruction.

## 7.10 **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.

## 7.11 **Change in Exercise Price**

Subject to compliance with the ASX Listing Rules, 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.

## 7.12 **Transferability**

The Company will apply for the Options to be quoted on ASX. The Options will be transferable subject to any restrictions imposed by ASX.

# Prospectus

## 8. Risk Factors

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### 8.1 General

The New Shares to be issued pursuant to this Prospectus are speculative because of the nature of the business of the Company as a mineral exploration and mining company. The value of shares can go up as well as down and a dividend may or may not be paid in the future, depending on the Company's operating successes. As the holding of the Company's securities involves certain risks, persons in doubt as to the course they should follow should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

### 8.2 Mining Speculative

Successful development and mining of a mining project depends upon such factors as successful design and construction of efficient mining and processing facilities and competent operation and managerial performance. Mining operations can be affected by matters beyond Macarthur's control.

In respect of Macarthur's other mining interests, the directors wish to emphasise that exploration for minerals is highly speculative. No assurance can be made that feasibility studies will be successful, nor that production will be obtained from any of the areas in which the Company has or may acquire an interest.

### 8.3 Exploration and development Risk

The Company's Projects are in the exploration and development stage. Development of the Company's Projects, amongst other factors, will only proceed upon obtaining satisfactory exploration results and positive outcomes in future project studies. Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that mineral exploration and development activities will result in the discovery and development of a body of commercial minerals on any of the Company's tenements. Several years may pass between the discovery of a deposit and its exploitation. Most exploration projects do not result in the discovery of commercially mineralised deposits.

Accordingly, if the exploration activities undertaken by the Company do not result in additional reserves or identified resources cannot be converted into reserves, there may be an adverse effect on the Company's financial performance. In addition, the exploitation of successful discoveries involves obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and the exercise of discretions by such authorities. Further, the decision to proceed to further exploitation may require the participation of other companies whose interest and objectives may not be the same as those of the Company.

### 8.4 Infrastructure and development

Currently the Company has no contracted rail or port capacity for exporting iron ore. Export capacity is essential for development of the iron ore projects. The ability for the Company to obtain rail and port capacity is uncertain.

# Prospectus

There are numerous activities that need to be completed in order to successfully commence production of minerals from the iron ore projects, including, without limitation, negotiating final terms of export capacity, negotiating rail and road haulage contracts, optimizing the mine plan, locating an adequate supply of fresh and saline water (for road and dust suppression), acquisition of the right to establish a rail siding, negotiating contracts for the supply of power, for the sale of minerals and for shipping, updating, renewing and obtaining, as required, all necessary permits including, without limitation, mining and environmental permits, local government road haulage approvals and handling any other infrastructure issues.

There is no certainty that the Company will be able to successfully negotiate these contracts, put these matters in place and secure these necessary resources. Most of these activities require lengthy lead times and the Company will be required to manage and advance these activities concurrently in order to commence production. It is not unusual in developing a resources project to experience unexpected problems and delays in infrastructure delivery and project development. A failure or delay in the completion of any one of these activities may delay production, possibly indefinitely, and will have a material adverse effect on the Company's business, prospects, financial performance and future results of operations.

## 8.5 Title Risk

The Company cannot guarantee that one or more of its tenements will not be challenged. The Company may not be able to ensure that it has obtained a secure claim to individual mineral properties or exploration rights and as a result the Company's ability to develop the Company's Projects may be constrained. The Company may not have conducted surveys of all of the claims in which it holds direct or indirect interests. A successful challenge could result in Macarthur being unable to operate on all or part of its tenements which could, in turn, affect development of the Company's Projects.

In addition, the Company's interests in the Company's Projects are subject to various conditions, obligations and regulations imposed by the Western Australian Government Department of Mines, Industry Regulation and Safety. If the necessary approvals are refused, the Company will suffer a loss of the opportunity to undertake further exploration, or development, of the tenement. The Company currently knows of no reason to believe that its current applications will not be approved, granted or renewed.

Lack of funding to satisfy minimum expenditure obligations in respect of any of its tenements, contractual expenditure obligations (any option, joint venture or farm in agreements the Company may enter into) may result in forfeiture of its tenements or termination of such agreements.

The Company requires land access in order to perform exploration and development activities, which can be affected by land ownership and require related compensation arrangements with landowners or occupiers. Where possible, the Company will work with tenement and landowners to obtain required rights of access but unless such rights are obtained, or if there is a dispute, the Company's operations may be adversely affected or delayed.

## 8.6 Estimates of Iron Ore Mineral Reserves and Mineral Resources

The Company has estimated Inferred and Indicated Mineral Resources for the Ularring Hematite Project and an Inferred Mineral Resource for the Moonshine Magnetite Project. The Mineral Resources are estimates only and are based on interpretations, knowledge, experience and industry practice which may change when new techniques or information becomes available. No assurances can be given that an Ore Reserve can be delineated which is based on economic conditions at the time. Applicants should be aware that inclusion of material in a Mineral Resource estimate does not require a conclusion that material may be economically extracted at the tonnages indicated, or at all. Mineralisation only qualifies to be categorised as an Ore

# Prospectus

Reserve once it has been demonstrated to be economically recoverable and appropriate modifying factors applied to the Mineral Resource estimates. Estimates that are valid when made may change significantly when new information becomes available. In addition, Iron Ore price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render reserves and resources uneconomic and so may materially affect the estimates.

## 8.7 Economics of Developing Mineral Properties Risk

Substantial expenditures are required to establish reserves through drilling, to develop processes to extract minerals and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralised deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection.

Depending on the price of minerals produced, the Company may determine that it is impractical to commence commercial production.

## 8.8 Contractual Risk

Whilst the Company will have various contractual rights in the event of non-compliance by a contracting party, no assurance can be given that all contracts to which the Company is a party will be fully performed by all contracting parties.

In addition, there is a risk that elements of the Company's Material Contracts may be unenforceable on the basis that they constitute an "agreement to agree".

As such, no assurance can be given that if a contracting party does not comply with any contractual provisions, the Company will be successful in enforcing compliance with an agreement and recovering any loss in full.

## 8.9 Native Title and Aboriginal Heritage

Native Title claims and legislative development and judicial decisions in this area may have an adverse effect on land access for the exploration and mining activities of the Company. Native Title Legislation prescribes a regime by which persons claiming to hold Native Title may lodge a claim to that effect for determination by which any future act affecting Native Title may be validly undertaken and by which registered claimants may be afforded certain procedural rights including the "right to negotiate".

Most of the tenements held by the Company or in which it has an interest are subject to registered Native Title claims. The existence of a registered Native Title claim does not mean that Native Title exists over the area. That remains for determination. However, the existence of a registered claim means that if the "right to negotiate" procedures need to be followed, or if an Indigenous Land Use Agreement (ILUA) needs to be negotiated, then the relevant registered claimants will need to be a party to that negotiation.

# Prospectus

## 8.10 Environmental Regulation and Risk

The Company is engaged in exploration and development activities with minimal environmental impact and actively engages with government departments to ensure open communication and accurate assessment of environmental approvals. All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their Directors, the CEO and employees.

The Company is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future. Future changes in environmental regulation, if any, may adversely affect the Company's operations and regulatory and environmental approvals may not be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or to preclude entirely the economic development of a property.

Environmental hazards may exist on the properties which are unknown to the Company at present. Environmental incidents may not be covered under existing insurance policies. In addition, for development projects, estimates of proven and probable mineral reserves and cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies that derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, expected recovery rates, estimated operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual cash operating costs and economic returns will differ significantly from those currently estimated for a project prior to production.

## 8.11 Reliance on and Relevance of Project Studies

The Project Studies are evaluations of potential development of a project at a given time taking many factors into account. No assurance can be given that the process, methodology or plan of development included in a project study will be progressed and included in further studies. Project studies are based on existing resource estimates and market conditions and consequently, market fluctuations, varied logistics or production costs or recovery rates may render the results of existing project studies uneconomic and may ultimately result in a future study being very different.

## 8.12 Financing Risk

As identified in Section 4, the Company has sufficient funds to meet its minimum stated objectives for the next 12 months. If further funds are raised under this Offer, this program may be extended or additional activities may be added to the program. In any event, the Company will be required to raise additional funds to enable it to continue as a going concern after the end of its budgeted program.

Additionally, depending on the Company's exploration and development success and new opportunities that may become available, the Company will require further capital in the future to meet tenement expenditure commitments, continue exploration, development, construction, commence production and facilitate growth.

Macarthurs' ability to effectively implement its business strategy over time may depend in part on its ability to raise additional funds. There can be no assurance that any such equity or debt funding will be available to Macarthur on reasonable terms or at all. Failure to obtain appropriate financing on a timely basis or reasonable terms may jeopardise the Company's Projects (due to

# Prospectus

inability to meet minimum tenement expenditure commitments), result in a loss of business opportunity and excessive funding costs. If Macarthur raises additional funds through the issue of equity securities, this may result in dilution to the existing Shareholders and/or a change of control of Macarthur.

## 8.13 Operational Risk

Mineral exploration and development involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. If the Company decides to develop and commission a mine, the operations of the Company including mining and processing may be affected by a range of factors. These include failure to achieve predicted grade in exploration, mining and processing, technical difficulties encountered with commissioning and operating plant and equipment, mechanical failure, and metallurgical problems which affect extraction rates and costs.

The operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages and damage to persons or property or the environment and possible legal liability for any and all damage. Fires, power outages, equipment breakage and other unplanned outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are some of the risks involved in the operation of mines and the conduct of exploration programs.

The mining industry is subject to occupational health and safety laws and regulations which change from time to time and may result in increased compliance costs or the potential for liability and even personal liability for the executives and Directors. It is the Company's intention to mitigate this risk by operating to the highest occupational health and safety standards.

Although the Company intends, when appropriate, to secure liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liability and hazards might not be insurable, or the Company might elect not to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

## 8.14 Commodity Risk

The Company's future revenues, if any, are expected to be in large part derived from the mining and sale of minerals or interests related thereto. The price of various minerals has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international economic, financial and political conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumptive patterns, environmental regulation, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods, availability and costs of mineral substitutes, mineral stock levels maintained by producers and others and inventory carrying costs.

The effect of these factors on the price of various minerals, and therefore the economic viability of the Company's operations cannot accurately be predicted. As the Company has not yet reached the mining stage, its exposure to price risk does not impact on the financial statement. In addition, the oversupplied iron ore markets and depressed iron ore prices has severely constrained the Company's ability to fund further development of its iron ore projects in the past.

# Prospectus

## 8.15 Sovereign Risk

The Company's operations in Nevada USA are subject to the risks associated with operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. Any future material adverse changes in government policies or legislation in Nevada that affect foreign ownership, mineral exploration, development or mining activities, may affect the viability and profitability of the Company and its projects.

## 8.16 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to meet its operating and growth objectives. The Company prepares cash forecasts and maintains cash balances to meet short and long-term cash requirements.

The Company's objective is to raise sufficient funds from equity and/or debt to finance its exploration and development activities until its operations become profitable.

The Company manages its liquidity risk by planning and budgeting its operational and growth requirements. The Company monitors its forecast cash flows and ensures funds are in place to meet its operational needs in the short to medium term.

The Company has limited financial resources and there is no assurance that additional funding will be available to allow the Company to acquire, explore and develop its exploration assets. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration or development.

The Company is dependent on raising funds through equity and/or debt or disposing of interests in its mineral properties (by options, joint ventures or outright sales) in order to finance development of its exploration and evaluation assets, further acquisitions, undertake exploration and meet general and administrative expenses in the immediate and long term. There can be no assurance that the Company will be successful in raising the required financing.

Apart from the initiatives discussed above, the Company is not aware of any trends, commitments or events that may affect its liquidity in the foreseeable future as it progresses to the development stage. The Company has not made any commitments for capital expenditures. Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of raising additional funds through private placements and the Company's future expenditure.

The Company believes that it has sufficient funds to meet its obligations for the foreseeable future.



# Prospectus

## 8.17 **Reliance on Key Personnel Risk**

The Company relies to a large extent on its Directors, and the CEO to pursue the day-to-day operations and strategic management of the business, as well as its exploration and evaluation programs. Accordingly, the loss of existing key personnel and/or a failure to secure and retain additional key personnel could have a material adverse effect on the Company. The resulting impact from such loss would depend upon the quality and timing of the employee's replacement.

Although the key personnel of the Company have a considerable amount of experience and have previously been successful in their pursuits of acquiring, exploring, evaluating and developing mining and resource projects, there is no guarantee or assurance that they will be successful in their objectives pursuant to this Prospectus.

## 8.18 **Insurance Risk**

The Company's Projects are subject to all of the risks and hazards typically associated with the exploration and development of minerals. Macarthur maintains and intends to maintain, insurance coverage that is within ranges of coverage that the Company believes to be consistent with industry practice and having regard to the nature of activities being conducted. However, the Company may not be able to obtain and maintain such insurance coverage at reasonable rates or that any coverage it arranges will be adequate and available to cover any such claims.

The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance of all risks associated with exploration and development is not always available and where available the costs may be commercially prohibitive.

## 8.19 **Access to the Projects Risk**

The Company's Projects are located in areas which can be difficult to access at times. In such times, costs associated with the Company carrying on its business may significantly increase and exceed the amount allocated in the Company's budget, and in certain circumstances may prevent the Company from being able to conduct its drilling or significant operations on the relevant lands.

In addition, natural events, such as cyclones, floods, and fire, which are beyond the control of the Company, could prevent access to its tenements or offices or otherwise affect the Company's ability to undertake planned exploration or development (and potentially production) and, as a result, could have a material adverse effect on the Company.

## 8.20 **Government Policy and Taxation Risk**

Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and government policies in Australia, may have an adverse effect on the operations and financial performance of the Company and, ultimately, the market price of its securities.

In addition to the normal level of income tax imposed on all industries, the Company may be required to pay government royalties, indirect taxes, GST and other imposts which generally relate to revenue or cash flows. Industry profitability can be affected by changes in government taxation policies.

# Prospectus

## 8.21 Government Regulation Risk

Exploration, development and operations on the Company's tenements are affected to varying degrees by government regulations relating to such matters as (i) environmental protection, health, safety and labour; (ii) mining law reform; (iii) restrictions on production, price controls, and tax increases; (iv) maintenance of claims; (v) tenure; and (vi) access to and use of property.

There is no assurance that future changes in such regulations, if any, will not adversely affect the Company's operations. Changes in such regulations could result in additional expenses and capital expenditures, availability of capital, competition, reserve uncertainty, potential conflicts of interest, title risks, dilution, and restrictions and delays in operations, the extent of which cannot be predicted.

Failure to obtain licences and permits may adversely affect the Company's business as the Company would be unable to legally conduct its intended exploration or development work, which may result in it losing its interest in the subject property.

If the Company's Projects are advanced to the development stage, those operations will also be subject to various laws and regulations concerning development, production, taxes, labour standards, environmental protection, mine safety and other matters. In addition, new laws or regulations, governing operations and activities of mining companies could have a material adverse impact on any project in the mine development stage that the Company may possess.

The Company when required, submits applications with the Government to renew its exploration permits and licences on its tenements. Although the Company considers it unlikely to occur, there is a risk that the Government may decline to renew these permits and licences.

## 8.22 Litigation Risk

All industries, including the mining industry, are subject to legal claims that are with and without merit.

The Company is currently involved in legal proceedings. It's unlikely that the final outcome of these proceedings will have a material and adverse effect on the Company's financial condition or results of operations; however, defence and settlement costs can be substantial, even for claims that are without merit.

Due to the inherent uncertainty of the litigation process and dealings with regulatory bodies, there is no assurance that any legal or regulatory proceeding will be resolved in a manner that will not have a material and adverse effect on the Company's future cash flow, results of operations or financial condition.

The Company maintains Directors and Officers Liability insurance. The Company has provided an indemnity for each director and officer to the maximum extent permitted by law, against any liability for legal costs incurred in respect of liability incurred by them, as or by virtue of their holding office as and acting in the capacity of, an officer of the Company, except where the liability arises out of conduct involving lack of good faith or in breach of the law.

## 8.23 Use of Capital Risk

The Board and management of the Company have discretion concerning the use of the Company's capital resources as well as the timing of expenditures. Capital resources may be used in ways not previously anticipated or disclosed. The results and the effectiveness of the application of capital resources are uncertain. If they are not applied effectively, the Company's financial and/or operational performance may suffer.

# Prospectus

## 8.24 Cost Risk

While every care has been taken in estimating the capital cost and future operating costs for the Company's Projects, including contingency, the actual costs structure experienced in constructing facilities and operating mines may vary from current estimates. A number of factors (such as rising oil prices, macroeconomic factors such as inflationary expectations, interest rates, currency exchange rates, as well as general global economic conditions) may lead to an increase in costs which could adversely affect the Company's financial position and performance.

## 8.25 Competition Risk

The resource industry can be intensively competitive and a number of other Magnetite, Hematite, Gold, Lithium and Nickel deposits have already been developed, and are under development, in Western Australia. The Company competes with other mining companies for the acquisition of tenements and other mining interests, access to capital, access to infrastructure and for the recruitment and retention of qualified employees and contractors.

The Company may be unable to acquire additional attractive mining properties on terms it considers to be acceptable, which may result in difficulty in it obtaining future financing and profitable operations.

The Company competes with many other companies that have substantially greater financial resources and the Company's ability to compete is dependent on being able to raise additional funds as and when required.

There can be no assurance that the Company will be able to compete effectively with these companies.

## 8.26 Credit Risk

Credit risk is the potential loss through non-performance by counterparties of financial obligations. The Company's primary exposure to credit risk is on its cash and cash equivalents and taxes receivable. The Company limits its exposure to credit risk by maintaining its financial liquid assets with high-credit quality financial institutions. Receivables are primarily interest receivable and GST due from the Australian Taxation Office.

## 8.27 Limited Operating History Risk

The Company has limited experience in placing resource projects into production, and its ability to do so will be dependent upon using the services of appropriately experienced personnel or contractors, or entering into agreements with other major resource companies that can provide such expertise. There can be no assurance that the Company will have available to it the necessary expertise when and if it places the Company's Projects into production.

## 8.28 Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's cash equivalents are highly liquid and earn interest at market rates in short term fixed term deposits and various other accounts.

# Prospectus

## 8.29 Conflict of Interest Risk

Conflicts of interest affecting the Directors and the CEO of Macarthur Minerals are governed by the Company's Code of Conduct, the Constitution, the Corporations Act and the Listing Rules.

The Directors are required by law, to act honestly and in good faith with a view to the best interests of the Company.

In the event that a conflict of interest arises at a meeting of the Directors, a Director affected by the conflict must disclose the nature and extent of their interest, excuse themselves from consideration of the matter and not vote on the matter.

## 8.30 Exploration Maps and Diagrams Risk

The Company has commissioned and produced numerous diagrams and maps to help identify and describe its tenements and the targets sought by the Company on those tenements. Maps and diagrams should only be considered an indication of the current intention in relation to targets and potential areas for exploration and drilling, which may change.

## 8.31 Share Market Risk

The market price of Shares can be expected to rise and fall in accordance with general market conditions and factors specifically affecting the Australian resources sector, Australian listed entities and exploration companies in particular.

There are several factors (both national and international) that may affect share market price and neither Macarthur nor its Directors have control over those factors. There can be no assurance that continual fluctuations in price will not occur.

Factors that could affect the trading price that are unrelated to Macarthurs' performance include domestic and global commodity prices and economic outlook, fiscal and monetary policies, currency movements, and market perceptions of the attractiveness of particular industries. The Shares carry no guarantee in respect of profitability, dividends, return on capital, price or degree of liquidity with which they trade on the ASX.

There can be no guarantee that an active trading market for the Shares will develop and investors may not be able to resell the Shares purchased under this Prospectus

## 8.32 Share Liquidity Risk

Shareholders of the Company may be unable to sell significant quantities of the Company's Shares into the public trading markets without a significant reduction in the price of their Shares, if any at all. The Company may need to take action in order to continue to meet the listing requirements of the ASX.

## 8.33 Dividend Risk

The Company currently does not pay dividends. Payment of dividends on the Company's Shares is within the discretion of the Board and will depend upon the Company's future earnings, its capital requirements, financial condition, and other relevant factors. The Company does not currently intend to declare any dividends for the foreseeable future.

# Prospectus

## 8.34 **General Economic Conditions Risk**

Changes in the general economic climate in which the Company operates may adversely affect its financial performance, its exploration and development activities, and its ability to fund those activities. Factors that may contribute to that economic climate include changes in global and/or domestic economic conditions, the general level of economic activity, movements in interest rates and inflation, currency exchange rates and other economic factors.

The price of commodities, especially Iron Ore, and level of activity within the mining industry will also be of relevance to Macarthur. Whilst the People's Republic of China, Korea and Japan have historically been large importers of Australian Iron Ore, there is no certainty that these markets will continue to trade with Australia or require quantities of iron ore previously ordered.

## 8.35 **Availability of Labour Risk**

The Company will require skilled labour workers and engineers in order to operate its activities. Industrial disruptions, work stoppages and accidents in the course of the Company's operations could result in losses and delays, which may adversely affect profitability.

The Company may experience a skills shortage. Due to the high demand for skilled and unskilled labour, there is a growing expectation of higher wages. Macarthur strives to employ the best people however, this can come at a high price or may delay operations should it not be able to attain and retain those people.

## 8.36 **Legislative Change Risk**

Changes in government regulations and policies may adversely affect the financial performance or the current and proposed operations generally of Macarthur. The Company is not aware of any current or proposed material changes in relevant regulations or policy.

## 8.37 **Terrorist attack or other sustained armed conflicts**

Terrorist activities, anti-terrorist efforts or other armed conflict involving Australia or in other countries or their interests abroad may adversely affect the Australian and global economies. If events of this nature occur and persist, the associated political instability and societal disruption could reduce overall demand for minerals potentially putting downward pressure on prevailing minerals prices and adversely affect the Company's activities.

## 8.38 **Unforeseen Expenses Risk**

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

## 8.39 **General Risk**

Any combination of the above factors may materially affect any individual mineral assets, operations or the financial performance of the Company and the value of its securities. To that extent, the Shares offered in this Prospectus are subject to significant risk and uncertainty with respect to return or preservation of capital, the price (if any) at which the Shares may trade and the payment of dividends at any future time.

# Prospectus

## 9. Other Material Information

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### 9.1 Reporting and Disclosure Obligations

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

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with 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 ASIC; and
- (c) it will provide 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 ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with 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 ASIC. Copies of all documents lodged with 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 lodgment of the Company's latest annual financial report on 28 June 2023 and before the lodgment of this Prospectus with ASIC are set out in the table below.

# Prospectus

Date	Description of ASX announcement
2 Aug 2023	<a href="#">Notice of Annual General Meeting/Proxy Form</a>
4 Aug 2023	<a href="#">Application for quotation of securities - MIO</a>
4 Aug 2023	<a href="#">Cleansing Notice 708A(5)(e)</a>
14 Aug 2023	<a href="#">Interim Financial Statement to 30 June 2023</a>
14 Aug 2023	<a href="#">MD&amp;A to 30 June 2023</a>
29 Aug 2023	<a href="#">Form 604 Change in Substantial Holding</a>
29 Aug 2023	<a href="#">Chairman's Address for 2023 AGM</a>
29 Aug 2023	<a href="#">Results of 2023 Annual General Meeting</a>
30 Aug 2023	<a href="#">Notification of cessation of securities - MIO</a>
5 Sep 2023	<a href="#">Notice of Initial Substantial Holder - Copulos Group</a>
14 Nov 2023	<a href="#">Half Year Report Ended 30 September 2023</a>
14 Nov 2023	<a href="#">Interim Financial Statement to 30 September 2023</a>
14 Nov 2023	<a href="#">MD&amp;A to 30 September 2023</a>
22 Nov 2023	<a href="#">Application for quotation of securities - MIO</a>
22 Nov 2023	<a href="#">Cleansing Notice 708A(5)(e)</a>
22 Nov 2023	<a href="#">Notification of cessation of securities - MIO</a>
24 Nov 2023	<a href="#">INFINITY MINING INTERSECTS HIGH GRADE LITHIUM AT TAMBOURAH S</a>
12 Dec 2023	<a href="#">Change of Director's Interest Notice (C McCall)</a>
12 Dec 2023	<a href="#">Notification of cessation of securities - MIO</a>
14 Dec 2023	<a href="#">Infinity Mining Strategy Update</a>
24 Jan 2024	<a href="#">Macarthur Minerals Refreshes Share Based Compensation</a>
24 Jan 2024	<a href="#">Notification of cessation of securities - MIO</a>
24 Jan 2024	<a href="#">Notification regarding unquoted securities - MIO</a>
24 Jan 2024	<a href="#">Change of Director's Interest Notice (A Phillips)</a>
24 Jan 2024	<a href="#">Change of Director's Interest Notice (A Suckling)</a>
24 Jan 2024	<a href="#">Change of Director's Interest Notice (C McCall)</a>
24 Jan 2024	<a href="#">Change of Director's Interest Notice (R Welker)</a>
14 Feb 2024	<a href="#">MD&amp;A to 31 December 2023</a>
14 Feb 2024	<a href="#">Interim Financial Statement to 31 December 2023</a>
19 Feb 2024	<a href="#">Notification of cessation of securities - MIO</a>

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.

# Prospectus

The announcements are also available through the Company's website [www.macarthurminerals.com](http://www.macarthurminerals.com).

## 9.2 Limitation on Foreign Ownership

The only limitations under Australian law on the rights of non-Australian residents to hold or vote the shares of an Australian company are set forth in the *Foreign Acquisitions and Takeovers Act (FATA)*. The FATA regulates acquisitions giving rise to ownership of substantial amounts of a company's shares.

The FATA prohibits:

- (a) any natural person not ordinarily resident in Australia; or
- (b) any corporation in which either a natural person not ordinarily resident in Australia or a foreign corporation (as defined in the FATA) holds a substantial interest (defined below); or
- (c) two or more such persons or corporations which hold an aggregate substantial interest (defined below), from entering into an agreement to acquire shares if after the acquisition such person or corporation would hold a substantial interest in a corporation, without first applying in the prescribed form for approval thereof by the Australian Treasurer and receiving such approval or receiving no response in the 40 days after such application was made.

A holder will be deemed to hold a substantial interest in a corporation if the holder alone or together with any associates (as defined in the FATA) is in a position to control not less than 20% of the voting power in the corporation or holds interests in not less than 20% of the issued shares in that corporation. Two or more holders hold an aggregate substantial interest in a corporation if they, together with any associates (as so defined), are in a position to control not less than 40% of the voting power in that corporation or hold not less than 40% of the issued shares in that corporation.

The Constitution of the Company contains no limitations on a non-resident's right to hold or vote the Company's Ordinary Shares.

## 9.3 Interests of Experts and Advisors

The nature and extent of the interests (if any) that:

- (a) a person named in the prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus;
- (b) a promoter of the company; or
- (c) a stockbroker or lead manager to the Issue; holds, or held at any time during the last two years in:
  - (1) the formation or promotion of the Company;
  - (2) property acquired or to be acquired by the company in connection with:
    - (A) its formation or promotion; or
    - (B) the Issue,



# Prospectus

is set out in this Section 9.3.

(d) The amount that anyone has paid or agreed to pay, or the nature and value of any benefit anyone has given or agreed to give for services provided by:

(1) a person named in the Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus;

(2) a promoter of the Company; or

(3) a stockbroker or lead manager to the Issue;

in connection with:

(1) the formation or promotion of the Company; or

(2) the Issue,

is set out in this Section 4.2.

## 9.4 Director's interests

The Directors are paid Director's Fees in accordance with normal corporate practice.

The table below shows the relevant interest of each Director in securities of as at the date of this Prospectus.

Name of Director	Fully Paid Shares	Options	RSUs
Cameron McCall	3,465,8211	1,800,000	1,700,000
Alan Spence Phillips	3,318,068	1,800,000	1,450,000
Andrew Suckling	2,050,000	1,800,000	1,500,000
Ryan Welker	-	2,300,000	600,000

Some or all of the Directors may participate to the extent of their entitlement in the Issue by way of subscription for Macarthur Shares.

Some or all of the Directors may exercise their options to enable them to further participate in this issue.

Work undertaken by Directors of the Company other than in their capacity as Directors are paid such remuneration (if any) as determined by the Board commensurate with their level of experience and the work undertaken.

The nature and extent of the interest (if any) that the Directors of the Company hold, or held at any time during the last 2 years in:

(a) the formation or promotion of the company;

# Prospectus

(b) property acquired or to be acquired by the Company in connection with:

- (1) its formation or promotion; or
- (2) the Issue,

is set out in this Section 9.4.

The amount (if any) that anyone has paid or agreed to pay, or the nature and the value of any benefit anyone has given or agreed to give to a Director of the Company, or proposed director of the company:

- (a) to induce them to become, or to qualify as, a Director of the Company; or
- (b) for services provided by a director in connection with:
  - (1) the formation of the Company; or
  - (2) the Issue,

is set out in this Section 9.4.

## 9.5 **Litigation**

The Company is not engaged in any litigation which has or would be likely to have a material adverse effect on either the Company or its business.

## 9.6 **Subsequent Events**

There has not arisen, at the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus which is likely, in the opinion of the Directors of the Company to affect substantially:

- (a) the operations of the Company;
- (b) the results of those operations; or
- (c) the state of affairs of the Company.

## 9.7 **Consents and Liability Statements**

The following parties have given their written consent to be named in the Prospectus in the form and context in which they are named and to the inclusion of a statement or report in this Prospectus in the form and context in which it is included:

# Prospectus

Party	Capacity in which named	Statement or report in this Prospectus
RSM Australia Partners	Auditor	Not applicable.
HopgoodGanim Lawyers	Solicitors to the Company	Not applicable.
Computershare Investor Services Pty Ltd	Share Registry	Not applicable.
Mahe Capital Pty Ltd	Lead Manager	Not applicable.

Each of the parties named above as providing their consent:

- does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in the table above; and
- to the maximum extent permitted by law, expressly disclaims any responsibility or liability for any part of this Prospectus other than a reference to its name and
- a statement contained in this Prospectus with consent of that party as specified in the table above.

None of RSM Australia Partners, HopgoodGanim Lawyers, Computershare Investor Services Pty Ltd and Mahe Capital Pty Ltd authorised or caused the issue of this Prospectus.

## 9.8 Directors' responsibility statement and consents

The Directors state that they have made all reasonable enquiries and that on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect of any other statements made in the Prospectus by persons other than the Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that the persons making the statement or statements were competent to make such statements; those persons have given their consent before lodgement of this Prospectus with ASIC or, to the Directors' knowledge, before any issue of New Securities pursuant to this Prospectus.

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board by:



.....  
Cameron McCall  
Executive Chairman and CEO

# Prospectus

## 10. Definitions

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When reading the Prospectus the following terms have the following meanings:

<b>Application Money</b>	Monies payable by Applicants to the Entitlement Offer
<b>Application</b>	A valid application for New Securities offered under this Prospectus
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASX</b>	ASX Limited ACN 008 624 691
<b>CHESS</b>	Clearing House Electronic Sub-register System operated by ASX Settlement
<b>Closing Date</b>	The Entitlement Offer Closing Date and the Shortfall Offer Closing Date, or either one of those dates as the context requires
<b>Company</b>	Macarthur Minerals Limited ACN 103 011 436
<b>Constitution</b>	The constitution of the Company
<b>Corporations Act 2001</b>	The Corporations Act 2001 (Cth)
<b>Directors or Board</b>	Directors of the Company
<b>EFT</b>	Electronic funds transfer
<b>Entitlement</b>	The number of New Shares that an Eligible Shareholder is entitled to apply for under the Entitlement Offer, as determined by the number of Existing Shares held by that Shareholder as at the Record Date.
<b>Entitlement and Acceptance Form</b>	The Entitlement and Acceptance Form accompanying this Prospectus
<b>Ineligible Shareholders</b>	Shareholder's having a registered address outside Australia and New Zealand
<b>Issue</b>	The issue of New Shares pursuant to the Prospectus
<b>Lodgement Date</b>	1 March 2024 which is the date of lodgment of the Prospectus with ASIC and ASX.
<b>New Options</b>	The new free-attaching Options offered under this Prospectus
<b>New Shares</b>	Ordinary Shares to be issued pursuant to this Prospectus at an issue price of \$0.10 cents per share
<b>Options</b>	An option to subscribe for Ordinary Shares
<b>Option Holders</b>	Holders of existing options to subscribe for shares in the Company
<b>Ordinary Shares</b>	Ordinary shares in the capital of the Company

## Prospectus

<b>Ore Reserve</b>	<i>Extract from definition by the Joint Ore Reserve Committee (JORC) under the Australasian Institute of Mining and Metallurgy (AusIMM): the economically mineable part of a Measured or Indicated Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined.</i>
<b>Record Date</b>	The ASX Settlement Operating Rules say that record date means 5.00pm on the date specified by an Issuer as the date by reference to which the Issuer will establish Cum Entitlement Balances for the purpose of identifying the persons entitled to the benefit of a Corporate Action
<b>Shareholder</b>	A person registered as a holder of existing Ordinary Shares in the Company as at the Record Date
<b>Shortfall</b>	Those New Shares for which the Entitlement lapses and the benefit reverts to the Lead Manager as nominee under the terms of the Lead Manager Agreement
<b>Lead Manager</b>	Mahe Capital Pty Ltd

# Prospectus

## 11. Corporate directory

Board of Directors	Company Secretary
Cameron McCall (Chairman and CEO) Alan Spence Phillips Andrew Suckling Ryan Welker	Mima Wirakara
Registered and Head Office	Lead Manager and Nominee
Suite 1G, Building 1, Kings Row Office Park 40-52 McDougall Street Milton QLD 4064  Phone: +61 7 3221 1796 Fax: +61 7 3221 6152  <i>www.macarthurminerals.com</i> Email <i>communications@macarthurminerals.com</i>	<b>Mahe Capital Pty Ltd</b> Level 8, 99 St Georges Terrace Perth WA 6000  Phone: (08) 9466 7100  <i>www.mahe.capital</i>
Canadian Share Registry	Australian Share Registry
<b>Computershare Investor Services Inc.</b> 510 Burrard St, 3 <sup>rd</sup> Floor Vancouver, BC V6C 3B9 Canada  <i>www.computershare.com</i>	<b>Computershare Investor Services Pty Limited</b> Level 1, 200 Mary Street Brisbane, QLD 4000  Phone: 1300 850 505 (within Australia) Phone: +61 3 9415 4000 (outside of Australia)  <i>www.computershare.com.au</i>
Solicitors to the Offer	Auditors of the Company
<b>HopgoodGanim Lawyers</b> Waterfront Place Level 8, 1 Eagle Street Brisbane, Queensland 4000  Phone+61 7 3024 0000 Fax +61 7 3024 0300  <i>www.hopgoodganim.com.au</i>	<b>RSM Australia Partners</b> Oracle Tower, Level 6, 340 Adelaide St, Brisbane QLD 4000  Phone: + 617 3225 7800 Fax: +61 7 3225 7880  <i>www.rsm.global/australia/</i>

Defined terms and abbreviations used in this Prospectus are explained in the Definitions set out in Section 10 of this Prospectus.



**MACARTHUR**  
Minerals

ACN 103 011 436

**For all enquiries:**

**Phone:**



(within Australia) 1300 850 505

(outside Australia) +61 3 9415 4000

MIO

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

**Make your payment:**



See overleaf for details of the Offer and how to make your payment

## Renounceable Rights Issue — Entitlement and Acceptance Form

 **Your payment must be received by 5:00pm (Brisbane time) Friday, 22 March 2024**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

ASX will quote a market for rights between 8 March 2024 and 15 March 2024. Please refer to the Prospectus for details on how to renounce your rights.

### Step 1: Registration Name & Offer Details

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

### Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. If you take up your full Entitlement, you may also apply for Shortfall Shares.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Prospectus dated 1 March 2024.

**BPAY®:** See overleaf. You do not need to return this form when making BPAY payment.

#### Sale of your Entitlements in full by your stockbroker

If you wish to sell your Entitlement in full, you should instruct your stockbroker personally and provide details as requested, which appear overleaf.

**DO NOT** forward your requests for sale to Computershare Investor Services Pty Limited (**Computershare**).

#### Disposal of your Entitlement rights held on the issuer sponsored sub-register

A Standard Renunciation and Acceptance Form must be used for an off market transfer of Entitlement. These forms may be obtained from your stockbroker or Computershare Investor Services Pty Limited.

#### Sale of your Entitlements in part by your stockbroker and take up the balance

If you wish to sell part of your Entitlement and take up the balance you should:

- Instruct your stockbroker personally and provide details as requested, which appear overleaf, **AND**
- Make payment using BPAY, in order to take up the balance of your Entitlement.

**Turn over for details of the Offer →**

Macarthur Minerals Limited Renounceable Rights Issue  
Payment must be received by 5:00pm (Brisbane time) Friday, 22 March 2024

© Registered to **BPAY** Pty Limited ABN 69 079 137 518







# How to complete this form

## Exercise your Options in full or part

### Registration Name(s)

The Shares will be registered in the name(s) printed on this form.

### A Options Exercised

Enter the number of Options you wish to exercise. For every one Option exercised, the Optionholder will be allotted one Share in the capital of Macarthur Minerals Limited

### B Exercise Monies

Enter the amount of exercise monies. To calculate the amount payable, multiply the number of Options exercised by the exercise price.

### C Payment

You can make payment via electronic funds transfer to the bank account specified below.

### D Signature(s)

You must sign the form as follows in the space provided:

Individual: where the holding is in one name, the Optionholder must sign.

Joint holding: where the holding is in more than one name all of the Optionholders must sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. Alternatively, attach an originally certified copy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by either 2 Directors or a Director and a Company Secretary. Alternatively, where the company has a Sole Director and, pursuant to the Corporations Act, there is no Company Secretary, or where the Sole Director is also the Sole Company Secretary, that Director may sign alone. Delete titles as applicable.

Deceased Estate: all executors must sign and, if not already noted by the registry, a certified copy of Probate or Letters of Administration must accompany this form.

If you are in any doubt as to how to deal with this document, please consult your financial or other personal advisor.

If you have any enquiries concerning your Optionholding, please contact Computershare Investor Services Pty Limited on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

## Lodgement of Notice

The Exercise of Options Notice and your payment must be received in accordance with the instructions below by no later than 5.00pm (Brisbane time) on 27 September 2025.

Make payment by electronic funds transfer using the details below and email this completed Exercise of Options Notice to the Company Secretary at [communications@macarthurminerals.com](mailto:communications@macarthurminerals.com)

Account Name: Macarthur Minerals Limited

Bank: Commonwealth Bank of Australia

BSB: 064183

Account Number: 10166477

Ref: Name of Optionholder

Neither Computershare Investor Services Pty Limited nor Macarthur Minerals Limited accepts any responsibility if this Exercise of Options Notice is lodged by any other means.