

# ELMORE

ACN 057 140 922

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## Prospectus

For the following offers (together, the **Offers**):

- 300,000,000 Shares and 30,000,000 Placement Options (being 1 Placement Option for every 10 Shares issued) to certain sophisticated and professional investors at \$0.005 per Share, subject to Shareholder approval (**Placement**);
- 1,689,000,000 Shares and 168,900,000 Investor Loan Options (being 1 Investor Loan Option for every 10 Shares issued) to certain sophisticated and professional investors on the conversion of a total of \$8.445 million under the June Investor Loans and November Investor Loans advanced to the Company at \$0.005 per Share, subject to Shareholder approval (**Investor Loan Offer**);
- 960,000,000 Shares and 96,000,000 Debt Conversion Options (being 1 Debt Conversion Option for every 10 Shares issued) in relation to existing debts owed by the Company to be settled via the conversion of a total of \$4.8 million into Shares at \$0.005 per Share, subject to Shareholder approval (**Debt Conversion Offer**);
- 30,000,000 Bridge Loan Options to Tiga Trading Pty Ltd ACN 118 961 210 (a company part of the Thorney Investment Group) (**Tiga**) (or its nominee(s)) in accordance with the Bridge Loan Agreement, subject to Shareholder approval (**Bridge Loan Offer**);
- 362,500,000 Shares and 36,250,000 Bridge Conversion Options (being 1 Bridge Conversion Option for every 10 Shares issued) to Tiga (or its nominee(s)) on the conversion of a total of \$1.8125 million under the Bridge Loan and \$312,500 in extension fees, subject to Shareholder approval (**Bridge Conversion Offer**);
- 97,400,000 Director Shares at \$0.005 per Director Share and 9,740,000 attaching Director Options (being 1 Director Option for every 10 Shares issued) to the Directors in lieu of outstanding Director fees, subject to Shareholder approval (**Director Offer**);
- 70,000,000 Armada Shares and 7,000,000 Armada Options (being 1 Armada Option for every 10 Armada Shares issued) to Armada Accountants Pty Ltd (or its nominee(s)) for the part payment of fees outstanding at \$0.005 per Share, subject to Shareholder approval (**Armada Offer**);
- up to 1,000,000,000 SPP Shares to Eligible Shareholders at \$0.005 per SPP Share under a share purchase plan (**SPP**) to raise up to \$5 million (before costs) and one SPP Option for every 10 SPP Shares subscribed for under the SPP (**SPP Offer**); and
- up to 1,000,000,000 Shares at \$0.005 per SPP Share and 100,000,000 SPP Options will make up a separate offer for any Shares not subscribed for under the SPP Offer and will form the Shortfall. The offer to issue the Shortfall is subject to Shareholder approval (**SPP Shortfall Offer**).

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### Important notice

This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. This is an important document that should be read in its entirety. Accordingly, this Prospectus does not of itself contain the same level of disclosure as an initial public offering prospectus. This Prospectus requires your immediate attention. It is an important document which is accompanied by a personalised Application Form and both should be read in their entirety.

If you have any questions, you should seek advice from your stockbroker, accountant or other independent and appropriately licenced professional adviser.

**This Prospectus is not for release to US wire services nor distribution in the United States.**

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## Important information

### Date of Prospectus

This Prospectus is dated 20 December 2023 and was lodged with ASIC on that date.

### General

Neither ASIC nor ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares or Options will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

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

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

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

### Offers

This Prospectus contains an offer of continuously quoted securities (as defined in the Corporations Act) and options to acquire continuously quoted securities and has been prepared in accordance with section 713 of the Corporations Act.

Elmore may make additional announcements after the date of this Prospectus and throughout the period that the Offers are open that may be relevant to your consideration about whether you should participate in the Offers.

No party other than Elmore has authorised or caused the issue of this Prospectus, or takes any responsibility for, or makes, any statements, representations or undertakings in this Prospectus or for any action you take in reliance on this Prospectus.

By making payment through BPAY® or Electronic Funds Transfer (**EFT**) in accordance with the instructions on the Application Form, you acknowledge that you have read this Prospectus and you have acted in accordance with, and agree to the terms of, the applicable Offer as detailed in this Prospectus.

### Foreign offer

This Prospectus and the accompanying Application Forms do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make that offer or invitation. In particular, this Prospectus does not constitute an offer to Ineligible Shareholders to participate in the Offers and may not be distributed in the United States of America and the Shares and Options to be issued under this Prospectus may not be offered or sold, directly or indirectly, to persons in the United States of America.

This Prospectus is not to be distributed in, and no offer of Shares and Options is to be made in countries other than Australia except as set out in Section 2.19. The distribution of this Prospectus (including an electronic copy) in other jurisdictions may be restricted by law and, therefore, persons who come into possession of this Prospectus should observe these restrictions, including those in Section 2.19. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Offers, the Shares, the Options, or otherwise permit the public offering of the Shares and Options, in any jurisdiction other than Australia unless otherwise specified.

Each Application will be subject to all requisite authorities and clearances being obtained for Elmore to lawfully receive any or all of the Application Monies.

### Continuous disclosure obligations

Elmore is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed

companies, Elmore is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

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

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

### **Definitions, currency and time**

Defined terms used in this Prospectus are contained in Section 7. Except where the context suggests otherwise, a reference to a section or schedule is a reference to a section or schedule of this Prospectus. All references to currency are to Australian dollars and all references to time are to Australian Western Standard Time (**AWST**) unless otherwise indicated.

### **Taxation consequences for Applicants**

There will be tax implications associated with participating in the Offers and receiving Shares and Options. Elmore considers that it is not appropriate to give advice regarding the tax consequences of subscribing for Shares and Options under this Prospectus, the conversion of Options into Shares, or the subsequent disposal of any Shares. Elmore recommends that you consult your professional tax adviser in connection with the Offers.

### **ASIC Instrument**

In certain circumstances, a listed company may undertake a share purchase plan in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC Instrument**). The ASIC Instrument allows a share purchase plan to be conducted without the

use of a prospectus once in any consecutive 12-month period.

As the Company is also offering the SPP Options under the SPP, the Company is unable to rely on the relief granted by the ASIC Instrument (as the relief relates to the offer of fully paid ordinary shares only). Therefore, Elmore is undertaking the issue of Shares and Options under the SPP pursuant to this Prospectus.

Additionally, the Offers made under this Prospectus will also facilitate the on-sale of the Shares and any Shares issued upon conversion of the Options in reliance of ASIC Corporations (Offers of Convertibles) Instrument 2016/83.

### **Target market determination**

In accordance with the design and distribution obligations under the Corporations Act, a Target Market Determination (**TMD**) has been prepared by the Company. The TMD determines the target market for the offer of the Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination as set out on the Company's website at <https://elmoreltd.com.au/investors/raising>. The TMD seeks to offer potential investors an understanding of the class of investors for which the offer of the Options issued under this Prospectus has been designed, having regard to the objectives, financial situation and needs of the target market. By making an application under the Offers, you warrant that you have read and understood the TMD and you fall within the target market set out in the TMD.

### **Privacy**

Elmore may collect information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's securityholding in Elmore.

By submitting an Application Form, you will be providing personal information to Elmore (directly or through the Share Registry). Elmore collects, holds and will use that information to assess your Application. Elmore collects your personal information to process and administer your securityholding in Elmore and to provide related services to you. Elmore may disclose your personal information for purposes related to your securityholding in Elmore, including to the Share Registry, Elmore's related bodies corporate, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that Elmore holds about you. To

make a request for access to your personal information held by (or on behalf of) Elmore, please contact Elmore through the Share Registry.

### **Governing law**

This Prospectus, the Offer and the contracts formed on acceptance of the Applications are governed by the laws applicable in Western Australia, Australia. Each Applicant submits to the exclusive jurisdiction of the Western Australian courts and courts competent to hear appeals from those courts.

### **No representations**

No person is authorised to give any information, or to make any representation, in connection with the Offer which is not contained in this Prospectus. Any information or representation in connection with the Offer not contained in the Prospectus may not be relied upon as having been authorised by Elmore or any of its officers. Except as required by law, and only to the extent so required, neither Elmore, nor any other person, warrants or guarantees the future performance of Elmore or any return on any investment made pursuant to this Prospectus.

### **Past performance**

Investors should note that Elmore's past performance, including past Share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) Elmore's future performance including Elmore's future financial position or Share price performance.

### **Forward looking statements**

This Prospectus may contain forward looking statements that are identified by words such as "may", "could", "believes", "estimates", "expects", "intends" and other similar words that involve risks and uncertainties that have not been based solely on historical facts, but on Elmore's expectations about future events and results.

You should be aware that because such statements relate to future matters, they are subject to various inherent risks, uncertainties and assumptions that could cause actual results or events to differ materially from expectations described in the forward-looking statement.

Neither Elmore, the Directors, nor any other person named, with their consent, in this Prospectus can assure you that any forward looking statement or implied result will be achieved.

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

These forward-looking statements are subject to various risk factors that could cause actual results to differ materially from the results expressed or anticipated in these statements. Some of these risk factors are set out in Section 4.

### **No Investment Advice**

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

### **Risks**

Please refer to Section 4 of the Prospectus for a summary of general and specific risk factors that may affect Elmore and the Offers.

### **Trading of Shares**

Elmore will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Elmore or the Share Registry or otherwise, or who otherwise trade or purport to trade Shares in error or to which they do not hold or are not entitled.

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay.

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## Key dates

Event	Date
Record date of the SPP	5:00pm (AWST) on Tuesday 12 December
Announcement of the SPP	Wednesday 13 December
Despatch of the Notice of Meeting to Shareholders	Friday 15 December
Lodgement of the Prospectus with ASIC and ASX	Wednesday 20 December
Annual General Meeting of Shareholders	Monday 15 January
Opening date of the Offers (other than the SPP Offer and SPP Shortfall Offer)	Monday 15 January
Closing date of the Offers (other than the SPP Offer and SPP Shortfall Offer)	5:00pm (AWST) on Tuesday 16 January
Completion of the issue of Shares and Options under the Offers (other than the SPP Offer and SPP Shortfall Offer)	Tuesday 16 January
Official Quotation and commencement of trading of the Shares under the Offers (other than the SPP Offer and SPP Shortfall Offer)	Wednesday 17 January
Opening date of the SPP	Monday 22 January
Closing date of the SPP	5:00pm (AWST) on Friday 9 February
Announcement of the results of the SPP	On or by Friday 16 February
Completion of the issue of SPP Shares and SPP Options	Friday 16 February
Official Quotation and commencement of trading of the SPP Shares	Monday 19 February
Opening date of SPP Shortfall Offer	Monday 19 February
Closing date of the SPP Shortfall Offer	5:00pm (AWST) on Friday 12 April
Completion of the issue of Shares and Options under the SPP Shortfall Offer	Monday 15 April
Official Quotation and commencement of trading of the Shares under the SPP Shortfall Offer	Tuesday 16 April

This timetable is indicative only and subject to change. The Directors may vary these dates subject to the Listing Rules. An extension of the timetable dates may delay the issue and allotment of Shares and Options. The Directors also reserve the right not to proceed with the whole or part of the Offers at any time before the allotment and issue of the Shares and Options. In that event, any relevant Application Monies (without interest) will be returned in full to Applicants.

The commencement of quotation of Shares is subject to the discretion of ASX.

Cooling off rights do not apply to an investment in Shares and Options. You cannot withdraw your application once it has been accepted.

## Summary of the Offers

<b>Offers</b>	<p>Under this Prospectus, Elmore is offering:</p> <ul style="list-style-type: none"> <li>• 300,000,000 Shares and 30,000,000 Placement Options (being 1 Placement Option for every 10 Shares issued) to certain sophisticated and professional investors at \$0.005 per Share, subject to Shareholder approval;</li> <li>• 1,689,000,000 Shares and 168,900,000 Investor Loan Options (being 1 Investor Loan Option for every 10 Shares issued) to certain sophisticated and professional investors on the conversion of a total of \$8.445 million under the Investor Loans advanced to the Company at \$0.005 per Share, subject to Shareholder approval;</li> <li>• 960,000,000 Shares and 96,000,000 Debt Conversion Options (being 1 Debt Conversion Option for every 10 Shares issued) in relation to existing debts owed by the Company to be settled via the conversion of a total of \$4.8 million into Shares at \$0.005 per Share, subject to Shareholder approval;</li> <li>• 30,000,000 Bridge Loan Options in the Company to Tiga (or its nominee(s)) in accordance with the Bridge Loan Agreement;</li> <li>• 362,500,000 Shares and 36,250,000 Bridge Conversion Options (being 1 Bridge Conversion Option for every 10 Shares issued) to Tiga (or its nominee(s)) on the conversion of a total of \$1.8125 million under the Bridge Loan and \$312,500 in extension fees, subject to Shareholder approval;</li> <li>• 97,400,000 Director Shares at \$0.005 per Director Share and 9,740,000 attaching Director Options (being 1 Director Option for every 10 Shares issued) to the Directors in lieu of outstanding Director fees, subject to Shareholder approval;</li> <li>• 70,000,000 Armada Shares and 7,000,000 Armada Options (being 1 Armada Option for every 10 Armada Shares issued) to Armada Accountants for the part payment of fees outstanding at \$0.005 per Share, subject to Shareholder approval;</li> <li>• up to 1,000,000,000 SPP Shares and 100,000,000 SPP Options (being 1 SPP Option for every 10 SPP Shares issued), to Eligible Shareholders at \$0.005 per SPP Share, under the SPP to raise up to \$5 million (before costs); and</li> <li>• up to 1,000,000,000 Shares at \$0.005 per Share and 100,000,000 Options will make up a separate offer for any Shares not subscribed under the SPP subject to Shareholder approval.</li> </ul>
<b>Offer Price</b>	\$0.005 per Share
<b>Exercise price of all Options issued under the Offers (excluding the Bridge Loan Options)</b>	\$0.01 per Option
<b>Exercise price of Bridge Loan Options</b>	\$0.0075 per Bridge Loan Option
<b>Funds raised under the Offers (excluding funds raised from exercise of Options, if any)</b>	Approximately \$22.3945 million
<b>Amount to be converted into Shares in lieu of fees under the Director Offer and</b>	Total of approximately \$487,000 under the Director Offer

<b>Armada Offer (excluding funds raised from exercise of Options, if any), subject to Shareholder approval</b>	Total of approximately \$350,000 under the Armada Offer
<b>Shares on issue as at the date of this Prospectus</b>	1,399,383,826 Shares
<b>Total number of Shares and Options to be issued under the Offers (subject to Shareholder approval)</b>	Approximately 4,478,900,000 Shares Approximately 477,890,000 Options
<b>Shares on issue post-Offers (subject to Shareholder approval)</b>	5,878,283,826 Shares
<b>Shares on issue post-Offers (on a fully diluted basis), subject to Shareholder approval</b>	6,401,673,825 Shares



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## Chairman's Letter

20 December 2023

Dear Shareholder

On behalf of the Directors of Elmore Limited (ACN 057 140 922) (**Elmore**), I am pleased to offer you the opportunity to acquire Shares and Options in Elmore.

### Share Purchase Plan

This Prospectus contains an offer to existing Eligible Shareholders to participate in a SPP to raise up to \$5 million (before costs). Under the SPP Offer, each Eligible Shareholder has the opportunity to receive one SPP Option for every 10 SPP Shares subscribed for.

The SPP Offer will give each Eligible Shareholder the opportunity to apply for up to \$30,000 worth of fully paid ordinary shares in the Company (**SPP Shares**) at \$0.005 for each SPP Share (**SPP Offer Price**), without incurring brokerage or other transaction costs.

### Suspension from trading

As you may be aware, Elmore's Shares have been suspended from trading on ASX since 2 October 2023 as a result of the delay in lodging the Annual Financial Report with ASX. During this period of suspension, Elmore has achieved a number of milestones as announced to ASX, including the following:

- on 23 October 2023, Elmore announced that it had signed binding agreements for a revised Pre-Payment and Offtake Arrangement (**Pre-Payment**) with Elmore's current offtake partner Royal Advance (HK) Pty Ltd (**Royal Advance**) for up to US\$11.0 million (approximately \$17.3 million) and a life of mine offtake, in lieu of the Pre-Payment announced 22 June 2023;
- on 27 October 2023, Elmore announced the third magnetite shipment departing the Darwin Port, which contained 30,000 wet metric tonnes and delivered to its offtake partner, Royal Advance;
- on 6 November 2023, Elmore announced that it had \$4.05 million of available funding as a result of agreeing binding commitments for \$2.24 million in additional funding under the November Investor Loans and \$1.8125 million of funds being made available as a result of the Bridge Conversion; and
- on 1 December 2023, Elmore announced it had executed binding documentation for the restructure of the finance arrangement with Oz Professionals (**Vendor Finance Restructure**), and security documentation delivered as conditions precedent pursuant to the terms of the Pre-Payment with Royal Advance and for Vendor Finance Restructure. The execution of the security documentation was a condition precedent for the settlement of the November Investor Loans, and the US\$1.5 million (**Tranche 2**) and US\$2.0 million (**Tranche 3**) of the Pre-Payment from Royal Advance.

Given Elmore's current financial condition and the material uncertainty relating to going concern as described in Section 4.2(b), ASX informed Elmore that the reinstatement of Elmore's Shares to trading will be subject to ASX being satisfied after the Annual General Meeting, in accordance with Listing Rule 12.2, that Elmore's financial condition is adequate to warrant the continued quotation of its securities and its continued listing on ASX. Elmore intends to lodge a submission with ASX in relation to its compliance with Listing Rule 12.2 and that requests confirmation from ASX of Elmore's view that it satisfies Listing Rule 12.2 and therefore requests that Elmore's Shares be reinstated to trading.

Subject to ASX being satisfied that Elmore complies with Listing Rule 12.2, Elmore has an expectation that trading in the Shares will recommence within a number of weeks after the Annual General Meeting and that its Share price will need time to stabilise after trading has recommenced. The Directors believe that an opening date of the SPP of 22 January 2024 (**SPP Opening Date**) will provide a reasonable period of time for the recommencement of trading of the Shares and for the Share price to stabilise prior to the opening of the SPP Offer. The Directors believe an SPP Opening Date on 22 January 2024 will

allow Shareholders to have further clarity on the Share price and the future of the Company having regard to the announcements referred to above before the SPP Offer opens.

This date is indicative only and subject to change and the Directors may vary this date subject to the Listing Rules.

The SPP Offer Price of \$0.005 per Share is set at the last closing price of Elmore's Shares on ASX on 29 September 2023, being the last day before Elmore's shares were suspended from trading on ASX.

### **Additional offers**

In addition to the SPP Offer, Elmore is proposing to issue Shares and Options pursuant to the Placement, the Investor Loan Offer, the Debt Conversion Offer, the Bridge Loan Offer, Bridge Conversion Offer, the Director Offer and the Armada Offer.

### **Shareholder approval**

On 15 December 2023, Elmore despatched to Shareholders a notice of annual general meeting (**Notice of Meeting**) for its annual general meeting scheduled on 15 January 2024 (**Annual General Meeting**). Shareholder approval will be sought at its Annual General Meeting for the issue of the Shares and Options under the Placement, the Investor Loan Offer, the Debt Conversion Offer, the Bridge Loan Offer, the Bridge Conversion Offer, the Director Offer, the Armada Offer and the SPP Shortfall Offer.

Shareholder approval is not required for the issue of Shares and Options under the SPP Offer. If the relevant Shareholder approval is not obtained, the Shares and Options subscribed for under the Offers (other than the SPP Offer) will not be issued as relevant.

### **Offers**

The proceeds of the Offers will be mainly used for debt repayment and purchase of capital items and processing equipment.

Please see Section 3.4 for more information on the 'Use of funds' of the Offers.

### **Risks**

All investors should be aware that an investment in Elmore carries a number of significant risks.

Given the current financial circumstances of the Company, if Shareholder approval is not obtained for the issue of Shares and Options under the Investor Loans, the Company will be required to repay the aggregate amounts of the Investor Loans (other than the June Investor Loans provided by Mr Russell Baskerville and Mr Richard Bevan, being a total of \$8,220,000, by 31 January 2024). As at the date of this Prospectus, the Company does not have sufficient cash to make this repayment. The Company notes that it will only have 11 Business Days between the Annual General Meeting scheduled on 15 January 2024 and the repayment date of 31 January 2024, to source a total of \$8,220,000 to repay the aggregate amounts of the Investor Loans.

I encourage all investors to read the other risk factors summarised in Section 4 carefully before deciding whether to participate in the Offers.

### **Other information**

This Prospectus contains important information, including:

- instructions on how to apply, detailing how to participate in the Offers, and a timetable of key dates;
- a personalised Application Form, to be utilised in accordance with the instructions; and
- the effect and impact of the Offers on the Company.

Please read in full the details on how to submit your application, which are set out in this Prospectus. For further information regarding the Offers, please contact the Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia) between 8:30am to 5:00pm (AWST) Monday to Friday during the Offer Period and the Closing Date to the SPP Shortfall Offer.

You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Offers.

On behalf of the Board of Elmore, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R. Baskerville', written in a cursive style.

Russell Baskerville  
Non-Executive Chairman  
Elmore Limited

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# 1. Description of the Offers

## 1.1 Background to the Offers

On 22 June 2023, the Company announced, among other things, that it had agreed terms for approximately \$45 million in new funding, including US\$22 million (approximately \$32.5 million) in a non-binding term sheet for a pre-payment and life of mine offtake, and \$12.505 million in binding commitments, subject to regulatory and Shareholder approvals.

On 23 October 2023, the Company announced that it had signed binding agreements for a revised Pre-Payment and Offtake Arrangement (**Pre-Payment**) with Elmore's current offtake partner Royal Advance (HK) Pty Ltd (**Royal Advance**) for up to US\$11.0 million (approximately \$17.3 million) and a life of mine offtake, in lieu of the Pre-Payment announced 22 June 2023.

On 6 November 2023, the Company announced that it had \$4.05 million of available funding as a result of agreeing binding commitments for \$2.24 million in additional funding under the November Investor Loans and \$1.8125 million of funds being made available as a result of the Bridge Conversion.

On 1 December 2023, the Company announced that it had executed binding documentation for the restructure of the finance arrangement with Oz Professionals (**Vendor Finance Restructure**), and security documentation delivered as conditions precedent pursuant to the terms of the Pre-Payment with Royal Advance and for the Vendor Finance Restructure. The execution of the security documentation was a condition precedent for the settlement of the November Investor Loans, and the US\$1.5 million (**Tranche 2**) and US\$2.0 million (**Tranche 3**) of the Pre-Payment from Royal Advance.

In summary, the Offers comprise the following components:

- (a) Up to a total of \$16.5575 million has been raised from sophisticated and institutional investors comprising the following (together, the **Raising**):
- (i) **Placement** - \$1.5 million to be raised through a placement of Shares at \$0.005 per Share (**Offer Price**) (**Placement**). Under the Placement, investors will each receive one Option for every 10 Shares subscribed, each with an exercise price of \$0.01 and an expiry date within 18 months from the date of issue (**Placement Options**). The terms of the Placement Options are summarised in Schedule 2;
  - (ii) **Investor Loan Offer** - A total of \$8.445 million has been advanced by investors upfront as loans, which will convert into Shares at the Offer Price upon the required Shareholder approvals being obtained (**Investor Loans**). Under the Investor Loans, investors will receive one Option for every 10 Shares subscribed, each with an exercise price of \$0.01 and an expiry date within 18 months from the date of issue (**Investor Loan Options**). The terms of the Investor Loan Options are summarised in Schedule 1. The Investor Loans comprise of:
    - A. **June Investor Loans** - \$6.205 million advanced by investors upfront as loans, as announced by the Company on 22 June 2023; and
    - B. **November Investor Loans** - \$2.24 million advanced by investors upfront as loans, as announced by the Company on 6 November 2023;
  - (iii) **Debt Conversion Offer** - \$4.8 million to be settled via the conversion of existing debts owed by the Company into equity at the Offer Price (**Debt Conversion**). Under the Debt Conversion, debt holders will each receive one Option for every 10 Shares subscribed, each with an exercise price of \$0.01 and an expiry date within 18 months from the

date of issue (**Debt Conversion Options**). The terms of the Debt Conversion Options are summarised in Schedule 2;

- (iv) **Bridge Loan Offer** - Under the Bridge Loan Agreement, a bridging loan of \$1.5 million has been provided by Tiga (**Bridge Loan**). Under the Bridge Loan, Thorney Investment Group will be issued 30,000,000 Options with an exercise price of \$0.0075 per Option and an expiry date of 18 months from the date of issue (**Bridge Loan Options**). The terms of the Bridge Loan Options are summarised in Schedule 3; and
- (v) **Bridge Conversion Offer** - Under the Bridge Conversion Offer, \$1.8125 million of funds will be available to the Company as a result of the conversion of the Bridge Loan, and \$312,500 in extension fees, to Shares at the Offer Price (**Bridge Conversion**). It is proposed that Tiga will receive one Option for every 10 Shares subscribed, each with an exercise price of \$0.01 and an expiry date within 18 months from the date of issue (**Bridge Conversion Options**), the terms of the Bridge Conversion Options are summarised in Schedule 2.
- (b) **Director Offer** - An issue of Shares to each of the Directors (or their nominees) (other than David Mendelawitz) in lieu of fees outstanding for the period up to 31 January 2024 (and, in the case of Nikhilesh Senapati, up to 30 June 2023 being the date of his resignation as a Director) (**Director Shares**), together with one attaching Option for every 10 Shares issued, each with an exercise price of \$0.01 and an expiry date within 18 months from the date of issue (**Director Options**). Further information on the Director Offer is set out in Section 1.8 and the terms of the Director Options are summarised in Schedule 2.
- (c) **Armada Offer** - An issue of Shares to Armada Accountants (or its nominee(s)), for the part payment of fees outstanding for the period up to 30 November 2023 (**Armada Shares**), together with one attaching Option for every 10 Armada Shares issued, each with an exercise price of \$0.01 and an expiry date within 18 months from the date of issue (**Armada Options**). Further information on the Armada Offer is set out in Section 1.9 and the terms of the Armada Options are summarised in Schedule 2.
- (d) **SPP Offer** - As announced on 13 December 2023, the Company is undertaking a share purchase plan (**SPP**) to raise up to a maximum of \$5 million from Shareholders (**SPP Shares**). Shareholders participating in the SPP will receive one attaching Option for every 10 SPP Shares subscribed for under the SPP, each with an exercise price of \$0.01 and an expiry date within 18 months from the date of issue (**SPP Options**). Further information on the SPP is set out in Section 2 and the terms of the SPP Options are summarised in Schedule 2.
- (e) **SPP Shortfall Offer** - Any Shares not subscribed under the SPP Offer will form the SPP Shortfall Offer which is made by the Company as a separate offer under this Prospectus. Shareholders participating in the SPP Shortfall Offer will receive one attaching Option for every 10 Shares subscribed for, each with an exercise price of \$0.01 and an expiry date within 18 months from the date of issue. The terms of the Options are summarised in Schedule 2.

## 1.2 Pre-Payment

On 23 October 2023, the Company announced that it had signed a binding agreement with Royal Advance which sets out key commercial terms for a Pre-Payment for up to US\$11.0 million (approximately \$17.3 million) against magnetite and a life of mine offtake agreement for the supply of magnetite iron ore from the tailings stockpile.

As noted in Section 1.1 above, the Company on 1 December 2023 announced that it had executed binding security documentation with Royal Advance for the Pre-Payment. The execution of the security documentation was a condition precedent for the settlement of

Tranche 2 (US\$1.5 million) and Tranche 3 (US\$2.0 million) of the Pre-Payment from Royal Advance.

Settlement of Tranche 2 of the Pre-Payment occurred on 5 December 2023. The drawdown of Tranche 3 of the Pre-Payment is available on 14 days' written notice by the Company to Royal Advance.

Royal Advance is a trading division of a multibillion-dollar Chinese owned corporation that owns and operates a blast furnace and steel refinery in China. Royal Advance is the Company's current offtake partner and has now purchased three shipments of high-grade magnetite from the Company. They have used the magnetite product in their own steel refinery, successfully making steel and have also successfully traded the magnetite demonstrating the high quality and demand for the Company's magnetite product.

Following extensive consideration, the Company selected Royal Advance based on the strong relationship that has been developed between the companies, Royal Advance's flexibility, what the Company believes to be a genuine intent to collaborate, and a common vision for a long-term profitable partnership between the Company and Royal Advance.

The Company will continue to keep the market informed of any material updates in relation to the Pre-Payment.

### **1.3 Raising**

As noted above, the Raising comprises the Placement, the Investor Loan Offer, the Debt Conversion Offer, the Bridge Loan Offer and the Bridge Conversion Offer.

Under the Raising:

- (a) up to a total of 3,311,500,000 Shares are proposed to be issued at \$0.005 per Share. Investors under the Raising will also receive Placement Options, Investor Loan Options, Debt Conversion Options or Bridge Conversion Options (as applicable);
- (b) Elmore's Directors, Russell Baskerville and Richard Bevan, have personally subscribed for \$200,000 and \$25,000 respectively in the June Investor Loans;
- (c) as Elmore has utilised its new issue capacity under Listing Rule 7.1, each of the following are subject to Shareholder approval being obtained at the Annual General Meeting: the issue of Shares and Placement Options under the Placement, the issue of Shares and Investor Loan Options under the Investor Loan Offer, the issue of Shares and Bridge Conversion Options under the Bridge Conversion Offer, the issue of Shares and Debt Conversion Options under the Debt Conversion Offer, and the issue of the Bridge Loan Options under the Bridge Loan Offer; and
- (d) the Shares, Placement Options, Investor Loan Options, Debt Conversion Options, Bridge Loan Options and Bridge Conversion Options are proposed to be issued are being offered under this Prospectus to facilitate the on-sale of the Shares and any Shares issued on conversion of those Options.

### **1.4 Placement**

Under the Placement, the Company is proposing to raise \$1.5 million via the offer of Shares and Placement Options to certain sophisticated and professional investors under this Prospectus. The offer of Shares and Placement Options is subject to Shareholder approval being obtained at the Annual General Meeting.

### **1.5 Investor Loan Offer**

As noted above, \$8.445 million of the Raising proceeds has been advanced under the Investor Loans by the subscribers who are sophisticated and professional investors. The offer of

Shares and Investor Loan Options is subject to Shareholder approval being obtained at the Annual General Meeting.

The key terms of the Investor Loans include the following:

- (a) interest free loans which are automatically convertible into Shares, on the same terms as the Placement, 2 Business Days after the Company has obtained Shareholder approval; and
- (b) the Investor Loans are unsecured and repayable in cash if the Company has not obtained Shareholder approval for the Raising by 31 January 2024.

A summary of the key terms of the Investor Loans is set out in Schedule 4.

## **1.6 Debt Conversion Offer**

The Company currently has \$4.8 million in existing debts owed to Polaris and Oz Professionals. These debts comprise the following:

- (a) \$2.5 million owed to Oz Professionals under the vendor finance agreement for the settlement of the Peko Project purchase and certain deeds of variation and restatement; and
- (b) \$2.3 million owed to Polaris under convertible notes, unsecured loans and trade payables.

Polaris and Oz Professionals have each agreed to accept Shares in lieu of repayment of this \$4.8 million debt with the Company under the Debt Conversion Offer. The issue of Shares and Debt Conversion Options is subject to Shareholder approval being obtained at the Annual General Meeting.

As noted above in Section 1.1, the Company announced that it had executed binding documentation for the Vendor Finance Restructure. As part of the Vendor Finance Restructure, the Company negotiated with Oz Professionals to restructure the vendor finance repayment terms such that \$1.0 million was paid from the June Investor Loans and the balance is payable on 30 November 2025. With regard to the \$35.7 million remaining balance due, Oz Professionals has agreed with the Company to accept Debt Conversion Shares as part of the Debt Conversion. This will leave approximately \$33.2 million in principal outstanding owed to Oz Professionals due on 30 November 2025.

## **1.7 Bridge Loan and Bridge Conversion Offer**

As noted above, \$1.5 million has been advanced to the Company via the Bridge Loan. The key terms of the Bridge Loan include:

- (a) the advance of \$1.5 million is interest free;
- (b) a fee payable by Elmore, which comprises a cash fee and the issue of the Bridge Loan Options; and
- (c) the issue of the Bridge Loan Options is subject to Shareholder approval, which will need to be obtained on or by 15 January 2024. If such approvals, which are being sought at the Annual General Meeting, are not obtained, the Company is not obliged to issue the Bridge Loan Options.

A summary of the key terms of the Bridge Loan is set out in Schedule 5.

The issue of Shares and Bridge Loan Options under the Bridge Loan Offer are subject to Shareholder approval being obtained at the Annual General Meeting.

As noted above, Thorney has agreed to convert the \$1.8125 million owing (including \$1.5 million under the Bridge Loan and \$312,500 in extension fees) into Shares at the Offer Price

and will receive 1 Option for every 10 Shares subscribed for. The terms of the Bridge Conversion Options are summarised in Schedule 2.

The Bridge Loan Options and Bridge Conversion Options are offered under the Prospectus to facilitate the on-sale of the Shares on the conversion of the Options.

## 1.8 Director Offer

The Company is proposing to issue Director Shares and Director Options to each of the Directors (other than David Mendelawitz) in lieu of fees outstanding for the period up to 31 January 2024 (and, in the case of Nikhilesh Senapati, up to 30 June 2023 being the date of his resignation as a Director).

The effect of the Director Offer will be that, instead of receiving their unpaid fees in cash, the Directors will receive the Director Shares and the Director Options, which are on the same terms as those securities issued to investors under the Placement.

The maximum number of Director Shares and Director Options proposed to be issued to the Directors are as follows:

Name of Director	Director Shares	Director Options	Directors' fees (excl GST) owed up to 31 January 2024 <sup>4</sup>
Russell Baskerville	32,500,000	3,250,000	\$162,500
Andrew Haslam	18,900,000	1,890,000	\$94,500
Richard Bevan <sup>1</sup>	3,500,000	350,000	\$17,500
Timothy Webster	27,300,000	2,730,000	\$136,500
David Mendelawitz <sup>2</sup>	-	-	-
Nikhilesh Senapati <sup>3</sup>	15,200,000	1,520,000	\$76,000

Notes:

1. Richard Bevan was appointed as a Director on 6 November 2023.
2. David Mendelawitz was a Director until his resignation effective from 15 November 2023.
3. Nikhilesh Senapati was a Director until his resignation effective from 30 June 2023.
4. Nikhilesh Senapati's fees are for the period up to 30 June 2023.

Under the Director Offer, the number of Director Shares and Director Options offered to each of the Directors has been calculated by dividing the total amount of Directors' fees owed to that Director by the Offer Price and adding one Director Option for every 10 Director Shares.

The Company proposes to issue the number of Director Shares and Director Options that would represent the fees owed to each Director as at 31 January 2023 (other than Nikhilesh Senapati). As Nikhilesh Senapati resigned as a Director effective from 30 June 2023, Nikhilesh Senapati will be issued the number of Director Shares and Director Options in respect of fees owed to him as at 30 June 2023, being the date that his resignation was effective.

As noted above, the Director Shares and Director Options are being offered under this Prospectus to facilitate the on-sale of the Director Shares and the Shares issued upon conversion of the Director Options.

The issue of the Director Shares and the Director Options is subject to Shareholder approval being obtained at the Annual General Meeting.



## **1.9 Armada Offer**

Under an engagement letter dated 9 October 2015, the Company engaged Armada Accountants to act as Company Secretary of the Company. Armada Accountants provides the Company with company secretarial and accounting services. Under its engagement letter, the Company pays Armada Accountants a variable hourly rate for the services depending on the person engaged.

There are currently fees outstanding to Armada Accountants for the period up to 30 November 2023. For the part payment of the fees outstanding in an amount of \$350,000, the Company is proposing to issue the Armada Shares to Armada Accountants (or its nominee(s)), in addition to the Armada Options.

The effect of the Armada Offer will be that, instead of receiving its unpaid fees in cash, Armada Accountants will receive the Armada Shares and the Armada Options, which are on the same terms as those issued to investors under the Raising.

As noted above, the Armada Shares and Armada Options are being offered under this Prospectus to facilitate the on-sale of the Armada Shares and the Shares issued upon conversion of the Armada Options.

The issue of the Armada Shares and the Armada Options are subject to Shareholder approval being obtained at the Annual General Meeting.

## **1.10 Conditions to the Offers**

The Offers are conditional upon the following conditions being satisfied (as applicable):

- (a) The issue of the Shares and Options under the Offers (other than the SPP Offer) is conditional on the Company obtaining the relevant Shareholder approvals at the Annual General Meeting. If the relevant Shareholder approvals are not obtained, no Shares or Options will be issued under the relevant Offers (other than the SPP Offer), and all funds received by the Company under the Placement will be refunded to Applicants without interest. For a summary of the consequences on the Company if Shareholder approval is not obtained for the issue of the Shares and Options under the Placement, the Investor Loan Offer, the Debt Conversion Offer and the Bridge Conversion Offer, please refer to Section 4.2.
- (b) The issue of the Shares and Options under the SPP Shortfall Offer is conditional on the Company obtaining Shareholder approval at the Annual General Meeting. If Shareholder approval is not received, in this event, as disclosed in the Notice of Meeting, the Company will only issue the SPP Shares and SPP Options to participants of the SPP Shortfall Offer within its placement capacity.

Further details regarding the Shareholder approvals being sought at the Annual General Meeting, including the consequences if the relevant Shareholder approvals are not passed, are set out in the Notice of Annual General Meeting released by the Company to ASX on 14 December 2023.

## **1.11 Eligibility to participate in the Offers (other than the SPP Offer and the SPP Shortfall Offer)**

Persons eligible to participate in the Offers (other than the SPP Offer and the SPP Shortfall Offer) are those who have received an invitation to apply together with a personalised Application Form from the Company.

## **1.12 Closing Date of the Offers (other than the SPP Offer and the SPP Shortfall Offer)**

The closing date for the Offers (other than the SPP Offer and SPP Shortfall Offer) is on Tuesday, 16 January 2024 (**Closing Date**). The Company reserves the right, subject to the

Corporations Act and the Listing Rules to extend the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

### **1.13 Closing Date of the SPP Offer and the SPP Shortfall Offer**

The closing date for the SPP Offer is on Friday, 9 February 2024 and for the SPP Shortfall Offer is on Friday, 12 April 2024. The Company reserves the right, subject to the Corporations Act and the Listing Rules to close the SPP Offer and the SPP Shortfall Offer earlier than their respective closing dates without prior notice. If the closing dates are varied, subsequent dates may also be varied accordingly.

### **1.14 Acceptance of Offers (other than the SPP Offer and the SPP Shortfall Offer)**

You will only be eligible to apply for Shares and Options under the Offers (other than the SPP Offer and the SPP Shortfall Offer) if you receive a written invitation to apply together with a personalised Application Form from the Company for the relevant Offer.

Payment for the Placement must be made in full at the Offer Price if you receive a written invitation to apply and a personalised Application Form from the Company. No payment is required under the Offers (other than the Placement, SPP Offer and the SPP Shortfall Offer).

### **1.15 Allotment of Shares and Options under the Offers (other than the SPP Offer and the SPP Shortfall Offer)**

Until issue and allotment of the relevant Shares and Options under the Offers (other than the SPP Offer and the SPP Shortfall Offer) pursuant to this Prospectus, the Application Monies will be held in trust in a separate bank account opened and maintained for that purpose only.

Any interest earned on Application Monies will be for the benefit of the Company and will be retained by it irrespective of whether allotment of the Shares and Options takes place.

### **1.16 Rights and liabilities attaching to the Shares**

The Shares issued under the Offers will be fully paid and rank equally with Existing Shares. Further information regarding the rights and liabilities attached to the Shares is included in Section 5.8.

### **1.17 Rights attaching to Placement Options, Debt Conversion Options, Bridge Conversion Options, Director Options and Armada Options**

Shares issued on the conversion of the Placement Options, Debt Conversion Options, Bridge Conversion Options, Director Options and Armada Options will be fully paid and rank equally with Existing Shares. Further information regarding the rights attached to those Options is included in Schedule 2.

### **1.18 Rights attaching to the Investor Loan Options**

Shares issued on the conversion of the Investor Loan Options will be fully paid and rank equally with Existing Shares. Further information regarding the rights attached to the Investor Loan Options is included in Schedule 1.

### **1.19 Rights attaching to the Bridge Loan Options**

Shares issued on the conversion of the Bridge Loan Options will be fully paid and rank equally with Existing Shares. Further information regarding the rights attached to the Bridge Loan Options is included in Schedule 3.

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## 2. Share Purchase Plan

### 2.1 Overview of the SPP Offer

The Company is pleased to offer Eligible Shareholders the opportunity to participate in the SPP to raise up to \$5 million (before costs), with participating Eligible Shareholders receiving one SPP Option for every 10 SPP Shares subscribed for under the SPP Offer.

The SPP Offer will give each Eligible Shareholder the opportunity to apply for up to \$30,000 worth of SPP Shares at the SPP Offer Price, without incurring brokerage or other transaction costs.

As you may be aware, Elmore's Shares have been suspended from trading on ASX since 2 October 2023 as a result of the delay in lodging the Annual Financial Report with ASX. During this period of suspension, Elmore has achieved a number of milestones as announced to ASX, including the following:

- (a) on 23 October 2023, Elmore announced that it had signed binding agreements for a revised Pre-Payment and Offtake Arrangement (**Pre-Payment**) with Elmore's current offtake partner Royal Advance (HK) Pty Ltd (**Royal Advance**) for up to US\$11.0 million (approximately \$17.3 million) and a life of mine offtake, in lieu of the pre-payment announced on 22 June 2023;
- (b) on 27 October 2023, Elmore announced the third magnetite shipment departing the Darwin Port, which contained 30,000 wet metric tonnes and delivered to its offtake partner, Royal Advance;
- (c) on 6 November 2023, Elmore announced that it had \$4.05 million of available funding as a result of agreeing binding commitments for \$2.24 million in additional funding under the November Investor Loans and \$1.8125 million of funds being made available as a result of the Bridge Conversion; and
- (d) on 1 December 2023, Elmore announced it had executed binding documentation for the restructure of the finance arrangement with Oz Professionals (**Vendor Finance Restructure**), and security documentation delivered as conditions precedent pursuant to the terms of the Pre-Payment with Royal Advance and for Vendor Finance Restructure. The execution of the security documentation was a condition precedent for the settlement of the November Investor Loans, and the US\$1.5 million (**Tranche 2**) and US\$2.0 million (**Tranche 3**) of the Pre-Payment from Royal Advance.

Given Elmore's current financial condition and the material uncertainty relating to going concern as described in Section 4.2(b), ASX informed Elmore that the reinstatement of Elmore's Shares to trading will be subject to ASX being satisfied after the Annual General Meeting, in accordance with Listing Rule 12.2, that Elmore's financial condition is adequate to warrant the continued quotation of its securities and its continued listing on ASX. Elmore intends to lodge a submission with ASX in relation to its compliance with Listing Rule 12.2 and that requests confirmation from ASX of Elmore's view that it satisfies Listing Rule 12.2 and therefore requests that Elmore's Shares be reinstated to trading.

Subject to ASX being satisfied that Elmore complies with Listing Rule 12.2, Elmore has an expectation that trading in the Shares will recommence within a number of weeks after the Annual General Meeting and that its Share price will need time to stabilise after trading has recommenced. The Directors believe that an opening date of the SPP of 22 January 2024 (**SPP Opening Date**) will provide a reasonable period of time for the recommencement of trading of the Shares and for the Share price to stabilise prior to the opening of the SPP Offer. The Directors believe an SPP Opening Date on 22 January 2024 will allow Shareholders to have further clarity on the Share price and the future of the Company having regard to the announcements referred to above before the SPP Offer opens.

The SPP Opening Date is indicative only and subject to change and the Directors may vary this date subject to the Listing Rules.

The SPP Offer Price of \$0.005 per Share is set at the last closing price of Elmore's Shares on ASX on 29 September 2023, being the last day before Elmore's shares were suspended from trading on ASX.

Eligible Shareholders may apply for SPP Shares under the SPP Offer but are not required to do so. SPP Shares issued under the SPP Offer will rank equally in all respects with the Company's Existing Shares. Please refer to Section 5.8 for a description of the rights and liabilities attaching to the SPP Shares.

A listed company may undertake a SPP in accordance with the ASIC Instrument. The ASIC Instrument allows a company to conduct a SPP without the use of a prospectus. However, the Company has previously been suspended from trading on ASX for more than five days in the previous 12 months, and is therefore unable to rely on the disclosure relief granted by the ASIC Instrument. As such, the Company is undertaking the SPP Offer under this Prospectus pursuant to section 713 of the Corporations Act.

## 2.2 Eligibility to participate in the SPP Offer

Only Eligible Shareholders may participate in the SPP Offer.

The Company has determined that it is either unlawful or impracticable for holders of Shares with registered addresses in jurisdictions other than Australia (and its external territories) and New Zealand to participate in the SPP Offer.

If you are the only registered Shareholder of a holding of Shares, but you receive more than one SPP Offer (for example, because you hold Shares in more than one capacity), you may only apply for one parcel of SPP Shares with a value of up to \$30,000 (which may be subject to scale back in accordance with Section 2.6). Joint holders of Shares will be taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder.

The Company reserves the right to reject any Application for SPP Shares under this Prospectus to the extent it considers that the Application (whether alone or in conjunction with other Applications) does not comply with these requirements.

## 2.3 Key SPP dates

Event	Date
Record date of the SPP	Tuesday 12 December
Announcement of the SPP	Wednesday 13 December
Lodgement of the Prospectus with ASIC and ASX	Wednesday 20 December
Opening date of the SPP	Monday 22 January
Closing date of the SPP	5:00pm (AWST) on Friday 9 February
Announcement of results of the SPP	On or by Friday 16 February
Completion of the issue of SPP Shares and SPP Options	Friday 16 February
Official Quotation and commencement of trading of the SPP Shares	Monday 19 February

## 2.4 Closing date of SPP Offer

The closing date for the SPP Offer is 5:00pm (AWST) on Friday, 9 February 2024 (**SPP Closing Date**). The Company reserves the right, subject to the Corporations Act and the

Listing Rules to extend the SPP Closing Date without prior notice. If the SPP Closing Date is varied, subsequent dates may also be varied accordingly.

## 2.5 SPP Application Form

Pursuant to the SPP Offer, Eligible Shareholders may apply for a maximum of \$30,000 worth of SPP Shares. Eligible Shareholders may participate by selecting one of the following options (**SPP Application Amount**) to purchase SPP Shares under the SPP Offer:

Parcel	SPP Application Amount	Number of SPP Shares	Number of SPP Options
A	\$30,000	6,000,000	600,000
B	\$20,000	4,000,000	400,000
C	\$15,000	3,000,000	300,000
D	\$10,000	2,000,000	200,000
E	\$7,500	1,500,000	150,000
F	\$5,000	1,000,000	100,000
G	\$2,000	400,000	40,000

The above table summarises the number of SPP Shares that would be issued for different application amounts (assuming there is no scale back of Applications). Where the amount applied for results in a fraction of a Share, the number of SPP Shares issued will be rounded up to the nearest whole number.

If you wish to subscribe for SPP Shares under the SPP Offer, please pay your Application Monies, in accordance with the instructions in the personalised SPP Application Form.

Eligible Shareholders may apply for the SPP Offer by making an application in accordance with the instructions in the personalised SPP Application Form. The SPP Offer is non-renounceable, which means that Eligible Shareholders may not transfer their rights to any SPP Shares offered under the SPP Offer. You cannot withdraw or revoke your Application once you have made payment via BPAY® or EFT.

Any Application Monies received for more than an Applicant's final allocation of SPP Shares (only where the amount is \$1.00 or greater) will be refunded, without interest.

## 2.6 Scale back

The Company intends to raise up to \$5 million under the SPP Offer. If Applications for more than the maximum amount of the SPP Offer are received before the SPP Closing Date, the Company intends to scale back Applications equally on a pro rata basis.

Applications under the SPP Offer will be allocated at the absolute discretion of the Company and the final allocation decision will be at the sole discretion of the Board.

If the scale back produces a fractional number of SPP Shares when applied to your parcel, the number of SPP Shares you will be allocated will be rounded up to the nearest whole number of SPP Shares. If the Company scales back an Application or purported application, the Company will promptly return to the Shareholder the relevant Application Monies, without interest, following allotment of the SPP Shares.

## 2.7 SPP Shortfall Offer

The SPP Offer is not underwritten. To the extent that there is a shortfall in the subscription for SPP Shares under the SPP Offer (**Shortfall**), it will make up a separate offer under this Prospectus. Shareholders participating in the SPP Shortfall Offer will receive one attaching Option for every 10 SPP Shares subscribed for, each with an exercise price of \$0.01 and an expiry date within 18 months from the date of issue. The terms of the SPP Options are summarised in Schedule 2.

There is no maximum limit on the number of Shares that an investor may apply for under the SPP Shortfall Offer, however, investors will be limited to the extent that there is any Shortfall. Investors, including existing Shareholders, who wish to apply for the Shortfall pursuant to the SPP Shortfall Offer under this Prospectus should contact the Company.

The Directors reserve the right to issue the SPP Shares that comprises of the Shortfall to institutional or sophisticated investors at their absolute discretion, to the extent that any such placement of SPP Shares under the Shortfall can be made by the Company having regard to the Listing Rules and the Corporations Act.

The Directors may issue to an applicant a scaled back, lesser number of, or no SPP Shares, than the number for which the applicant applies for. If the number of Shares issued under the SPP Shortfall Offer is less than the number applied for, surplus Application Monies will be refunded in full. Interest will not be paid on Application Monies refunded. An Application for Shares under the SPP Shortfall Offer accompanied by payment of Application Monies does not guarantee the allotment of Shares under the SPP Shortfall Offer. Any Shares issued under the SPP Shortfall Offer will be issued to applicants under the Shortfall as and when determined by the Directors but no later than 3 months after Shareholder approval is obtained for the issue at the Annual General Meeting.

The Company will not allocate Shares under the SPP Shortfall Offer to the extent that the recipient's voting power in the Company would breach the takeover thresholds in the Corporations Act (i.e. in circumstances where the recipient would acquire a controlling interest in 20% or more of the issued Shares or increase an existing controlling interest of more than 20%, subject to certain exceptions).

## 2.8 Payment – SPP Offer

You can make the required payment for your Application in the following ways:

### (a) Payment via BPAY®

For payment via BPAY®, please follow the instructions on your personalised SPP Application Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised SPP Application Form.

Eligible Shareholders with more than one holding of Shares will receive multiple CRNs. Such Eligible Shareholders can apply under one or more of their holdings, provided that they do not apply for more than \$30,000 worth of SPP Shares in total for all holdings.

If you do not use the correct CRN specific to that holding, your Application will not be recognised as valid. If you have a daily BPAY® limit and your required payment for Shares exceeds that limit, you can make several BPAY® payments using the same Biller Code and CRN to satisfy that amount.

Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the SPP Application Form but are taken to have made the declarations on that SPP Application Form; and

- (ii) by paying Application Monies, you are deemed to have taken up Shares in respect of such whole number of Shares which is covered in full by your Application Monies.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00pm (AWST) on the SPP Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

(b) **By EFT**

For payment via EFT, please follow the instructions on your personalised SPP Application Form. You can only make payment via EFT if you are the holder of an account with an Australian financial institution that supports EFT transactions. If you are paying by EFT, please make sure you use your unique reference number on your personalised SPP Application Form.

Eligible Shareholders with more than one holding of Shares will receive multiple 'unique reference numbers'. Such Eligible Shareholders can apply under one or more of their holdings, provided that they do not apply for more than \$30,000 worth of SPP Shares in total for all holdings.

If you do not use the correct unique reference number specific to that holding, your Application will not be recognised as valid. If you have a daily transaction limit and your required payment for Shares exceeds that limit, you can make several transfers using the same unique reference number to satisfy that amount.

Please note that should you choose to pay by EFT:

- (i) you do not need to submit the SPP Application Form but are taken to have made the declarations on that SPP Application Form; and
- (ii) by paying Application Monies, you are deemed to have taken up Shares in respect of such whole number of Shares which is covered in full by your Application Monies.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through EFT are received by 5:00pm (AWST) on the SPP Closing Date. The Company shall not be responsible for any delay in the receipt of the EFT payment.**

## 2.9 Acceptance of applications

The Company and its officers and agents may accept or reject your application for SPP Shares under the SPP Offer in whole or in part at their discretion including, without limitation, if:

- (a) your application does not comply with the terms and conditions in this Prospectus;
- (b) it appears you are not an Eligible Shareholder;
- (c) your EFT or BPAY® payment is not received by the Share Registry by the SPP Closing Date;
- (d) paying by EFT, you do not quote your unique payment reference (as set out in your Application Form) as your payment reference/description when processing your EFT payment;

- (e) paying by BPAY®, you do not quote your BPAY® reference number (as set out in your Application Form) when processing your payment;
- (f) the Company believes that you are applying to purchase more than \$30,000 worth of SPP Shares in aggregate (including as a result of Shares you hold directly, jointly or through a Custodian or nominee arrangement) or your application is not for an amount in the increments described in Section 2.5;
- (g) payment of Application Monies is not submitted in Australian currency or, if payment is made by cheque, the cheque is not drawn on an Australian financial institution;
- (h) the amount of your EFT payment or your BPAY® payment is not equal to the amount of your application or to a valid parcel of SPP Shares and SPP Options, in which event the Company will:
  - (i) refund in full your Application Monies and not allot any SPP Shares or SPP Options to you; or
  - (ii) allot to you the number of new SPP Shares and SPP Options that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund to you the excess of your Application Monies;
- (i) you are a Custodian and you have not provided the Share Registry with a Custodian Certificate; or
- (j) your application might prejudice the effective operation of the SPP or give rise to a breach of any applicable law or regulation.

Application Monies for SPP Shares will be held in a separate bank account.

Any residual amounts after calculating the number of new SPP Shares and SPP Options to be allotted and issued to you will be refunded to you (without interest).

If you are entitled to a refund of all or any of your Application Monies, the refund will be paid to you, without interest, as soon as practicable:

- (a) by direct credit to your nominated account (as recorded with the Share Registry); or
- (b) by returning your Application Form and cheque, if not processed, to your registered address (as recorded with the Share Registry).

## **2.10 Calculation and issue of SPP Shares and SPP Options**

If you apply for SPP Shares and SPP Options under the SPP Offer, you will apply for a certain value, rather than a certain number, of SPP Shares and SPP Options. If your Application is accepted, the Company will divide the value of your Application Monies by the SPP Offer Price in order to determine the number of SPP Shares and SPP Options which, subject to scale back, will be issued to you.

Subject to any scale-back, the number of SPP Shares that will be allotted to you will be determined by dividing your application amount by the SPP Offer Price, rounded up to the nearest whole number and parcel. The number of SPP Options that will be allotted to you will be determined by dividing the number of SPP Shares to be allotted to you by ten, rounded up to the nearest whole number.

SPP Shares and SPP Options under the SPP Offer are expected to be issued on Tuesday 16 January 2024.



## 2.11 SPP Application Form is binding

A payment made through BPAY® or EFT, constitutes a binding offer to acquire SPP Shares and SPP Options on the terms of this Prospectus and, once paid, cannot be withdrawn. The Directors' (or their delegates') decision whether to treat an acceptance as valid and how to construe, amend or complete the Application is at their sole discretion and final.

By making a payment by BPAY® or EFT, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that you:

- (a) acknowledge that you have read and understood this Prospectus and the accompanying SPP Application Form in their entirety;
- (b) agree to be bound by the terms of the SPP Offer, this Prospectus and the Constitution;
- (c) authorise Elmore to register you as the holder(s) of the SPP Shares and SPP Options allotted to you;
- (d) declare that all details and statements made in the Application are complete and accurate;
- (e) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the SPP Offer;
- (f) acknowledge that, once Elmore or the Share Registry receives the SPP Application Form or your payment by BPAY® or EFT, you may not withdraw it except as allowed by law;
- (g) apply for the number of SPP Shares for which you have submitted payment of any Application Monies, at the SPP Offer Price per SPP Share;
- (h) authorise Elmore, the Share Registry and their respective officers or agents to do anything on your behalf necessary for the SPP Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details on the register of Elmore;
- (i) acknowledge and agree that:
  - (i) determination of eligibility of investors for the purposes of the SPP Offer was determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Elmore; and
  - (ii) Elmore and its related bodies corporate and affiliates, disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent by law;
- (j) declare that you were the registered holder(s) at the Record Date of the Shares indicated on the SPP Application Form;
- (k) acknowledge that the information contained in this Prospectus is not investment advice or a recommendation that SPP Shares are suitable for you, given your investment objectives, financial situation or particular needs;
- (l) acknowledge that this Prospectus is a transaction-specific prospectus under section 713 of the Corporations Act and does not contain the same level of disclosure as an initial public offering prospectus. In preparing this Prospectus, regard has been had to the fact that Elmore is a disclosing entity for the purposes of the Corporations Act

and that certain matters may reasonably be expected to be known to investors and professional advisers to whom investors may consult;

- (m) acknowledge that you have read and understood the risk factors in Section 4 and that an investment in Elmore is subject to risks;
- (n) acknowledge that none of Elmore nor its related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of Elmore, nor do they guarantee the repayment of capital;
- (o) agree to provide (and direct your nominee or Custodian to provide) any requested substantiation of your eligibility to participate in the SPP Offer and of your holding of the SPP Shares and SPP Options on the Record Date;
- (p) authorise Elmore to correct any errors in your Application or other form provided by you;
- (q) represent and warrant (for the benefit of Elmore) that you are not an Ineligible Shareholder and are otherwise eligible to participate in the SPP Offer;
- (r) represent and warrant that the law of any place does not prohibit you from being given this Prospectus and the personalised SPP Application Form, nor does it prohibit you from making an application for SPP Shares;
- (s) are an Eligible Shareholder and are not in the United States of America and are not a person (including nominees or Custodians) acting for the account or benefit of a person in the United States of America (to the extent such person holds ordinary shares in Elmore for the account or benefit of such person in the United States of America) and are not otherwise a person to whom it would be illegal to make an offer or issue SPP Shares under the SPP Offer;
- (t) acknowledge that the SPP Shares have not been, and will not be, registered under the US Securities Act of 1933 or under the laws of any other jurisdiction outside Australia;
- (u) have not and will not send any materials relating to the SPP Offer to any person in the United States of America or to any person (including nominees or Custodians) acting for the account or benefit of a person in the United States of America;
- (v) understand and acknowledge that the SPP Shares have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States of America. The SPP Shares may be offered, sold or resold in the United States of America except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States of America; and
- (w) represent and warrant that you are aware that a TMD in respect of the offer of the SPP Options under this Prospectus has been prepared by the Company and is available on the Company's website at <https://elmoreltd.com.au/investors/raising>.

## **2.12 Brokerage and stamp duty**

No brokerage fee is payable by Eligible Shareholders who accept subscriptions under the SPP Offer. No stamp duty is payable for subscribing for SPP Shares and SPP Options under the SPP Offer.

## **2.13 Notice to nominees and Custodians**

Nominees and Custodians may not distribute any part of this Prospectus or any SPP Application Form in any country outside Australia, except to beneficial holders of Shares in

New Zealand and in any other country where Elmore may determine it is lawful and practical to make the SPP Offer.

Elmore is not required to determine whether or not any registered holder or investor is acting as a nominee or Custodian or the identity or residence of any beneficial owners of Existing Shares. Where any person is acting as a nominee or Custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the SPP Offer by the beneficiary complies with the above paragraph and applicable foreign laws.

## 2.14 Rights attaching to the SPP Shares

The SPP Shares issued under the SPP Offer will be fully paid and rank equally with Existing Shares. A summary of the rights attached to SPP Shares is set out in Section 5.8.

## 2.15 Rights attaching to SPP Options

Shares issued on the conversion of the SPP Options will be fully paid and rank equally with Existing Shares. Further information regarding the rights attached to SPP Options is set out in Schedule 2.

## 2.16 Custodians, trustees and nominees

If you are an Eligible Shareholder and hold Shares as a custodian (as defined in the ASIC Instrument) (**Custodian**), you may apply for up to \$30,000 worth of SPP Shares for each beneficiary for whom you act as Custodian provided you provide a certificate to the Company (**Custodian Certificate**) with the following information:

- (a) that you held Shares on behalf of:
  - (i) one or more other persons that are not custodians; and/or
  - (ii) another custodian (**Downstream Custodian**) that holds beneficial interests in Shares on behalf of one or more other persons to which those beneficial interests relate,  
  
(each a **Participating Beneficiary**) at the Record Date who have subsequently instructed you, and/or the Downstream Custodian, to apply for SPP Shares under the SPP Offer on their behalf;
- (b) the number of Participating Beneficiaries and their names and addresses;
- (c) the number of Shares that you hold on behalf of each Participating Beneficiary;
- (d) the number or dollar amount of SPP Shares that each Participating Beneficiary has instructed you, either directly or indirectly through a Downstream Custodian, to apply for on their behalf;
- (e) that the SPP Offer Price for SPP Shares applied for under the SPP Offer for each Participating Beneficiary for whom you act, and any other Shares applied for on their behalf under a similar arrangement in the previous 12 months (excluding Shares applied for but not issued) does not exceed \$30,000;
- (f) that a copy of this Prospectus was given to each Participating Beneficiary; and
- (g) where you hold Shares on behalf of a Participating Beneficiary indirectly through one or more Downstream Custodians, the name and address of each Downstream Custodian.

By making payment on behalf of a Participating Beneficiary, you certify that you are the Custodian for the Participating Beneficiary and that the above information in this Section 2.16 and the information detailed in the SPP Application Form is true and correct as at the date of the Application.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact Automic Registry Services Pty Ltd on 1300 288 664 or by email at [hello@automic.com.au](mailto:hello@automic.com.au) from 8.30am to 5.00pm (AWST) Monday to Friday before the SPP Closing Date.

The Company reserves the right to reject any application for Shares under this Prospectus to the extent that it considers that the Application (whether alone or in conjunction with other Applications) does not comply with these requirements.

## **2.17 ASX Quotation**

Application for the Official Quotation of the SPP Shares offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. See Section 5.4 for further information.

## **2.18 CHES**

The Company participates in the Clearing House Electronic Sub-register System, known as CHES. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHES in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHES, Applicants will not receive a certificate but will receive a statement of their holding of securities.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHES statement.

A statement will be despatched by the Share Registry to all holders who receive securities as a result of the SPP, and will contain the number of securities issued to you under this Prospectus and your security holder reference number or holder identification number.

A CHES statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes.

Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

## **2.19 New Zealand offer restrictions**

This Prospectus and the accompanying SPP Application Form do not constitute an offer in any place which, or to any person to whom, it would be unlawful to make such an offer. This Prospectus constitutes a disclosure document under section 713 of the Corporations Act. No action has been taken to register this Prospectus in any jurisdiction other than Australia.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address outside Australia except to the extent permitted below.

The Shares are not being offered or sold to the public within New Zealand other than to Shareholders of the Company with registered addresses in New Zealand to whom the offer of the Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021. In addition, for Shareholders who subscribe for Shares, the Company will issue Options for no consideration.

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This Prospectus is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### 3. Purpose and effect of the Offers on Elmore

#### 3.1 Purpose of the Offers

The Offers are expected to raise gross proceeds of up to \$22.3945 million before costs (excluding any funds raised on exercise of any Options offered under this Prospectus). The funds raised will be applied as described in the table in Section 3.4. Any funds raised through the exercise of Options issued under this Prospectus will be directed to working capital.

#### 3.2 Effect of the Offers

Assuming the targeted amount of \$5 million is raised under the SPP Offer, all Placement participants apply for new Shares, and all Shareholder approvals are obtained at the Annual General Meeting, the principal effects of the Offers on the Company are as follows:

- (a) the Company will issue 4,478,900,000 Shares under the Offers, and the total number of Shares on issue will increase to approximately 5,878,283,826 Shares;
- (b) the Company will issue 477,890,000 Options under the Offers, and the total number of Options on issue will increase to 523,390,000 Options;
- (c) the cash reserves of the Company will increase by approximately \$6.5 million (less expenses of the Offers) immediately after completion of the SPP; and
- (d) the equity of Shareholders will be diluted and the equity of Eligible Shareholders who do not participate in the SPP Offer will be further diluted, as evidenced from the figures set out above.

#### 3.3 Capital structure on completion of the Offers

Assuming that no existing Options are converted into Shares, the effect of the Offers on the Company's issued capital as at the date of this Prospectus is set out in the table below:

Capital Structure	Number	Fully Diluted Shareholding %
Current		
Fully paid ordinary shares	1,399,383,826	26.4%
Unlisted options <sup>1</sup>	45,500,000	0.9%
Raising (Placement, Investor Loans, Debt Conversion, Bridge Conversion and Bridge Loan)		
Fully paid ordinary shares	3,311,500,000	62.5%
Unlisted options <sup>2</sup>	361,150,000	6.8%
Armada Offer		
Fully paid ordinary shares	70,000,000	1.3%
Unlisted options <sup>3</sup>	7,000,000	0.1%
Director Offer		
Fully paid ordinary shares	97,400,000	1.8%
Unlisted options <sup>4</sup>	9,740,000	0.2%

Capital Structure	Number	Fully Diluted Shareholding %
Pro Forma (excl. SPP)		
Fully paid ordinary shares	4,878,283,826	92.0%
Unlisted options	423,390,000	8.0%
<b>Total (excl. SPP)</b>	<b>5,301,673,825</b>	<b>100.0%</b>
SPP Offer (fully subscribed)		
Fully paid ordinary shares	1,000,000,000	15.6%
Unlisted options <sup>5</sup>	100,000,000	1.6%
Pro Forma (incl. SPP)		
Fully paid ordinary shares	5,878,283,826	91.8%
Unlisted options	523,390,000	8.2%
<b>Total (incl. SPP)</b>	<b>6,401,673,825</b>	<b>100.0%</b>

Notes:

1. This comprises Options currently on issue in the Company with exercise prices of \$0.02 to \$0.03 per Option and expiring in March 2024 and January 2025 (as applicable).
2. This comprises the Placement Options, the Investor Loan Options, the Debt Conversion Options, the Bridge Loan Options and the Bridge Conversion Options.
3. This comprises the Armada Options.
4. This comprises the Director Options.
5. This comprises the maximum number of SPP Options that may be issued on the basis that the SPP is fully subscribed.

### 3.4 Use of funds

The Company has received the funds under the Investor Loans and Bridge Loan and will receive cash funds under the Placement. The Company will convert debts to Shares under the Debt Conversion Offer, Armada Offer, Director Offer and Bridge Loan Conversion. Under the SPP Offer and the SPP Shortfall Offer, the Company may raise up to an additional \$5 million in cash. A summary of this is provided as follows:

Item (\$million)	Cash	Conversion to Shares	Total
Repayment of vendor finance (principal and interest)	1.0000	2.5000	3.5000
Purchase of capital items and processing equipment	1.0000	-	1.0000
Polaris Engineering Services Pty Ltd debt conversion	-	2.3000	2.3000
Avior Capital Partners debt repayment <sup>1</sup>	1.0000	-	1.0000
Armada debt conversion	-	0.3500	0.3500
Director fee conversion	-	0.4870	0.4870
Thorney Investment Group Bridge Conversion	-	1.8125	1.8125
Working capital, transaction costs and other trade creditors	6.9450	-	6.9450
<b>Total (excl. SPP)</b>	<b>9.9450</b>	<b>7.4495</b>	<b>17.3945</b>
SPP Offer (fully subscribed)	5.0000	-	5.0000

<b>Total (incl. SPP)</b>	<b>14.9450</b>	<b>7.4495</b>	<b>22.3945</b>
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Notes:

1. Avior Capital Partners' borrowings are pursuant to a funding facility provided to re-finance the purchased ball mill with a debt facility. The key terms of this facility, which were disclosed on page 56 of the Company's 30 June 2023 Annual Report, are as follows:
  - a. \$1,200,000 face value;
  - b. 24-month term, with the final repayment being made on 1 February 2024;
  - c. 15% interest;
  - d. note repaid over 24 equal payments;
  - e. 10% initiation fee and exit fees;
  - f. up to 20% of the exit fee can be taken as Shares priced at \$0.025 Share price (maximum of 2,000,000 Shares);
  - g. secured by way of general security agreement and specific security agreement over ball mill; and
  - h. the Company extended the funding facility provided by Avior Capital Partners by a further \$1.5 million provided in 2 tranches over 1 month. This extended the final repayment date to 24 May 2024.

The above table is a statement of Elmore's current intentions as of the date of this Prospectus. The above proposed use of funds and their relative priority is subject to ongoing review and evaluation by Elmore. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. As with any budget, the actual use of funds raised may change depending on the outcome of the programs as they proceed. Elmore reserves the rights to alter the way in which funds are applied on this basis.

### 3.5 Substantial shareholders

The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder is expected to have a voting power of greater than 20% as a result of the completion of the Offers.

The following table sets out the substantial holdings of:

- (a) each of those persons who have lodged substantial holding notices (on behalf of itself and its Associates) as at the date of this Prospectus; and
- (b) each of those persons (on behalf of itself and its Associates) who are expected to be substantial holders as at completion of the Offers (other than the SPP Offer).

Shareholder	Current % interest	Post-Raising, Director Offer and Armada Offer <sup>1</sup> % interest <sup>1</sup>	Fully diluted <sup>2</sup> % interest
Regal Funds Management	9.29%	10.87%	10.75%
Oz Professionals 4 Pty Ltd	-	10.25%	10.37%
TIGA Trading Pty Ltd	3.97%	16.77%	16.87%
Polaris Engineering Services Pty Ltd	2.32%	10.09%	10.16%

Notes:

1. Excludes any participation in the SPP.
2. Diluted for the exercise of all existing Options as at the date of this Prospectus, plus Options issued under the Raising, Armada Offer and the Director Offer.

### **3.6 Effect of the Offers on the Company's financial position**

To illustrate the effect of the Offers on the financial position of the Company, set out below is the audited statement of financial position of the Company as at 30 June 2023 which includes adjustments made in respect of the subsequent events as set out. Each has been prepared on the basis of the accounting policies normally adopted by the Company.

The unaudited pro forma statement of financial position has been prepared in accordance with the Corporations Act and the Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The unaudited pro forma statement of financial position is based on the audited financial position as at 30 June 2023, and assumes that the Offers are fully subscribed. Other than in the ordinary course of business and as noted below in the notes to the unaudited statement of financial position, there have been no other material transactions between that date and the date of this Prospectus that have affected the Company.

Full details of Elmore's historical financial information, including applicable notes and the accounting policies underlying their preparation, are contained in Elmore's financial report for the period ending 30 June 2023, which can be found in past announcements on the ASX.



## Pro Forma Statement of Financial Position

	30-Jun-23 Audited	The Transaction									30-Jun-23 Pro-forma	
		1 Pre-Payment	2 Placement	3 June Investor Loans	4 November Investor Loans	5 Debt Conversion	6 Bridge Loan	7 Bridge Loan Options	8 Director Shares	9 Armada Shares		10 SPP
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
<b>CURRENT ASSETS</b>												
Cash and cash equivalents	2.094	6.800	1.500	-	2.145	-	-	-	-	-	5.000	17.539
Receivables and prepayments	0.905	-	-	-	-	-	-	-	-	-	-	0.905
Financial assets	0.200	-	-	-	-	-	-	-	-	-	-	0.200
Total Current Assets	3.199	6.800	1.500	-	2.145	-	-	-	-	-	5.000	18.644
<b>NON-CURRENT ASSETS</b>												
Peko Project mine asset	56.596	-	-	-	-	-	-	-	-	-	-	56.596
Receivables and prepayments	0.214	-	-	-	-	-	-	-	-	-	-	0.214
Property, Plant and Equipment	8.788	-	-	-	-	-	-	-	-	-	-	8.788
Right of use assets	2.215	-	-	-	-	-	-	-	-	-	-	2.215
Total Non-Current Assets	67.813	-	-	-	-	-	-	-	-	-	-	67.813
<b>TOTAL ASSETS</b>	<b>71.012</b>	<b>6.800</b>	<b>1.500</b>	<b>-</b>	<b>2.145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.000</b>	<b>86.457</b>
<b>CURRENT LIABILITIES</b>												
Trade and other payables	8.968	-	-	-	-	-	-	-	(0.325)	(0.350)	-	8.293
Provisions	0.420	-	-	-	-	-	-	-	-	-	-	0.420
Borrowings	44.965	(10.500)	-	(5.611)	-	(4.800)	(1.500)	-	-	-	-	22.554
Lease liabilities	0.980	-	-	-	-	-	-	-	-	-	-	0.980
Total Current Liabilities	55.334	(10.500)	-	(5.611)	-	(4.800)	(1.500)	-	(0.325)	(0.350)	-	32.248
<b>NON-CURRENT LIABILITIES</b>												
Provisions	27.557	-	-	-	-	-	-	-	-	-	-	27.557
Borrowings	-	17.300	-	-	-	-	-	-	-	-	-	17.300
Lease liabilities	1.311	-	-	-	-	-	-	-	-	-	-	1.311
Total Non-Current Liabilities	28.867	17.300	-	-	-	-	-	-	-	-	-	46.167
<b>TOTAL LIABILITIES</b>	<b>84.201</b>	<b>6.800</b>	<b>-</b>	<b>(5.611)</b>	<b>-</b>	<b>(4.800)</b>	<b>(1.500)</b>	<b>-</b>	<b>(0.325)</b>	<b>(0.350)</b>	<b>-</b>	<b>78.415</b>
<b>NET ASSETS</b>	<b>(13.189)</b>	<b>-</b>	<b>1.500</b>	<b>5.611</b>	<b>2.145</b>	<b>4.800</b>	<b>1.500</b>	<b>-</b>	<b>0.325</b>	<b>0.350</b>	<b>5.000</b>	<b>8.041</b>
<b>EQUITY</b>												
Share Capital	98.911	-	1.420	5.430	2.025	4.543	1.403	-	0.461	0.331	5.000	119.524
Reserves	5.098	-	0.080	0.181	0.120	0.257	0.097	-	0.026	0.019	-	5.878
Accumulated losses	(117.198)	-	-	-	-	-	-	-	(0.162)	-	-	(117.360)
<b>TOTAL EQUITY</b>	<b>(13.189)</b>	<b>-</b>	<b>1.500</b>	<b>5.611</b>	<b>2.145</b>	<b>4.800</b>	<b>1.500</b>	<b>-</b>	<b>0.325</b>	<b>0.350</b>	<b>5.000</b>	<b>8.041</b>

Notes:

The Company's Pro Forma Statement of Financial Position as at 30 June 2023 set out in this Section 3.6 has been prepared on the basis of the following assumptions and adjustments:

1. The Pre-Payment of US\$11.0 million (approximately \$17.3 million) is fully advanced. US\$5.5 million is applied to the repayment of debt owed to Oz Professionals under the vendor finance agreement for the settlement of the Peko Project purchase and certain deeds of variation and restatement. \$1.85 million is applied to the repayment of Avior Capital Partners' debt. The balance is received by the Company in cash.
2. The \$1.5 million Placement is fully subscribed.
3. The amount of \$6.205 million owed by the Company to investors pursuant to the June Investor Loans is converted into Shares.
4. The amount owed by the Company to investors pursuant to the November Investor Loans is converted into Shares. The Company received the \$2.24 million under the November Investor Loans after 30 June 2023. Costs of \$95,000 have been assumed.
5. The Debt Conversion of \$4.8 million to be settled via the conversion of existing debts owed by the Company into equity at the Offer Price.
6. \$1.8125 million of funds will be available to the Company as a result of the conversion of the \$1.5 million Bridge Loan and \$312,500 in extension fees, to Shares at the Offer Price under the Bridge Conversion.
7. The Bridge Loan Options are accounted for in the 30 June 2023 annual report.
8. \$487,000 in outstanding fees owed to the Directors for the period up to 31 January 2024 (and, in the case of Nikhilesh Senapati, up to 30 June 2023 being the date of his resignation as a Director), are converted into Shares under the Director Offer.
9. \$350,000 in outstanding fees owed to Armada Accountants for the period up to 30 November 2023 are converted into Shares under the Armada Offer.
10. The proposed SPP is fully subscribed and the maximum of \$5.0 million is raised.

Other notes to the Pro Forma Statement of Financial Position and subsequent events are as follows:

- Cash proceeds from the transaction after 30 June 2023 are expected to be applied to the purchase of \$4.3 million of property, plant and equipment, the reduction of \$4.345 million in trade and other payables with the balance being reserved for working capital and transaction costs.
- Estimated accumulated losses since 30 June 2023 of \$6.5 million is not reflected in the table.
- Estimated transaction costs of \$1.5 million after 30 June 2023 are not reflected in the table.
- Interest accrued on the borrowings since 30 June 2023 is not reflected in the table.
- Expected cash and cash equivalents as at closing of the transaction (including the fully subscribed \$5 million SPP) is \$7.39 million.

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## 4. Risk factors

### 4.1 Introduction

This Section 4 is a summary only and does not purport to list every risk that may be associated with an investment in the Company or its securities now or in the future and identifies some of the potential risks associated with an investment in the Company and its securities. An investment in the Company is subject to risks specific to the Company and its business activities and is also subject to general risks. The occurrence or consequences of some of the risks described in this Section 4 are partially or completely outside the control of the Company. The occurrence of any single risk, or a combination of these risks, may have a material adverse impact on the business, operations, reputation, financial position, performance and prospects of the Company. Accordingly, any investment in the Company is subject to significant risk and uncertainty and should be considered speculative.

The selection of risks has been based on an assessment of a combination of the likelihood of the risk occurring, the ability to mitigate the risk and the impact of the risk if it did occur. That assessment is based on the knowledge of the Company, and the risks foreshadowed by the Company, as at the date of this Prospectus, but there is no guarantee or assurance that the importance of different risks will not change or that other risks will not emerge.

There can be no guarantee that the Company will deliver on its business strategy, or that any forward-looking statement contained in this Prospectus will be achieved or realised. The actual results could differ materially from those anticipated in any such forward-looking statements as a result of certain factors, including the risks described below and elsewhere in the Prospectus. You should note that past performance is not a reliable indicator of future performance.

This Section 4 is general in nature only and before deciding whether to invest in the Company by applying for Shares, you should read the entire Prospectus carefully and satisfy yourself that you have a sufficient understanding of these matters and should consider whether the Company Shares and Options are a suitable investment for you, having regard to your own investment objectives, financial circumstances, risk tolerance and taxation position. If you do not understand any part of this Prospectus or are in any doubt as to whether to invest in the Company, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.

### 4.2 Risks specific to the Offers

#### (a) **The Raising is not approved by Shareholders in whole or part**

Given the current financial circumstances of the Company, if Shareholder approval is not obtained for the issue of Shares and/or Options (as applicable) under the Placement, the Investor Loan Offer, the Debt Conversion Offer and the Bridge Conversion Offer, the Company may face serious financial consequences, as follows:

- (i) the Company will be required to repay the aggregate amounts of the Investor Loans (other than the June Investor Loans provided by Mr Russell Baskerville and Mr Richard Bevan), being a total of \$8,220,000, by 31 January 2024. As at the date of this Prospectus, the Company does not have sufficient cash to make this repayment. The Company notes that it will only have 11 Business Days between the Annual General Meeting scheduled on 15 January 2024 and the repayment date of 31 January 2024, to source a total of \$8,220,000 to repay the aggregate amounts of the Investor Loans (other than the June Investor Loans provided by Mr Russell Baskerville and Mr Richard Bevan). Repayment may be difficult and would place the Company in a precarious financial position.

- (ii) the existing \$4.8 million in debt the subject of the Debt Conversion will remain unpaid. This would place the Company in a precarious financial position, as it does not currently have the funds to make payment, and it would need to renegotiate the payment dates and seek alternative funding, which may be difficult to secure on acceptable terms or at all. With regard to Oz Professionals, the amount owing would be added to the balance due on 30 November 2025, and it would continue to accrue interest as per the terms of the vendor finance agreement previously announced by Elmore (refer to the Company's ASX announcement dated 23 October 2023). With regard to Polaris, the amounts would be due immediately, unless the deadline for payment can be renegotiated. As Polaris is also providing engineering services to Elmore, there is also a risk of those services being withdrawn if Shareholder approval is not obtained and Elmore cannot otherwise pay amounts due to Polaris.
- (iii) the Company will be required to repay the Bridge Loan being a total of \$1,812,500, by 2:00pm (AWST) on 15 January 2024, being the day of the Annual General Meeting. As at the date of this Prospectus, the Company does not have sufficient cash to make this repayment. The Company notes that it will have less than 1 day from the time the Annual General Meeting is scheduled and the repayment date deadline to source a total of \$1,812,500 to repay the Bridge Loan. Repayment may be difficult and would place the Company in a precarious financial position.

(b) **Material uncertainty relating to going concern**

The Annual Financial Report indicates that as at 30 June 2023, the Company and the entities it controlled at the end of, and during, the financial year ended 30 June 2023 (for the purposes of this Section 4.2 only, referred to as **Elmore Group**) was in a net liability position of \$13,189,044 and a working capital deficit position of \$52,134,647. Page 32 (Note 1(b)) of the Annual Financial Report and page 75 of the Auditor's Report states that the ability of the Elmore Group to continue as a going concern is dependent on the Elmore Group generating additional cash inflows by way of revenue from the Peko Project and securing additional debt and/or equity funding to meet its planned operation and administration expenditure for a period of at least twelve months from the date of the report. In addition, the Elmore Group is dependent on successfully receiving Shareholder approval as discussed in Section 4.2(a) above, to be able to continue as a going concern, which as described at page 32 in Note 1(b) in the Annual Financial Report, indicates the existence of a material uncertainty that may cast significant doubt about the Elmore Group's ability to continue as a going concern and therefore the Elmore Group may be unable to realise its assets and discharge its liabilities in the ordinary course of business.

### 4.3 Risks specific to the Company

(a) **Litigation risks**

On 23 October 2023, Elmore announced that it had been served with a statement of claim by Gibbins Investments Pty Ltd (**Gibbins**) in the Federal Court against Elmore and its related entities, Peko Bull Pty Ltd (**Peko Bull**) and Sitzler Savage Pty Ltd (**Sitzler Savage**) (**Peko Bull Claim**). Elmore has also been served with a statement of claim by Roytec Global Pty Ltd (**Roytec Global**) in the District Court of Western Australia against Elmore and its subsidiary, Peko Iron Project Pty Ltd (**Peko Iron**) (**Roytec Global Claim**). The Peko Bull Claim and/or the Roytec Global Claim if proven, may impact adversely on the Company's operations, financial performance and financial position.

For further information on the Peko Bull Claim and the Roytec Global Claim, please refer to Section 5.9.

(b) **Acquisitions and partnerships**

The Company plans to investigate and consider potential acquisitions and opportunities to enter into new partnerships that are consistent with its stated growth strategy. The successful implementation of acquisitions will depend on a range of factors including funding arrangements and technical integration. The Company may also enter into partnerships in the future.

Subject to the relevant partnerships, the Company cannot control the actions of joint venture partners and therefore cannot guarantee that partnerships will be operated or managed in accordance with the Company's preferred direction, strategy or risk management parameters. To the extent that acquisitions or partnership arrangements are not successfully integrated with the Company's existing business lines, the growth and financial performance of the Company could be affected, and despite the terms of the relevant agreements, it may be impractical to enforce all of the Company's rights (particularly if the partnerships operate overseas).

(c) **Contractual risk**

The ability of the Company to achieve its stated objectives is materially affected by the performance by the parties of their obligations under the respective agreement. If any party defaults in the performance of its obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

(d) **New projects**

The Company will actively pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, and/or direct equity participation. Each such projects will give rise to specific contractual performance risks on behalf of both the Company and its counterparties.

(e) **Future capital requirement**

The future capital requirements of the Company will depend on many factors including its business development activities and liabilities including any potential liability in relation to the Peko Bull Claim and the Roytec Global Claim. The Company believes its available cash and the net proceeds of the Offers should be adequate to fund its business activities and other Company objectives in the short term as stated in this Prospectus.

Although the Directors believe that the Offers will yield sufficient funding for its business activities, the Company may require additional capital. No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities. This could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

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

(f) **Reliance on key personnel**

The Company is reliant on a number of key personnel, including senior management, consultants, and members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.

It may be particularly difficult for the Company to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants.

(g) **Uncertainty of future profitability**

The Company has previously incurred losses and it is not always possible to evaluate the future prospects based on past performance. Other factors that will determine the Company's financial results are its ability to manage its costs, to execute its development and growth strategies, economic conditions in the markets the Company operates and regulatory developments. The Directors cannot guarantee the future financial performance of the Company and consequently give no financial forecasts.

(h) **Dependence on outside parties and contractual risks**

The Company has and may continue to pursue a strategy that forms strategic business relationships with other organisations. There can be no assurance that the Company will be able to maintain relationships with or attract such organisations and to negotiate appropriate terms and conditions with these organisations. The Company's business relies on the involvement of a number of third parties. Financial failure, default or contractual non-compliance on the part of such third parties may have a material impact on the Company's potential operations and performance. It is not possible for the Company to predict or protect itself against all such risks.

(i) **Operating risk**

The operations of the Company may be affected by various factors, including failure to achieve predicted grades in exploration, mining and processing, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

(j) **Adverse weather conditions**

The Peko Project is situated in a climatic region that is prone to severe weather effects throughout the wet season months of December to February. The severe weather effects may include torrential rainfall and extreme winds that can cause flooding, damage to plant and equipment and disruptions to the logistics chains. The Peko Project has experienced these conditions in the most recent wet season. Damage to the plant or logistics chain can result in further requirement for capital outlay and loss of production and revenue.

(k) **Exploration and development risks**

Mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration of the Peko Project sites or any other exploration properties that may be acquired in the future will result in the discovery of an economic resource.

Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited due to various issues including lack of ongoing funding, adverse government policy, geological conditions, commodity prices or other technical difficulties.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and

environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

(l) **Commodity price volatility**

The Company's ability to proceed with the development of its projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. The Company primarily processes magnetite, with plans for copper, cobalt and gold, and there is a risk that the relevant commodity price may fall, which will have an adverse effect on the viability of the Peko Project and therefore the Company.

Further, the world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for magnetite, copper, cobalt and gold, and forward selling by producers and production cost levels in major mineral-producing regions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Additionally, metals are principally sold throughout the world in US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance.

(m) **Native title risks**

There remains a risk that in the future, native title and/or registered native title claims may affect the land the subject of a tenement or in the vicinity of the Company's tenements. The existence of native title claims over an area covered by a tenement, or a subsequent determination of native title over an area, will not impact the rights or interests of the holder under the tenement provided that the relevant tenement has been validly granted in accordance with the Native Title Act 1993 (Cth).

(n) **Aboriginal heritage risk**

There remains a risk that Aboriginal sites may exist on the land the subject of a tenement. The existence of such sites may preclude or limit mining activities in certain areas of a tenement.

(o) **Third party risks**

Under Western Australian, Northern Territory and Commonwealth legislation, the Company may be required to obtain the consent of and/or pay compensation to the holders of third-party interests which overlay areas within the tenement of the Company, including pastoral leases, petroleum tenure and other mining tenure in respect of exploration or mining activities on the relevant tenement.

(p) **Environmental risk**

The operations and proposed activities of the Company are subject to state and federal laws and regulations concerning the environment. As with most exploration projects and mining operations, activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

(q) **Licences, permits and approvals**

The Company must obtain and maintain all material authorisations required to operate its projects within Australia. While not all exploration activities of the Company's projects require permits, some exploration activities including but not limited to drilling must be conducted with the requisite government permit.

Many of the mineral rights and interests to be held by the Company are subject to the need for ongoing or new government approvals, licences and permits. These requirements, including work permits and environmental approvals, will change from time to time. There is risk of delays in obtaining, or the inability to obtain, required authorisations that may significantly impact on the Company's operations.

There is also risk that the necessary land acquisitions, permits, certificates, consents, authorisations and agreements required to implement future exploration, project development, or mining of the Company's future projects may not be obtained under conditions or within time frames that make such plans economic.

(r) **Foreign politics**

The Company relies on the export of extracted minerals to foreign nations, which relationships may be affected by foreign policy as determined by the governing bodies of the relevant nations from time to time. This risk is beyond the control of the Company, but a change in foreign trade terms may affect the Company from continuing to mine and therefore affect the Company's revenue.

Currently there are certain Australian industries that are experiencing difficulties with exporting their relevant goods to the People's Republic of China. Australia's Critical Minerals List includes minerals that are essential to our modern technologies, economies and national security, and whose supply chains are vulnerable to disruption. Cobalt is currently included on Australia's Critical Minerals List. Being considered a critical mineral may create investment and export risk uncertainty of this mineral which is beyond the control of the Company.

## 4.4 General risks

(a) **Market conditions**

The market price of the Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource industry stocks in particular.

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

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

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



(b) **Force majeure**

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

(c) **Government and legal risk**

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

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

(d) **Insurance risks**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. 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 against all risks associated with processing is not always available and where available the costs can be prohibitive.

(e) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation point of view and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Shares under this Prospectus.

Further, changes to the corporate tax rate may have significant impact on the value of the Company and the Shareholders including the expenses incurred in the Company complying with current and future tax legislation.

#### **4.5 Speculative investment**

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

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## **5. Additional information**

### **5.1 Continuous disclosure obligations**

Elmore is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) and therefore subject to regular reporting and disclosure obligations under the Corporations Act. Under those obligations, Elmore is obliged to comply with all applicable continuous disclosure and reporting requirements in the Listing Rules.

The Board have adopted a policy on compliance with the Listing Rules which sets out the obligations of the Directors, officers and employees to ensure the Company satisfies the continuous disclosure obligations imposed by the Listing Rules and the Corporations Act. The policy provides information as to what a person should do when they become aware of information which could have a material effect on the Company's securities and the consequences of non-compliance.

### **5.2 Transaction specific prospectus**

This Prospectus is issued under section 713 of the Corporations Act. This section enables a disclosing entity to issue a prospectus in relation to securities in a class which has been quoted by ASX at all times during the three months prior to the date of the Prospectus or options to acquire such securities. This Prospectus must contain all information that investors and their professional advisers would reasonably require to make an informed assessment of the effect of the Offer on Elmore and the rights and liabilities attaching to the Shares and Options to be issued under this Prospectus.

This Prospectus is a 'transaction specific prospectus'. In general terms, a transaction specific prospectus is only required to contain information in relation to the securities being offered. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

It is intended that this Prospectus be read in conjunction with and in addition to the publicly available information in relation to Elmore which has been notified to ASX. This Prospectus does not contain all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should have regard to other publicly available information in relation to Elmore before making a decision whether or not to invest. Information that is already in the public domain has not been reported in this Prospectus other than that information which is considered necessary to make this Prospectus complete.

Elmore has taken reasonable enquiries and precautions to ensure that it has complied with the requirements of ASX as applicable to disclosing entities, and which require Elmore to notify ASIC of information available to ASX, throughout the three months before the issue of this Prospectus.

Elmore, 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 may be obtained from, or inspected at, an office of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the SPP Closing Date:
  - (i) the annual financial report most recently lodged by the Company with 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) all continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to in paragraph (i) above and before the lodgement of this Prospectus with ASIC (see Section 5.7 below).

### **5.3 Taxation Implications**

Shareholders should obtain independent advice on the taxation implications arising out of their participation in the Offers.

### **5.4 ASX quotation and trading**

Application for Official Quotation on ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If permission for quotation of Shares is not granted by ASX within 3 months after the date of this Prospectus, the Shares will not be allotted, and the Company will repay all Application Monies for the Shares (without interest) as soon as practicable (where applicable). The fact that ASX may agree to grant Official Quotation of the Shares is not to be taken in any way as an indication of the merits of the Company or its securities.

Subject to Shareholder approval being obtained at the Annual General Meeting (other than the SPP Shares) and approval being granted for the quotation of the Shares, it is expected that normal trading of Shares:

- (a) issued under the Offers (other than the SPP Offer and the SPP Shortfall Offer) will commence on Wednesday, 17 January 2024;
- (b) issued under the SPP Offer will commence on or about Monday, 19 February; and
- (c) issued under the SPP Shortfall Offer will commence on Tuesday, 16 April 2024.

The quotation and commencement of trading of Shares issued under this Prospectus are subject to the discretion of ASX.

If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus (or such period as the ASX allows), the Company will not issue any Shares and will repay all Application Monies received pursuant to this Prospectus as soon as practicable, without interest.

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

The Company will not apply for Official Quotation of the Options issued pursuant to this Prospectus.

### **5.5 Prices of Shares**

The latest closing market sale price of Shares on ASX was \$0.005 on 29 September 2023, being the last trading day before lodgement of this Prospectus.

Elmore notes that as a result of the delay in lodging the Annual Financial Report with the ASX, Elmore's Shares have been suspended from trading on ASX since 1 October 2023. Given Elmore's current financial condition and the material uncertainty relating to going concern as described in Section 4.2(b), the ASX has informed Elmore that the reinstatement of Elmore's Shares to trading will be subject to ASX being satisfied after the Annual General Meeting, in accordance with Listing Rule 12.2, that Elmore's financial condition is adequate to warrant the continued quotation of its securities and its continued listing on ASX.

Following the recommencement of trading in its Shares, Elmore considers that its Share price will have a period of time to stabilise in the lead up to the SPP Opening Date, allowing Shareholders to have clarity on the future of the Company and Elmore's Share price, having regard to a number of milestones achieved since 1 October 2023, including:

- (a) 23 October 2023 - Elmore announced the signing of the magnetite pre-payment and offtake agreements;
- (b) 27 October 2023 - Elmore announced the third magnetite shipment departing the Darwin Port;
- (c) 6 November 2023 - Elmore announced that it had \$4.05 million available as a result of agreeing certain binding agreements; and
- (d) 1 December 2023 - Elmore announced it had executed binding documentation for the Vendor Finance Restructure.

Elmore will update Shareholders on the Share price prior to the SPP Opening Date.

## 5.6 Further information

Eligible Shareholders can obtain a copy of this Prospectus from the Elmore website at <https://elmoreltd.com.au/investors/raising/> or by contacting the Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia) at any time from 8:30am to 5:00pm (AWST) Monday to Friday during the Offer Period and the closing date to the SPP Shortfall Offer. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus. Shareholders will be sent a copy of the Prospectus either electronically or a printed copy (if requested) with personalised Application Forms. No application should be made on an application form that is not accompanied by a copy of the Prospectus.

## 5.7 Information available to Shareholders

Elmore will provide a copy of each of the following documents, free of charge, to any Shareholder who so requests during the application period under this Prospectus:

- (a) the annual financial report lodged with ASIC for the year ending 30 June 2023;
- (b) the interim financial report lodged with ASIC for the half year ending 31 December 2023; and
- (c) any continuous disclosure notices for the past 12 months since the lodgement with ASIC of the annual financial report for the year ending 30 June 2023 and of this Prospectus.

Elmore has lodged the following announcements on ASX starting from 8 December 2022, which is 12 months from the date the Company's annual report for the year ending 30 June 2023 was lodged with the ASX, and to the day before the lodgement of this Prospectus:

Date lodged	Subject of Announcement
14 December 2023	Notice of Annual General Meeting/Proxy Form
13 December 2023	Proposed issue of securities - ELE
13 December 2023	Cancel - Proposed issue of securities - ELE
13 December 2023	Elmore announces updated Share Purchase Plan
8 December 2023	Annual Report to Shareholders

Date lodged	Subject of Announcement
1 December 2023	ELE executes debt restructuring and security documentation
20 November 2023	Final Director's Interest Notice
10 November 2023	Initial Director's Interest Notice
10 November 2023	Initial Director's Interest Notice
6 November 2023	New CEO and Non-Exec Director and agrees A\$4.05 mill funding
31 October 2023	Quarterly Activities/Appendix 5B Cash Flow Report
31 October 2023	Extension of time to hold Annual General Meeting
27 October 2023	Elmore's third magnetite shipment departs Darwin Port
23 October 2023	Signs magnetite pre-payment and offtake agreements
2 October 2023	Suspension from Quotation
2 October 2023	Delay in Audited Statements & Update on Financing & Meeting
31 August 2023	Market Update and Postponement of General Meeting
29 August 2023	Trading Halt
16 August 2023	Resignation of Managing Director
31 July 2023	Quarterly Activities/Appendix 5B Cash Flow Report
31 July 2023	Proposed issue of securities - ELE
31 July 2023	Notice of General Meeting/Proxy Form
28 July 2023	Share Purchase Plan to raise up to \$3 million
3 July 2023	Resignation of Mr Senapati and Appendix 3Z
22 June 2023	Proposed issue of securities - ELE
22 June 2023	Proposed issue of securities - ELE
22 June 2023	Reinstatement to Official Quotation
22 June 2023	Elmore agrees terms for approximately A\$45.0m in new funding
21 June 2023	Request for extension of suspension
21 June 2023	Breach of ASX Listing Rule 7.1A.3
19 June 2023	Request for extension of suspension
15 June 2023	Suspension from Quotation
13 June 2023	Trading Halt
13 June 2023	Pause in Trading
1 June 2023	Change in substantial holding

Date lodged	Subject of Announcement
28 April 2023	Quarterly Activities/Appendix 5B Cash Flow Report
28 April 2023	Appointment of Chief Financial Officer
26 April 2023	Market Update Correction
26 April 2023	Completion of Peko Acquisition
26 April 2023	Second Shipment of Magnetite Ore Departed from Darwin
12 April 2023	Reinstatement to Official Quotation
12 April 2023	H1F23 Results & Market Update
12 April 2023	Half Year Accounts
12 April 2023	Practical Completion of Peko Acquisition
28 March 2023	Market Update
20 March 2023	Change in substantial holding
17 March 2023	Lodgement of Half Year Report
17 March 2023	Suspension from Quotation
16 March 2023	Market Update
31 January 2023	Quarterly Activities/Appendix 5B Cash Flow Report
18 January 2023	Chairman Appointment & Initial Director's Interest Notice
16 January 2023	Application for quotation of securities - ELE
13 January 2023	Change of Director's Interest Notice
13 January 2023	Proposed issue of securities - ELE
30 December 2022	Ceasing to be a substantial holder
29 December 2022	Change in substantial holding
28 December 2022	Change in substantial holding
23 December 2022	Ceasing to be a substantial holder
23 December 2022	Application for quotation of securities - ELE
23 December 2022	Application for quotation of securities - ELE
23 December 2022	Application for quotation of securities - ELE
23 December 2022	Cleansing Prospectus
22 December 2022	Proposed issue of securities - ELE
22 December 2022	Proposed issue of securities - ELE
19 December 2022	Proposed issue of securities - ELE

Date lodged	Subject of Announcement
19 December 2022	Market Update and Equity Placement to raise \$3.92m
16 December 2022	Trading Halt
12 December 2022	Becoming a substantial holder
5 December 2022	Restructure of Peko Vendor Finance Agreement

## 5.8 Rights and liabilities attaching to Shares

A summary of the rights and liabilities attaching to the Shares being offered pursuant to this Prospectus is below. This summary is qualified by the full terms of the Constitution (copies of which are available from the Company on request free of charge or via the Company's website <https://elmoreltd.com.au/investors/raising/>) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek independent legal advice.

### (a) General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

### (b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

### (c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any Shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that

they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

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

(f) **Transfer of shares**

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

(g) **Future increase in capital**

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

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the Share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued Shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the Shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and



voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

## 5.9 Litigation

As at the date of this Prospectus, Elmore is not involved in any material legal proceedings, and the Directors are not aware of any material legal proceedings pending or threatened against Elmore, other than as set out below.

### (a) **Peko Bull Claim**

On 23 October 2023, Elmore announced that it had been served with a statement of claim by Gibbins in the Federal Court against Elmore and its related entities, Peko Bull and Sitzler Savage. Gibbins' complaints arise from its assertions that it is owed money pursuant to a term sheet and a royalty deed (**Gibbins Agreements**), that Peko Bull has repudiated the Gibbins Agreements and that it is entitled to call upon its security, being the shares in Sitzler Savage. Oz Professionals also holds security over the Peko Project tenements (owned by Sitzler Savage) (**Peko Tenements**), an arrangement entered into prior to the Peko Bull Claim on 15 July 2022. There is a risk that enforcement by Gibbins could lead to a breach of Elmore's loan agreements.

It is alleged that the Gibbins Agreements give rise to three royalties or periodic payments being:

- a royalty in relation to magnetite iron ore produced by Peko Bull or Sitzler Savage from the Peko Tenements, which is calculated as 10% of the amount derived from taking the sale price per tonne in Australian dollars and deducting \$150;
- a gold royalty payable to Gibbins of the first 2,000 ounces of gold produced from the Peko Tenements after 100,000 ounces of gold has been extracted, produced and sold from the Peko Tenements; and
- a periodic payment of 20% of the EBITDA produced by the Peko Project and the Peko Tenements up to a maximum of \$5,000,000.

At this time, neither Peko Bull, Elmore or any member of the Elmore group, has produced gold or reported positive EBITDA. Gibbins has not yet quantified the amount claimed in the Peko Bull Claim.

Elmore has engaged counsel and, together with its counsel, is reviewing the statement of claim and gathering background information and preparing its defence.

Whilst Elmore is not disputing the existence of the Gibbins Agreements, it is clarifying its obligations, after which Elmore intends to honour the Gibbins Agreements. A mediation with Gibbins is being scheduled for February 2024 and Elmore will update the market as soon as it becomes aware of material information in relation to the Peko Bull Claim in accordance with its continuous disclosure obligations.

As a consequence of the Peko Bull Claim, Elmore is exposed to legal defence costs, potential liabilities regarding the payments claimed and the risk of loss of the Sitzler Savage shares.

### (b) **Roytec Global Claim**

Elmore advises that it has been served with a statement of claim by Roytec Global in the District Court of Western Australia against Elmore and its subsidiary, Peko Iron. Roytec Global's complaints arise from its assertions that it is owed money pursuant to a novated supply agreement and a services agreement.

Elmore has engaged counsel and, together with its counsel, is reviewing the statement of claim and gathering background information. Subject to legal advice on the Roytec Global Claim, Elmore has defended the Roytec Global Claim and filed a counter claim of its own. The matter is going to mediation in the new year.

Elmore will update the market as soon as it becomes aware of material information in relation to the Roytec Global Claim in accordance with its continuous disclosure obligations.

As a consequence of the Roytec Global Claim, Elmore is exposed to legal defence costs, and potential liabilities regarding the payments claimed.

## 5.10 Interests of Directors

The relevant interest of each of the Directors in the securities of Elmore as at the date of this Prospectus, and on completion of the Offers are as follows:

Director	As at the date of the Prospectus		On completion of the Offers	
	Shares	Options	Shares	Options
Russell Baskerville <sup>1</sup>	62,968,035	3,333,333	135,468,035	10,583,333
Timothy Webster <sup>2</sup>	16,177,074	2,000,000	43,477,074	4,730,000
Andrew Haslam <sup>3</sup>	7,132,955	-	26,032,955	1,890,000
Richard Bevan <sup>4</sup>	8,361,634	-	16,861,364	850,000

Notes:

1. Russell Baskerville's 62,968,035 Shares and 3,333,333 Options are held by Baskerville Investments Pty Ltd, an entity of which Russell Baskerville is a director. Russell Baskerville also intends to subscribe for Shares and Investor Loan Options under the Investor Loan Offer, subject to the Company obtaining Shareholder approval at the Annual General Meeting.
2. Timothy Webster's Shares and Options are held as follows:
  - a. 6,970,000 Shares are held by TW Construction Services Pty Ltd <TCW Holdings A/C>, an entity of which Timothy Webster is a director;
  - b. 3,000,000 Shares are held by Timothy Charles Webster and Wendy Karen Webster;
  - c. 5,540,407 Shares and 2,000,000 Options are held by Wendy Karen Webster, Timothy Charles Webster's spouse; and
  - d. 666,667 Shares are held by Wendy Karen Webster <WKW Family A/C>.
3. Andrew Haslam's Shares are held as follows:
  - a. 6,132,955 Shares are held by Haslam Super Fund Pty Ltd; and
  - b. 1,000,000 Shares are held by Hasbar Pty Ltd.
4. Richard Bevan's Shares are held as follows:
  - a. 7,225,000 Shares are held by The Slush Fund S/Plan A/C; and
  - b. 1,136,364 Shares are held by The Bevan Investment A/C.

Richard Bevan also intends to subscribe for Shares and Investor Loan Options under the Investor Loan Offer, subject to the Company obtaining Shareholder approval at the Annual General Meeting.

## 5.11 Remuneration of the Directors

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in a general meeting in accordance with the Constitution, the Corporations Act and the Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum for Non-Executive Directors.

The Directors may be additionally remunerated for extra services or any special exertions on behalf of the Company or its business. In addition, Directors are also entitled to be paid

reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors in each of the past two financial years.

Director	Financial Year	Director and other fees (\$)	Non-cash benefits (\$)⁵	Superannuation (\$)	Share-based payments (\$)⁵	Total (\$)
Russell Baskerville¹	30-Jun-23	125,000	-	-	-	125,000
	30-Jun-22	-	-	-	-	-
David Mendelawitz²	30-Jun-23	325,000	25,000	34,125	26,248	410,373
	30-Jun-22	325,000	25,000	32,500	273,752	656,252
Timothy Webster	30-Jun-23	48,000	-	-	-	48,000
	30-Jun-22	48,000	-	-	-	48,000
Andrew Haslam³	30-Jun-23	48,000	-	-	-	48,000
	30-Jun-22	19,000	-	-	43,189	62,189
Richard Bevan⁴	30-Jun-23	-	-	-	-	-
	30-Jun-22	-	-	-	-	-
Nikhilesh Senapati⁵	30-Jun-23	48,000	-	-	-	48,000
	30-Jun-22	48,000	-	-	-	48,000
Peter Richards⁶	30-Jun-23	-	-	-	-	-
	30-Jun-22	30,000	-	-	-	30,000

Notes:

- Russell Baskerville was appointed as a Director on 18 January 2023. Russell Baskerville's fees include \$100,000 for certain consulting services he has provided to the Company.
- David Mendelawitz was a Director until his resignation effective from 15 November 2023.
- Andrew Haslam was appointed as a Director on 9 February 2022.
- Richard Bevan was appointed as a Director on 6 November 2023.
- Nikhilesh Senapati was a Director until his resignation on 30 June 2023.
- Peter Richards was a Director until his resignation on 23 December 2021.
- As at the date of this Prospectus, the non-cash benefits and the share-based payments for the financial year ending 30 June 2023 have yet to be determined.

## 5.12 Interests of named persons

Except as disclosed in this Prospectus, no promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the distribution of this Prospectus, holds, or during the last two years has held, any interest in:

- the formation or promotion of Elmore;
- property acquired or proposed to be acquired by Elmore in connection with its formation or promotion of the Offers; or
- the Offers,

and no amounts of any kind (whether in cash, Shares, or otherwise) have been paid or agreed to be paid to a promoter or any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the

Prospectus for services rendered by that person in connection with the formation or promotion of Elmore or the Offers.

### 5.13 Consents

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

Each of the parties referred to in this Section:

- (a) has not authorised or caused the issue of this Prospectus;
- (b) does not make, or purport to make, any statement in this Prospectus or on which a statement made in this Prospectus is based other than as specified in this Section; and
- (c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Each of the following has consented to being named in the Prospectus in the capacity as noted below and have not withdrawn such consent prior to the lodgement of this Prospectus with ASIC:

- (a) Clayton Utz as Australian legal advisers to Elmore in relation to the Offers;
- (b) Azure Capital as corporate adviser to Elmore in relation to the Offers;
- (c) Armada Accountants as Company Secretary; and
- (d) Automic Registry Services Pty Ltd as Share Registry.

There are a number of persons referred to elsewhere in this Prospectus who are not experts and who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in the Prospectus and did not authorise or cause the issue of the Prospectus.

### 5.14 Azure Capital Mandate

The Company has entered into a mandate with Azure Capital pursuant to which Azure Capital has agreed to act as corporate adviser to Elmore (**Azure Mandate**).

As corporate adviser, Azure Capital has agreed to provide assistance in managing and arranging the Offers as is customary for these types of offers, including providing strategic market advice, managing the financial model, drafting and commenting on key documents, and supporting the decision making and negotiation processes.

Under the Azure Mandate, the Company has agreed to pay Azure Capital the following fees:

- (a) **(Monthly retainer fee)** - a retainer of \$20,000 per month that will continue until the later of completion of the Offers, or completion of the Pre-Payment; and
- (b) **(Completion fee)** - upon completion of the Offers, a completion fee of 1.75% of the gross cash proceeds raised.

In addition, an administration charge of 2% of the monthly retainer fees will be paid to Azure Capital to cover expenses such as travel, conference calls, postage, printing and other administration costs.

## 5.15 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$317,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

Item	Cost <sup>1</sup>
ASIC fees	\$3,000
ASX fees	\$30,000
Advisory fees	\$20,000
Legal fees	\$250,000
Printing, Share Registry and other fees and expenses	\$14,000
<b>Total</b>	<b>\$317,000</b>

Note:

1. These figures have been rounded to the nearest \$1,000.

## 5.16 Electronic Prospectus

If you have received this Prospectus electronically, please ensure that you have received the entire Prospectus accompanied with the Application Forms. If you have not, please contact the Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia) which will send you, for free, either a hard copy or a further electronic copy of the Prospectus. You may also obtain a copy of this Prospectus from Elmore's website at <https://elmoreltd.com.au/investors/raising/>.

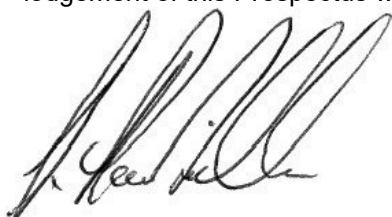
The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or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

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## 6. Directors' authorisation

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

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



Russell Baskerville  
Non-Executive Chairman  
Elmore Limited

Dated: 20 December 2023

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## 7. Definitions

These definitions apply to the words and expressions used in this Prospectus.

**\$** means Australian dollars, unless otherwise stated.

**Annual Financial Report** means the annual financial report of the Company for the year ended 30 June 2023.

**Annual General Meeting** means the meeting convened by a Notice of Meeting dated 14 December 2023, to be held on 15 January 2024.

**Applicant** means a person who submits an Application Form or makes a BPAY® or EFT payment in accordance with the instructions set out in the Application Form.

**Application** means a valid application for Shares made on an Application Form or a SPP Application Form.

**Application Form** means a personalised Application Form submitted to Elmore accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the personalised Application Form.

**Application Monies** means the aggregate amount of money payable for the Shares under the Placement and the SPP Shares (as applicable).

**Armada Accountants** means Armada Accountants Pty Ltd ABN 79 009 298 542.

**Armada Offer** has the meaning given in Section 1.1(c).

**Armada Options** has the meaning given in Section 1.1(c).

**Armada Shares** has the meaning given in Section 1.1(c).

**ASIC** means the Australian Securities & Investments Commission.

**ASIC Instrument** means ASIC Corporations (Share and Interest Purchase Plan) Instrument 2019/547.

**Associate** has the meaning given in the Listing Rules.

**ASX** means ASX Limited ACN 008 624 691 or the financial market operated by ASX Limited, as the context requires.

**ASX Settlement Operating Rules** means the operating rules of ASX Settlement Pty Ltd ACN 008 504 532, as amended from time to time.

**Auditor's Report** means the report of the auditor contained in the annual report of the Company for the year ended 30 June 2023.

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

**Azure Capital** means Azure Capital Pty Ltd.

**Azure Mandate** has the meaning given in Section 5.14.

**Board** means the current board of directors of the Company.

**Bridge Conversion** has the meaning given in Section 1.1(a)(v).

**Bridge Conversion Offer** has the meaning given in Section 1.1(a)(v).

**Bridge Conversion Options** has the meaning given in Section 1.1(a)(v).

**Bridge Loan** has the meaning given in Section 1.1(a)(iv).

**Bridge Loan Agreement** means the bridge loan agreement between the Company and Tiga Trading Pty Ltd (a company part of the Thorney Investment Group) dated 20 June 2023 (the terms of which are summarised in Schedule 5).

**Bridge Loan Offer** has the meaning given in Section 1.1(a)(iv).

**Bridge Loan Options** has the meaning given in Section 1.1(a)(iv).

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

**CHESS** means Clearing House Electronic Sub-register System which provides for electronic transfer, settlement and registration of securities in Australia.

**Closing Date** means 16 January 2024.

**Company** means Elmore Limited (ACN 057 140 922).

**Constitution** means the Company's constitution.

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

**Critical Minerals List** means the 30 minerals determined by the Australian Government to be essential to modern technologies, economies and national security.

**CRN** means Customer Reference Number.

**Custodian** has the meaning given in the ASIC Instrument.

**Custodian Certificate** has the meaning given in Section 2.16.

**Debt Conversion** has the meaning given in Section 1.1(a)(iii).

**Debt Conversion Offer** has the meaning given in Section 1.1(a)(iii).

**Debt Conversion Options** has the meaning given in Section 1.1(a)(iii).

**Directors** means a director of the Company as at the date of this Prospectus.

**Director Offer** has the meaning given in Section 1.1(b).

**Director Options** has the meaning given in Section 1.1(b).

**Director Shares** has the meaning given in Section 1.1(b).

**Downstream Custodian** has the meaning given in Section 2.16(a)(ii).

**EBITDA** means Earnings, Before Interest, Taxes, Depreciation and Amortisation.

**EFT** means Electronic Funds Transfer.

**Eligible Shareholder** means a person:

- (a) registered as a holder of Shares as at 5:00pm (AWST) on 12 December 2023 (being the Record Date for the SPP Offer) whose registered address is in Australia or, subject to the offer restrictions in Section 2.19 of the Prospectus, New Zealand; and
- (b) who is not in the United States nor acting for the account or benefit of a person in the United States or elsewhere outside Australia and New Zealand; and

- (c) who does not hold Shares on behalf of another person who resides outside Australia and New Zealand (unless they hold Shares in an eligible capacity).

**Existing Shares** means the Shares currently on issue as at the date of this Prospectus.

**Gibbins** means Gibbins Investments Pty Ltd ACN 122 828 639.

**Ineligible Shareholder** means a person who is not an Eligible Shareholder.

**Investor Loan Offer** has the meaning given in Section 1.1(a)(ii).

**Investor Loan Options** has the meaning given in Section 1.1(a)(ii).

**Investor Loans** means the June Investor Loans and the November Investor Loans.

**June Investor Loans** has the meaning given in Section 1.1(a)(ii).

**Listing Rules** means the official listing rules of ASX.

**Notice of Meeting** means the notice of Annual General Meeting despatched to Shareholders on 15 December 2023.

**November Investor Loans** has the meaning given in Section 1.1(a)(ii).

**Offer Period** means the offer period for the Offers (other than the SPP Offer and the SPP Shortfall Offer).

**Offer Price** means \$0.005.

**Offers** means each of the Placement, the Investor Loan Offer, the Debt Conversion Offer, the Bridge Loan Offer, the Director Offer, the Armada Offer and the SPP Offer.

**Official Quotation** means official quotation on ASX.

**Option** means an option to acquire a Share.

**Oz Professionals** means Oz Professionals 4 Pty Ltd ACN 104 976 703 as trustee for the Chambour Family Trust ABN 95 880 174 785.

**Participating Beneficiary** has the meaning given in Section 2.16(a).

**Peko Bull** means Peko Bull Pty Ltd ACN 608 113 257.

**Peko Bull Claim** has the meaning of a claim as described in Section 5.9.

**Peko Project** means the Peko Iron Ore project.

**Peko Tenements** means has the meaning given in Section 5.9(a).

**Placement** means has the meaning given in Section 1.1(a)(i).

**Placement Options** has the meaning given in Section 1.1(a)(i).

**Polaris** means Polaris Engineering Services Pty Ltd.

**Pre-Payment** has the meaning given in Section 1.1.

**Prospectus** means this prospectus.

**Raising** has the meaning given in Section 1.1(a).

**Record Date** means 5:00pm (AWST) on 12 December 2023.

**Related Party** has the meaning given to it in the Corporations Act.



**Royal Advance** means Royal Advance (HK) Pty Ltd.

**Roytec Global** means Roytec Global Pty Ltd ACN 621 953 704.

**Roytec Global Claim** has the meaning of a claim as described in Section 5.9(b).

**Share Registry** means Automic Registry Services Pty Ltd.

**Section** means a section of this Prospectus.

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

**Share Registry** means Automic Registry Services Pty Ltd.

**Shareholder** means a registered holder of a Share.

**Shortfall** has the meaning given in Section 2.7.

**Sitzler Savage** means Sitzler Savage Pty Ltd ACN 089 842 875.

**SPP** means share purchase plan.

**SPP Application Amount** has the meaning given in Section 2.5.

**SPP Application Form** means the Application Form for the SPP Offer.

**SPP Closing Date** means 5:00pm (AWST) on 9 February 2024, the day the SPP Offer closes, or any other date that Elmore in its absolute discretion determines, subject to the Listing Rules.

**SPP Offer** has the meaning given in Section 1.1(d).

**SPP Offer Price** means \$0.005.

**SPP Opening Date** means 22 January 2024.

**SPP Options** has the meaning given in Section 1.1(d).

**SPP Shares** has the meaning given in Section 1.1(d).

**SPP Shortfall Offer** has the meaning given to it in Section 1.1(e).

**TMD** means Target Market Determination.

## Schedule 1 - Terms and Conditions of the Investor Loan Options

The Investor Loan Options have the following terms and conditions:

- (a) Subject to paragraph (c) below, the Investor Loan Options shall be exercisable by the relevant lender (**Lender**) at any time after the date on which the Investor Loan Options are issued, provided the Investor Loan Options may only be exercised in part if the number of Investor Loan Options being exercised is at least the minimum amount provided under the relevant Investor Loan agreement, which varies depending on the Lender.
- (b) Each Investor Loan Option entitles the Lender to subscribe for one fully paid ordinary share in the capital of the Company ranking equally with all other ordinary shares currently on issue of the Company (**Shares**) at \$0.01 (as adjusted under these terms and conditions) (**Exercise Price**).
- (c) The Investor Loan Options will automatically lapse and will no longer be exercisable after the date that is 18 months after the date of issue.
- (d) The Investor Loan Options may be transferred:
  - (i) to an Associate (as defined in section 12 of the Corporations Act 2001 (Cth)) of the Lender; or
  - (ii) otherwise with the prior written consent of the Company, not to be unreasonably withheld,

provided any such transferee agrees to be bound by these terms and conditions and the provisions of the Investor Loan agreement between the Company and the Lender to the extent applicable to the Investor Loan Options or a holder of Investor Loan Options.

- (e) There are no participating rights or entitlements inherent in the Investor Loan Options and holders of the Investor Loan Options will not be entitled to participate in new issues of capital that may be offered to the Company's shareholders during the currency of the Investor Loan Options (except upon exercise of the Investor Loan Options). The Company must notify the optionholders of an issue to shareholders at least 5 business days before the record date to determine entitlements to the issue to holders of Shares (**Shareholder**).
- (f) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Investor Loan Options will be re-organised as required by the Listing Rules. Notwithstanding any other provision of the Investor Loan agreement, the rights of the holder of Investor Loan Options will be changed to the extent necessary to comply with the Listing Rules including, without limitation, as they apply to any reorganisation of capital undertaken by the Company at the time of the reorganisation.
- (g) If there is a bonus issue to the holders of Shares, the number of Shares over which an Investor Loan Option is exercisable will be increased by the number of Shares which the optionholder would have received if the Investor Loan Option had been exercised before the record date for the bonus issue.
- (h) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Investor Loan Options, the Exercise Price will be reduced in accordance with the formula set out in Listing Rule 6.22.2.
- (i) The Investor Loan Options will not be quoted on ASX.
- (j) Shares allotted pursuant to an exercise of Investor Loan Options shall rank, from the date of allotment, equally with the existing Shares in all respects and will be free from all encumbrances other than those arising by operation of law or under the Company's constitution.
- (k) The Company shall make an application to have those Shares allotted pursuant to an exercise of Investor Loan Options listed for Official Quotation by ASX.

- (l) The Investor Loan Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the optionholder to exercise all or a specified number of Investor Loan Options held by them accompanied by a certificate issued by the Company certifying that the person named in it is the registered holder of the Investor Loan Options or the number of Investor Loan Options detailed on the face of the certificate, and payment to the Company of the Exercise Price. An exercise of only some Investor Loan Options shall not affect the rights of the optionholder to the balance of the Investor Loan Options held by them in accordance with these terms and conditions.

## Schedule 2 - Terms of Placement Options, Debt Conversion Options, Bridge Conversion Options, Director Options, Armada Options and SPP Options

The Placement Options, the Debt Conversion Options, the Bridge Conversion Options, the Director Options, the Armada Options and the SPP Options have the following terms and conditions (for the purposes of this Schedule 2, each are referred to as the **Options**):

- (a) Subject to paragraph (c) below, the Options shall be exercisable by the option holder (**Optionholder**) at any time after the date on which the Options are issued.
- (b) Each Option entitles the Optionholder to subscribe for one fully paid ordinary share in the capital of the Company ranking equally with all other ordinary shares currently on issue of the Company (**Shares**) at \$0.01 (as adjusted under these terms and conditions) (**Exercise Price**).
- (c) The Options will automatically lapse and will no longer be exercisable after the date that is 18 months after the date of issue.
- (d) The Options may be transferred:
  - (i) to an Associate (as defined in section 12 of the Corporations Act 2001 (Cth)) of the Optionholder; or
  - (ii) otherwise with the prior written consent of the Company, not to be unreasonably withheld,provided any such transferee agrees to be bound by these terms and conditions.
- (e) There are no participating rights or entitlements inherent in the Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to the Company's shareholders during the currency of the Option (except upon exercise of the Options). The Company must notify the Optionholder of an issue to shareholders at least 5 business days before the record date to determine entitlements to the issue to holders of Shares (**Shareholder**).
- (f) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules. The rights of the holder of Options will be changed to the extent necessary to comply with the Listing Rules including, without limitation, as they apply to any reorganisation of capital undertaken by the Company at the time of the reorganisation.
- (g) If there is a bonus issue to the holders of Shares, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.
- (h) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the Exercise Price will be reduced in accordance with the formula set out in Listing Rule 6.22.2.
- (i) The Options will not be quoted on ASX.
- (j) Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with the existing Shares in all respects and will be free from all encumbrances other than those arising by operation of law or under the Company's constitution.
- (k) The Company shall make an application to have those Shares allotted pursuant to an exercise of Options listed for Official Quotation by ASX.
- (l) The Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Optionholder to exercise all or a specified number of Options held by them accompanied by a certificate issued by the Company certifying that the person named in it is the registered holder of the Options or the number of Options detailed on

the face of the certificate, and payment to the Company of the Exercise Price. An exercise of only some Options shall not affect the rights of the Optionholder to the balance of the Options held by them in accordance with these terms and conditions.

### Schedule 3 - Terms of Bridge Loan Options

The Bridge Loan Options have the following terms and conditions:

- (a) Subject to paragraph (c) below, the Bridge Loan Options shall be exercisable by Tiga Trading Pty Ltd (a company part of the Thorney Investment Group) (**Lender**) at any time after the date on which the Bridge Loan Options are issued, provided the Bridge Loan Options may only be exercised in part if the number of Bridge Loan Options being exercised is at least 500,000 Bridge Loan Options.
- (b) Each Bridge Loan Option entitles the Lender to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) at \$0.0075 (**Exercise Price**).
- (c) The Bridge Loan Options will automatically lapse and will no longer be exercisable after the date that is 18 months after the date of issue.
- (d) The Bridge Loan Options may be transferred:
  - (i) to an Associate (as defined in the Corporations Act 2001 (Cth)) of the Lender; or
  - (ii) otherwise with the prior written consent of the Company, not to be unreasonably withheld,provided any such transferee agrees to be bound by these terms and conditions and the provisions of the Bridge Loan agreement to the extent applicable to the Bridge Loan Options or a holder of Bridge Loan Options.
- (e) There are no participating rights or entitlements inherent in the Bridge Loan Options and holders of the Bridge Loan Options will not be entitled to participate in new issues of capital that may be offered to the Company's shareholders during the currency of the Bridge Loan Option (except upon exercise of the Bridge Loan Options). The Company must notify the optionholders of an issue to shareholders at least 5 business days before the record date to determine entitlements to the issue to the holders of Shares (**Shareholder**).
- (f) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Bridge Loan Options will be re-organised as required by the Listing Rules. Notwithstanding any other provision of the Bridge Loan agreement, the rights of the holder of Bridge Loan Options will be changed to the extent necessary to comply with the Listing Rules including, without limitation, as they apply to any reorganisation of capital undertaken by the Company at the time of the reorganisation.
- (g) If there is a bonus issue to the holders of Shares, the number of Shares over which a Bridge Loan Option is exercisable will be increased by the number of Shares which the optionholder would have received if the Bridge Loan Option had been exercised before the record date for the bonus issue.
- (h) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Bridge Loan Options, the Exercise Price will be reduced in accordance with the formula set out in Listing Rule 6.22.2.
- (i) The Bridge Loan Options will not be quoted on ASX.
- (j) Shares allotted pursuant to an exercise of Bridge Loan Options shall rank, from the date of allotment, equally with the existing Shares in all respects and will be free from all encumbrances other than those arising by operation of law or under the Company's constitution.
- (k) The Company shall make an application to have those Shares allotted pursuant to an exercise of Bridge Loan Options listed for Official Quotation by ASX.
- (l) The Bridge Loan Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the optionholder to exercise all or a specified number of Bridge Loan Options held by them accompanied by a certificate issued by

the Company certifying that the person named in it is the registered holder of the Bridge Loan Options or the number of Bridge Loan Options detailed on the face of the certificate, and payment to the Company of the Exercise Price. An exercise of only some Bridge Loan Options shall not affect the rights of the optionholder to the balance of the Bridge Loan Options held by them in accordance with these terms and conditions.

## Schedule 4 - Summary of key terms of Investor Loans

Key Term	Description
<b>Borrower</b>	Elmore Limited ACN 057 140 922
<b>Lenders</b>	Various institutional and sophisticated (high net worth) investors.
<b>Advance (Loan Amount)</b>	\$6,205,000 in aggregate from all Lenders under the June Investor Loans. \$2,240,000 in aggregate from all Lenders under the November Investor Loans.
<b>Security</b>	The Investor Loans are unsecured.
<b>Fees</b>	No fees associated with the Investor Loans.
<b>Availability Period</b>	From date of the Investor Loan agreements to Termination Date.
<b>Termination Date</b>	31 January 2024
<b>Interest</b>	No interest is associated with the Investor Loans.
<b>Repayment of Principal</b>	<p>Amounts due and payable under the Investor Loans are to be repaid in cash on the Termination Date, unless the Borrower obtains all the requisite conversion and options approvals (including shareholder approval) (<b>Conversion and Options Approvals</b>) on or before the Termination Date, in which case the Advances will be converted into fully paid ordinary shares in the Borrower in accordance with the following formula (<b>Conversion Shares</b>):</p> $x = \frac{P}{CP}$ <p>where,</p> <p><b>x</b> is the number of shares in the Borrower to be issued;</p> <p><b>P</b> is the aggregate proceeds of the Advance to be converted; and</p> <p><b>CP</b> is the conversion price of \$0.0075.</p>
<b>Options</b>	If all of the Conversion and Options Approvals are obtained on or before the Termination Date, the relevant Lender will receive 1 option for every 10 Conversion Shares. Each option entitles that Lender to subscribe for 1 fully paid ordinary share in the Borrower at an exercise price of \$0.01, subject to the terms and conditions set out in the Investor Loan.
<b>Use of Funds</b>	<p>The aggregate proceeds of all investor loans will be applied as follows:</p> <ul style="list-style-type: none"> <li>\$1,000,000 towards the loan between Oz Professionals 4 Pty Ltd ACN 104 976 703 as trustee for the Chambour Family Trust ABN 95 880 174 785 and Peko Iron Project Pty Ltd ACN 652 243 733);</li> <li>\$2,000,000 towards the purchase of certain capital items and processing equipment;</li> <li>at least \$2,000,000 towards repayment of outstanding financial indebtedness; and</li> <li>\$3,445,000 towards general working capital purposes and any transaction costs.</li> </ul>



Key Term	Description
<b>Representations and Warranties</b>	<p>Standard representations and warranties typical of loans of this type:</p> <ul style="list-style-type: none"> <li>• status;</li> <li>• binding obligations;</li> <li>• non-conflict with other obligations;</li> <li>• power and authority;</li> <li>• pari passu ranking; and</li> <li>• compliance with laws.</li> </ul>
<b>Undertakings</b>	<p>Standard undertakings typical of loans of this type:</p> <ul style="list-style-type: none"> <li>• status;</li> <li>• authorisations;</li> <li>• disposals (no Borrower disposals other than under any offtake agreement, made in ordinary course of business, of assets in exchange for assets of comparable value, obsolete or redundant vehicles or equipment);</li> <li>• no merger;</li> <li>• no substantial change in business;</li> <li>• financial indebtedness (Borrower shall not incur financial indebtedness other than): <ul style="list-style-type: none"> <li>○ a prepayment facility up to an amount of US\$25,000,000;</li> <li>○ a facility of up to \$10,000,000 with the NT Jobs Fund to be used to specific capital investments and plant expansions;</li> <li>○ any trade or similar facilities provided on a non-recourse basis;</li> <li>○ under equipment lease and hire purchase contracts where recourse is limited solely to the assets themselves;</li> <li>○ financial indebtedness arising under a foreign exchange transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates where that foreign exchange exposure arises in the ordinary course of trade but not a foreign exchange transaction for investment or speculative purposes;</li> <li>○ any facility incurred solely for the purpose of refinancing the Advance; and</li> <li>○ incurred with consent of the Lender.</li> </ul> </li> </ul>
<b>Events of Default</b>	<p>Usual Events of Default typical of this type of loan agreement:</p> <ul style="list-style-type: none"> <li>• non-payment;</li> <li>• other obligations (failure to comply with any provision of this agreement or condition of any waiver or consent);</li> <li>• misrepresentation;</li> <li>• insolvency (Borrower or any member of the Borrower's group);</li> <li>• cross default;</li> <li>• unlawfulness; and</li> <li>• cessation of business.</li> </ul>

## Schedule 5 - Summary terms of Bridge Loan

Key Term	Description
<b>Borrower</b>	Elmore Limited ACN 057 140 922
<b>Lender</b>	Tiga Trading Pty Ltd ACN 118 961 210 (a company part of the Thorney Investment Group)
<b>Advances/Loan Amounts</b>	\$1,500,000.00
<b>Security</b>	The Bridge Loan is unsecured
<b>Conditions Precedent</b>	<p>The Lender, confirms in its sole discretion and in form and substance satisfactory to it that:</p> <ul style="list-style-type: none"> <li>the Borrower has received subscriptions in relation to an equity placement and advances under the Investor Loans in an aggregate amount of at least \$9,500,000 (<b>Relevant Amount</b>); and</li> <li>at least \$8,000,000 of the Relevant Amount shall be drawn, funded or utilised by the Borrower on or before 30 June 2023.</li> </ul>
<b>Fees</b>	<ul style="list-style-type: none"> <li>Cash fee of \$125,000; and</li> <li>One of the following: <ul style="list-style-type: none"> <li><b>(Option Fee)</b> If all requisite approvals which are necessary for the transactions contemplated under the Bridge Loan are obtained (including shareholder approval) (<b>Requisite Approvals</b>) before the Termination Date, the Lender will receive 30,000,000 options. Each option entitles the Lender to subscribe for 1 fully paid ordinary share in the Borrower at an exercise price of \$0.0075, subject to the terms and conditions set out in the Bridge Loan; or</li> <li><b>(Fallback Fee)</b> If any of the Requisite Approvals are not obtained before the Termination Date, the Borrower will receive a further \$50,000 in cash.</li> </ul> </li> </ul>
<b>Availability Period</b>	From date of the Investor Loan agreements to Termination Date
<b>Termination Date</b>	15 January 2024
<b>Interest</b>	No interest amounts shall apply to the Bridge Loan
<b>Repayment of Principal</b>	<p>On the earlier of:</p> <ul style="list-style-type: none"> <li>the day that is 2 business days after the date of the completion of the Equity Placement; and</li> <li>the Termination Date.</li> </ul> <p><b>Equity Placement</b> means the issue of Shares and options to subscribe for Shares to certain investors in the amount of at least \$1,500,000 as completed by the transaction announced by the Borrower on or around the date of the Bridge Loan.</p> <p><b>Share</b> means a fully paid ordinary share in the capital of the Borrower.</p>
<b>Use of Funds</b>	Towards repayment of outstanding financial indebtedness
<b>Representations and Warranties</b>	<p>Standard representations and warranties typical of loans of this type:</p> <ul style="list-style-type: none"> <li>status;</li> <li>binding obligations;</li> <li>non-conflict with other obligations;</li> <li>power and authority;</li> <li>pari passu ranking;</li> </ul>

	<ul style="list-style-type: none"> <li>• no insolvency; and</li> <li>• compliance with laws.</li> </ul>
<b>Undertakings</b>	<p>Standard undertakings typical of loans of this type:</p> <ul style="list-style-type: none"> <li>• status;</li> <li>• authorisations;</li> <li>• disposals (no Borrower disposals other than under any offtake agreement, made in ordinary course of business, of assets in exchange for assets of comparable value, obsolete or redundant vehicles or equipment);</li> <li>• no merger;</li> <li>• no substantial change in business;</li> <li>• financial indebtedness (Borrower shall not incur financial indebtedness other than): <ul style="list-style-type: none"> <li>○ a prepayment facility up to an amount of US\$25,000,000;</li> <li>○ a facility of up to \$10,000,000 with the NT Jobs Fund to be used to specific capital investments and plant expansions;</li> <li>○ any trade or similar facilities provided on a non-recourse basis;</li> <li>○ under equipment lease and hire purchase contracts where recourse is limited solely to the assets themselves;</li> <li>○ financial indebtedness arising under a foreign exchange transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates where that foreign exchange exposure arises in the ordinary course of trade but not a foreign exchange transaction for investment or speculative purposes;</li> <li>○ any facility incurred solely for the purpose of refinancing the Advance; and</li> <li>○ incurred with consent of the Lender.</li> </ul> </li> </ul>
<b>Events of Default</b>	<p>Usual Events of Default typical of this type of loan agreement:</p> <ul style="list-style-type: none"> <li>• non-payment;</li> <li>• other obligations (failure to comply with any provision of the agreement);</li> <li>• misrepresentation;</li> <li>• insolvency (Borrower or any member of the Borrower's group);</li> <li>• unlawfulness; and</li> <li>• cessation of business.</li> </ul>

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## Corporate directory

### Elmore Limited

#### Directors

Russell Baskerville (Non-Executive Chairman)  
Andrew Haslam (Managing Director and Chief Executive Officer)  
Timothy Webster (Non-Executive Director)  
Richard Bevan (Non-Executive Director)

#### Company Secretary

Sean Henbury

#### ASX Code

ELE

#### Registered Office

Elmore  
Armada Accountants  
18 Sangiorgio Court  
OSBORNE PARK WA 6017

Email: [admin@elmoreltd.com.au](mailto:admin@elmoreltd.com.au)  
Telephone: +61 8 6165 400  
Website: [www.elmoreltd.com.au](http://www.elmoreltd.com.au)

#### Corporate adviser

Azure Capital  
Level 46, 108 St Georges Terrace  
Perth, WA 6000

#### Legal adviser

Clayton Utz  
Level 27, QV.1 Building  
250 St Georges Terrace  
Perth, WA 6000

#### Share Registry

Automic Registry Services Pty Limited  
Level 5, 191 St Georges Terrace  
PERTH WA 6000

Phone: 1300 288 664 (within Australia)  
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