

# ADELONG GOLD LIMITED

## (ACN 120 973 775)

### OPTIONS PROSPECTUS

For the offer of the following New Options:

- (a) to the Placement Participants:
  - (i) up to 275,000,000 \$0.008 Options (exercisable at \$0.008 and expiring five years from the date of issue) on the basis of one free attaching \$0.008 Option for every one Placement Share subscribed for and issued under the Placement; and
  - (ii) up to 275,000,000 \$0.02 Options (exercisable at \$0.02 and expiring 30 June 2026) on the basis of one free attaching \$0.02 Option for every one Placement Share subscribed for and issued under the Placement,being the **Placement Options Offer**;
- (b) to Eligible Shareholders:
  - (i) up to 125,000,000 \$0.008 Options (exercisable at \$0.008 and expiring five years from the date of issue) on the basis of one free attaching \$0.008 Option for every one SPP Share subscribed for and issued under the SPP; and
  - (ii) up to 125,000,000 \$0.02 Options (exercisable at \$0.02 and expiring 30 June 2026) on the basis of one free attaching \$0.02 Option for every one SPP Share subscribed for and issued under the SPP,being the **SPP Options Offer**;
- (c) to the Lead Manager, up to 20,000,000 \$0.008 Options (exercisable at \$0.008 and expiring five years from the date of issue), being the **Lead Manager Options Offer**;
- (d) to the Directors and management, up to 45,000,000 \$0.008 Options (exercisable at \$0.008 and expiring five years from the date of issue), being the **Director and Management Options Offer**; and
- (e) to investors identified by the Lead Manager, any SPP Options not subscribed for under the SPP Options Offer, being the **Shortfall Offer**,

together, the **Offers**.

The Offers, other than the Shortfall Offer, close at 5.00pm (AEST) on 24 April 2024

The Shortfall Offer will close at 5.00pm (AEST) three months after the closing date of the other Offers

#### Important Notice

This document is important and should be read in its entirety. This Prospectus is a “transaction specific prospectus” issued in accordance with section 713 of the Corporations Act. In making representations in this Prospectus, regard has been had to the fact that the Company is a ‘disclosing entity’ for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisors whom potential investors may consult. After reading this Prospectus, if you have any questions about the New Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. The New Options offered under this Prospectus should be considered highly speculative.

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## IMPORTANT INFORMATION

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### Understanding this Prospectus

Below is important information in relation to the Offers.

This Prospectus is dated 2 April 2024 and was lodged with ASIC on that date.

Neither ASIC nor ASX take responsibility for the content of this Prospectus. Subject to the requirements of the Corporations Act and the Listing Rules, the Directors of the Company reserve the right to close the Offers earlier than the timetable (set out in Section 1.2) or vary any of the important dates set out in this Prospectus without prior notice, including extending the closing date of the Offers. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Company will apply to ASX for the New Options to be granted Quotation. Quotation of the New Options will be conditional on there being a sufficient number of holders of the New Options to satisfy the requirements of the ASX for the creation of a new class of listed security. No application monies will be repaid if the New Options offered under this Prospectus are not admitted to Quotation.

In preparing this Prospectus, regard has been had to the fact that the Company 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 their professional advisers. This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities and options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities and options to acquire continuously quoted securities. This Prospectus does not include all information that would be included in a prospectus for an initial public offering.

This Prospectus should be read in its entirety. The risks associated with investing in the Company are significant and potential investors should carefully consider those risks and seek professional advice before deciding whether to invest. The risks associated with the Offers which the Company has identified are summarised below and set out in further detail in Section 4.

If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser. Important capitalised terms and phrases used in this Prospectus are defined in the glossary in Section 8.

The past performance of the price of the Company's Shares or other securities in the Company provides no guidance or indication as to how the price of Shares will perform in the future.

### Disclaimer

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

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult. Except as required by law, and only to the extent so required, neither the Company, nor any other person

warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Prospectus.

The Company and its Directors, officers and employees disclaim any responsibility to update any risk factors or publicly announce the result of any revisions to the forward-looking statements contained in this Prospectus to reflect future developments or events, other than where required to do so by the Corporations Act or the Listing Rules.

### **Publicly available information**

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website, [www.asx.com.au](http://www.asx.com.au)). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers made under this Prospectus. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. 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 in Shares or the Company. No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus and any such information may not be relied upon as having been authorised by the Directors.

### **Obtaining a copy of this Prospectus**

Additional copies of this Prospectus are available from the registered office of the Company during normal business hours. A copy of the Prospectus can be downloaded from the website of the Company at <https://www.adelonggold.com>, or the website of ASX at [www.asx.com.au](http://www.asx.com.au). Any person accessing the electronic version of the Prospectus for the purposes of making an investment in the Company must be a resident of Australia or New Zealand and must only access the Prospectus from within Australia or New Zealand.

Any person may obtain a copy of the Prospectus free of charge by contacting the Company (or downloading it from the Company's website or the website of ASX at [www.asx.com.au](http://www.asx.com.au)).

The Prospectus which is available on the Company's website or the ASX's website does not include an Application Form. The offer constituted by an electronic version of this Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. A hard copy of this Prospectus may be obtained by contacting the Company.

### **Forward-looking statements**

This document contains forward looking statements that are not based solely on historical facts but are based on current expectations about future events and results. These forward looking statements are subject to inherent risks and uncertainties. Such risks and uncertainties include factors and risks specific to the operations of the Company, as well as general economic conditions, prevailing interest rates, conditions in the financial markets, government policies and regulations and competitive pressures. As a consequence, actual events or results may differ materially from the expectations expressed or implied in such forward looking statements.

Forward-looking statements in this Prospectus are made only at the date of this Prospectus. Subject to any continuing obligations under applicable law or the Listing Rules, the Company does not in providing this information, undertake any obligation to publicly update or revise any of the forward-looking statements for any change in events, conditions or circumstances on which any such statement is based.

Accordingly, you are cautioned not to place undue reliance on forward looking statements contained in this document.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

#### **Target Market Determination**

A Target Market Determination in respect of the Options offered under this Prospectus has been prepared by the Company as required under section 994B of the Corporations Act and is available on the Company's website at [www.adelonggold.com](http://www.adelonggold.com) au. Please refer to section 6.12 for further information in respect of the Target Market Determination.

#### **Enquiries**

If you have any queries about this Prospectus, please contact the Share Registry between the hours of 8.30am and 5.00pm (AEDT/AEST), Monday to Friday on (03) 8611 5333 or +61 3 8611 5333. Alternatively, contact your stockbroker or other professional adviser.

## 1. KEY OFFER INFORMATION

### 1.1 Summary of the Offers

This Prospectus contains the following offers of New Options:

- (a) the Placement Options Offer;
- (b) the SPP Options Offer;
- (c) the Lead Manager Options Offer;
- (d) the Director and Management Options Offer; and
- (e) the Shortfall Offer (being the SPP Options not subscribed for by Eligible Shareholders under the SPP Options Offer).

The Offers are not underwritten.

### 1.2 Indicative timetable

EVENT	DATE <sup>1</sup>
Record Date for SPP Shares and SPP Options	7.00pm (AEDT) on 5 March 2024
Lodgement of Prospectus with ASIC and ASX	2 April 2024
Opening Date of Offers	3 April 2024
Closing Date of Offers	5.00pm (AEST) on 24 April 2024
General Meeting held	29 April 2024
Issue of New Options under the Offers <sup>2</sup>	1 May 2024
Dispatch of holding statements for the New Options	1 May 2024
Expected date for Quotation of the New Options <sup>3</sup>	As soon as possible after issue date

<sup>1</sup> These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act, the Listing Rules and other applicable laws, to vary the dates, including by extending the Closing Date. As such the date the New Options are expected to commence trading on ASX may vary (if admitted to Quotation).

<sup>2</sup> Subject to shareholder approval being obtained at the General Meeting

<sup>3</sup> Subject to fulfilling ASX's Quotation requirements

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## 2. DETAILS OF THE OFFER

This Section provides details of the Offers made under this Prospectus. Before deciding whether to apply for New Options under this Prospectus, you should read this Prospectus in its entirety.

### 2.1 Background to the Offers

On 6 March 2024, the Company announced that it had received firm commitments from professional investors, sophisticated investors and Directors and management to raise \$1.1 million (before costs) (**Placement**) through the proposed issue of Shares at \$0.004 per Share (**Placement Shares**). The Placement Participants would also receive (subject to shareholder approval) one free attaching \$0.008 Option and one free attaching \$0.02 Option for every Placement Share issued (**Placement Options**).

The Company also announced that, in conjunction with the Placement, the Company would offer Eligible Shareholders the opportunity to participate under a share purchase plan to subscribe for Shares at \$0.004 per Share (**SPP Shares**) (being on the same terms as the Placement Shares) to raise up to a total of \$500,000 (before costs) (**SPP**). Consistent with the Placement, Eligible Shareholders will also receive (subject to shareholder approval) one free attaching \$0.008 Option and one free attaching \$0.02 Option for every SPP Share issued (**SPP Options**). Subject to shareholder approval, the SPP Options are proposed to be issued at the same time as the Tranche 2 Placement Shares, the Placement Options and the SPP Shares.

The Company engaged the services of GBA Capital Pty Ltd (**Lead Manager**) to lead manage the Placement and the SPP pursuant to a lead manager mandate between the Company and the Lead Manager (**Lead Manager Mandate**). Under the Lead Manager Mandate, the Lead Manager is entitled to a fee of 6% (plus GST) of the total funds placed by GBA under the Placement and any shortfall placed under the SPP, and the issue of the Lead Manager Options, being 20,000,000 \$0.008 Options (exercisable at \$0.008 and expiring five years after the date of issue) subject to shareholder approval. Refer to Section 6.4 for further details regarding the material terms of the Lead Manager Mandate.

The Company also proposes to issue (subject to shareholder approval) up to 45,000,000 \$0.008 Options (**Director and Management Options**) to Directors and management.

If there is a shortfall under the SPP (and less than the maximum SPP Shares and SPP Options are issued), then the Company may offer those shortfall SPP Shares and SPP Options to other investors.

The offer of the Placement Options, the SPP Options, the Lead Manager Options, the Director and Management Options and the Shortfall Offer is made under this Prospectus.

The New Options will be issued on the terms and conditions set out in Section 5.2.

This Prospectus has also been prepared for the offer of the New Options so the relief provided under *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*, with respect

to the on-sale provisions of section 707 of the Corporations Act, is available. If the New Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the New Options can be on-sold within 12 months of their issue without a disclosure document being required for that on-sale, as the New Options are issued with disclosure and the exercise of the New Options does not involve any further offer.

For further details regarding the Placement and SPP, refer to the Company's announcement dated 6 March 2024, the SPP Offer Booklet and the Notice of General Meeting.

## **2.2 The Offers**

This Prospectus contains the following separate offers:

### **(a) Placement Options Offer**

This Prospectus invites the Placement Participants to apply for a total of:

- (i) up to 275,000,000 \$0.008 Options (exercisable at \$0.008 and expiring five years from the date of issue) on the basis of one free attaching \$0.008 Option for every one Placement Share subscribed for and issued under the Placement; and
- (ii) up to 275,000,000 \$0.02 Options (exercisable at \$0.02 and expiring 30 June 2026) on the basis of one free attaching \$0.02 Option for every one Placement Share subscribed for and issued under the Placement.

All Placement Participants will be provided a copy of this Prospectus, together with an Application Form. Only the Placement Participants can accept the Placement Options Offer. Placement Participants should refer to Section 2.6 for details on how to apply for Placement Options under the Placement Options Offer.

No funds will be raised from the issue of the Placement Options as the Placement Options are free-attaching to the Placement Shares.

### **(b) SPP Options Offer**

This Prospectus invites Eligible Shareholders to apply for a total of:

- (i) up to 125,000,000 \$0.008 Options (exercisable at \$0.008 and expiring five years from the date of issue) on the basis of one free attaching \$0.008 Option for every one SPP Share subscribed for and issued under the SPP; and
- (ii) up to 125,000,000 \$0.02 Options (exercisable at \$0.02 and expiring 30 June 2026) on the basis of one free attaching \$0.02 Option for every one SPP Share subscribed for and issued under the SPP.

The SPP Options will be issued in accordance with actual allocations of SPP Shares made. Accordingly, Eligible Shareholders may receive less SPP Options than applied for if their



application for SPP Shares pursuant to the SPP is subject to a scale back. For further information, please refer to the SPP Offer Booklet.

All Eligible Shareholders will be sent a copy of this Prospectus. Only Eligible Shareholders can accept the SPP Options Offer.

Applications made under the SPP will be taken to constitute acceptance of the terms of the SPP Options Offer pursuant to the terms of this Prospectus. Eligible Shareholders should refer to Section 2.6 for details on how to apply for SPP Options under the SPP Options Offer.

No funds will be raised from the issue of the SPP Options as the SPP Options are free-attaching to the SPP Shares.

**(c) Lead Manager Options Offer**

This Prospectus invites the Lead Manager to apply for a total of up to 20,000,000 \$0.008 Options (exercisable at \$0.008 and expiring five years from the date of issue).

The Lead Manager will be provided a copy of this Prospectus, together with an Application Form. Only the Lead Manager can accept the Lead Manager Options Offer. The Lead Manager should refer to Section 2.6 for details on how to apply for Lead Manager Options under the Lead Manager Options Offer.

No funds will be raised from the issue of the Lead Manager Options as the Lead Manager Options are being offered in consideration for services provided under the Lead Manager Mandate.

**(d) Director and Management Options Offer**

This Prospectus invites the Directors, a former Director and management to apply for a total of up to 45,000,000 \$0.008 Options (exercisable at \$0.008 and expiring five years from the date of issue).

The Directors, a former Director and management will be provided a copy of this Prospectus, together with an Application Form. Only those Directors, a former Director and management can accept the Director and Management Options Offer. Those Directors, a former Director and management should refer to Section 2.6 for details on how to apply for Director and Management Options under the Director and Management Options Offer.

No funds will be raised from the issue of the Director and Management Options as the Director and Management Options are being offered in consideration for past and future services.

**(e) Shortfall Offer**

Any SPP Options not taken up pursuant to the SPP Options Offer will form the Shortfall Offer. The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Shortfall Option to be issued under the Shortfall Offer shall be nil, as they are free attaching to any shortfall placed by the Lead Manager in conjunction with the Directors under the SPP.

The issue of any Shortfall Options under the Shortfall Options Offer will be dependent on the number of SPP Shares and SPP Options not applied for under the SPP.

No funds will be raised from the issue of the Shortfall Options as the Shortfall Options are free-attaching to the shortfall SPP Shares.

**(f) Shares issued on exercise of Options**

All Shares issued on exercise of the New Options will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 5.1 for further details regarding the rights and liabilities attaching to Shares.

**2.3 No underwriting**

The Offers are not underwritten.

**2.4 Minimum Subscription**

There is no minimum subscription under the Offers.

**2.5 Opening and Closing Dates**

The Offers will open on 3 April 2024.

The Offers will close at 5:00pm (AEST) on 24 April 2024, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine.

**2.6 How to accept the Offers**

**(a) Placement Options Offer**

The Placement Participants will be provided a copy of this Prospectus and an Application Form in respect of the Placement Options Offer. Applications for Placement Options must be made by the Placement Participants at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Unless otherwise indicated to Placement Participants, completed Application Forms must be sent via email to the Company Secretary at [adraffin@dwaccounting.com.au](mailto:adraffin@dwaccounting.com.au).

Completed Application Forms must reach the above email address set out above by no later than the Closing Date.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company, for the number of New Options on the Application Form.

The Application Form does not need to be signed to be a binding acceptance of the New Options under the Offer. If the Application Form is not completed correctly, it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form, is final.

If you are in doubt as to the course of action, you should consult your professional advisor(s).

**(b) SPP Options Offer**

Eligible Shareholders can apply to participate in the SPP Options Offer by completing payment for SPP Shares in accordance with the instructions set out in the SPP Offer Booklet. Applications under the SPP will also be taken to constitute acceptance of the terms of the SPP Options Offer pursuant to the terms of this Prospectus.

It is your responsibility to ensure funds are submitted correctly so they are received by the Closing Date of 5.00pm (AEST) on 24 April 2024. You should be aware of your financial institution's cut-off time. To the maximum extent permitted by law, the Directors will have discretion over which Applications to accept. Payment must be received by the Company prior to the Closing Date. Payment should be made in accordance with the instructions contained in the Application Form.

**(c) Lead Manager Options Offer**

The Lead Manager will be provided a copy of this Prospectus and an Application Form in respect of the Lead Manager Offer. Applications for Lead Manager Options must be made by the Lead Manager at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Completed Application Forms must be sent via email to the Company Secretary at [adraffin@dwaccounting.com.au](mailto:adraffin@dwaccounting.com.au).

Completed Application Forms must reach the above email address set out above by no later than the Closing Date.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company, for the number of New Options on the Application Form.

The Application Form does not need to be signed to be a binding acceptance of the New Options under the Offer. If the Application Form is not completed correctly, it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form, is final.

**(d) Director and Management Options Offer**

The Directors, a former Director and management will be provided a copy of this Prospectus and an Application Form in respect of the Director and Management Options Offer. Applications for Director and Management Options must be made by the Director, the former Director and management at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Completed Application Forms must be sent via email to the Company Secretary at [adraffin@dwaccounting.com.au](mailto:adraffin@dwaccounting.com.au).

Completed Application Forms must reach the above email address set out above by no later than the Closing Date.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company, for the number of New Options on the Application Form.

The Application Form does not need to be signed to be a binding acceptance of the New Options under the Offer. If the Application Form is not completed correctly, it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form, is final.

**(e) Shortfall Offer**

Certain other investors will be provided a copy of this Prospectus and an Application Form in respect of the Shortfall Offer. Applications for Shortfall Options must be made by those investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Completed Application Forms must be sent via email to the Company Secretary at [adraffin@dwaccounting.com.au](mailto:adraffin@dwaccounting.com.au).

Completed Application Forms must reach the above email address set out above by no later than the Closing Date.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company, for the number of New Options on the Application Form.

The Application Form does not need to be signed to be a binding acceptance of the New Options under the Offer. If the Application Form is not completed correctly, it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form, is final.

## **2.7 ASX quotation**

Application for Official Quotation of the New Options offered pursuant to this Prospectus will be made to ASX within seven (7) days after the date of this Prospectus. The New Options will only be admitted to Official Quotation if the quotation requirements under the Listing Rules are satisfied. If the quotation requirements are not satisfied or ASX otherwise does not grant Official Quotation of the New Options, the New Options will be issued on an unquoted basis.

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

## **2.8 Issue of New Options**

The New Options to be issued pursuant to the Offers will be issued in accordance with the timetable set out at the commencement of this Prospectus and otherwise in accordance with the Listing Rules.

Holding statements for New Options issued under the Offers will be sent in accordance with the timetable set out at the commencement of this Prospectus and otherwise in accordance with the Listing Rules.

## **2.9 CHESS and Issuer Sponsorship**

The Company operates an electronic CHESS sub-register and an electronic issuer sponsored sub-register. These two sub-registers make up the Company's register of securities. The Company will not issue certificates to investors. Rather, holding statements (similar to bank statements) will be dispatched to investors as soon as practicable after issue. Holding statements will be sent either by CHESS (for new investors who elect to hold their securities on the CHESS sub-register) or by the Company's Share Registry (for new investors who elect to hold their securities on the Issuer sponsored sub-register). The statements will set out the number of New Options issued under the Prospectus and provide details of a Holder Identification Number (for new investors who elect to hold their securities on the Chess sub-register) or Security holder Reference Number (for new investors who elect to hold their securities on the issuer sponsored sub-register). Updated holding statements will also be sent to each new investor following the month in which the balance of their holding of Securities changes, and also as required by the Listing Rules or the Corporations Act.

## **2.10 Risks**

As with any securities investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 4. The New Options offered under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

## **2.11 Overseas Applicants**

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the Securities the subject of this Prospectus or otherwise permit a public offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia.

### ***New Zealand***

The Options are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the *Financial Markets Conduct (Incidental Offer) Exemption Notice 2021 (New Zealand)*.

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

## **2.12 Taxation**

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the Securities of the Company.

## **2.13 Privacy Disclosure**

Persons who apply for New Options pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Securities to provide facilities and services to Shareholders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service

providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for New Options will not be processed. In accordance with privacy laws, information collected in relation to specific Applicants can be obtained by that Applicant through contacting the Company or the Share Registry.

## **2.14 Enquiries**

This document is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

If you have any questions regarding the Offers, please contact the Company Secretary on (03) 8611 5333 or +61 3 8611 5333, from 8.30am to 5.00pm (AEDT/AEST), Monday to Friday.

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### **3. PURPOSE AND EFFECT OF THE OFFER**

#### **3.1 Purpose of the Offer**

Section 707(3) of the Corporations Act generally requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

The Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5) of the Corporations Act. However, the Company is precluded from issuing a 'cleansing' notice in respect of the New Options as the SPP Options are being offered to retail investors. The Company is also unable to rely on disclosure relief provided by *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* as it doesn't extend to the offer of options under a share purchase plan.

Consequently, the Company has issued this Prospectus for the offer of the New Options to the SPP Participants. This Prospectus has also been issued to facilitate secondary trading of the Shares to be issued upon exercise of the New Options. Issuing the New Options under this Prospectus will enable persons to on-sell the Shares issued on exercise of the New Options pursuant to *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

Accordingly, the purpose of this Prospectus is to:

- (a) make the offers of the New Options under the Offers; and
- (b) ensure that the on-sale of Resulting Shares issued on exercise of the New Options do not breach section 707(3) of the Corporations Act.

#### **3.2 708A(11) of the Corporations Act**

The Company has recently completed the following issues of Securities:

- (a) on 30 June 2023, the Company issued 62,500,000 Shares at \$0.008 per Share, with 31,250,000 free attaching Options exercisable at \$0.02 per Option and an expiry date of 30 June 2026 (being the same terms as the \$0.02 Options offered under this Prospectus), raising \$500,000 (before costs);
- (b) on 6 December 2023, the Company issued 62,500,000 Shares at \$0.006 per Share, with 31,250,000 free attaching Options exercisable at \$0.02 per Option and an expiry date of 30 June 2026 (being the same terms as the \$0.02 Options offered under this Prospectus), raising \$500,000 (before costs); and
- (c) on 4 February 2024, the Company issued 18,333,333 Shares at \$0.006 per Share, with 9,166,666 free attaching Options exercisable at \$0.02 per Option and an expiry date of 30 June 2026 (being the same terms as the Options offered under this Prospectus) to the Directors, a former Director and management;



- (d) on 13 March 2024, the Company issued 162,500,000 Shares at \$0.004 per Share pursuant to Tranche 1 of the Placement;
- (e) on 20 March 2024, the Company issued:
  - (i) 20,000,000 Options exercisable at \$0.02 per Option and an expiry date of 30 June 2026 (being the same terms as the \$0.02 Options offered under this Prospectus) to the Lead Manager; and
  - (ii) 45,000,000 Options exercisable at \$0.02 per Option and an expiry date of 30 June 2026 (being the same terms as the \$0.02 Options offered under this Prospectus) to the Directors, a former Director and the Company Secretary.

This Prospectus has the ancillary purpose of qualifying the Options set out in the above paragraphs for secondary trading in accordance with section 708A(11) of the Corporations Act.

### 3.3 Effect of the Offers on the Company

#### (a) Capital Structure

The effect of the Offers on the capital structure of the Company under the Maximum Amount based on the capital structure as at the date of this Prospectus is as follows:

	Number
Shares currently on issue	880,488,958
New Shares offered under this Prospectus	Nil
Tranche 2 Placement Shares <sup>1</sup>	112,500,000
New Shares offered under SPP <sup>2</sup>	125,000,000
Total Shares on issue following the Placement and SPP	1,117,988,958
Options currently on issue <sup>3</sup>	199,083,328
New Options to be issued under this Prospectus <sup>1</sup>	865,000,000
Performance Incentive Options to be issued to Ian Holland <sup>1</sup>	50,000,000
Total Options on issue following the Offers and issue of Performance Incentive Options	1,114,083,328
Convertible notes currently on issue	10,416,667
Amount raised under this Prospectus (before costs)	\$nil

<sup>1</sup> To be issued subject to shareholder approval at the General Meeting

<sup>2</sup> Offered pursuant to the SPP Offer Booklet

<sup>3</sup> The existing Options on issue are as follows:

Quoted / Unquoted	Number of Options	Expiry Date	Exercise Price
Unquoted*	167,083,332	30 June 2026	\$0.02
Unquoted	20,000,000	22 December 2025	\$0.02
Unquoted	11,999,996	31 May 2024	\$0.05

\* Being the same terms as the \$0.02 Options

**(b) Cash Position**

No funds will be raised as a result of the Offers. The Directors intend to apply the proceeds from the Placement and SPP (together with its existing cash resources) for the purposes of:

- (i) advancement of the Brazil lithium projects;
- (ii) advancement of the Adelong Gold Project;
- (iii) repayment of convertible notes (if repayable);
- (iv) costs of the Placement and SPP; and
- (v) general working capital purposes.

**(c) Financial position**

The Company does not consider that the Offers will have a material effect on the financial position of the Company as no funds will be raised on the issue of the New Options.

If all New Options are issued and are subsequently exercised (which is not certain) it will have the effect of increasing the Company's cash balance by \$11,720,000.

The expenses of the Offer will be met from the Company's existing cash reserves. The Offer will have an effect on the Company's financial position of reducing the cash balance by approximately \$56,066 (see Section 6.11).

(d) **Effect of the Offers on Control**

The Offers will not have a material impact on the control (as defined by section 50AA of the Corporations Act) of the Company. No investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers.

**3.4 Potential dilution on non-participating Shareholders**

Shareholders who did not participate in the Placement have currently been diluted by approximately 18.46%. Shareholders can reduce the dilutionary impact of the Placement by subscribing for Shares under the SPP pursuant to the SPP Offer Booklet.

The maximum number of New Options proposed to be issued under the Offers is 865,000,000 Options. If all these New Options are exercised, and the SPP is fully subscribed and 125,000,000 Shares are issued under the SPP, the Shares issued on exercise of those New Options will represent approximately 46.24% of the Shares on issue following completion of the Offers.

Additionally, the SPP Options Offer is not being extended to Shareholders with registered addresses outside of Australia and New Zealand and the holdings of those Shareholders in the Company will be diluted to the same extent.

The interests of Shareholders will subsequently be further diluted to the extent that holders of existing Options elect to exercise those Options before their respective expiry dates.

**3.5 Market Prices of Existing Shares on ASX**

The highest and lowest market sale price of the Company's Shares on the ASX, during the three months immediately preceding the lodgement of this Prospectus with ASIC and the respective dates of those sales are set out below:

Highest: \$0.006 on 5 and 17 January 2024.

Lowest: \$0.003 on 6 and 19 March 2024.

The last market sale price prior to the date of lodgement of this Prospectus with ASIC was \$0.004 on 28 March 2024.

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## **4. RISK FACTORS**

### **4.1 General**

The Company's activities are subject to a number of risks which may impact future financial performance and the market price at which Shares (and New Options if quoted) trade. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, others are outside the Company's control and cannot be mitigated. Therefore, investors who acquire Shares and Options may be exposed to a number of risks. Broadly, these risks can be classified as risks that are general to investing in the share market and risks specific to an investment in Shares and the Company's underlying business.

This Section sets out the identified major risks associated with investing in Shares and the New Options. This list is not exhaustive and investors should read this Prospectus in its entirety before making an investment decision. Investors should also have regard to their own investment objectives and financial circumstances and should consider seeking appropriate independent investment advice before deciding whether to invest in the Shares and the New Options.

### **4.2 Risk factors specific to the Company**

The Company is an ASX listed company engaged in mineral mining and exploration in Brazil and Australia.

The Company released its latest audit reviewed financial results for the first half of the 2023/2024 financial year as an announcement to ASX on 15 March 2024. A copy can be obtained from the Company's website [www.adelonggold.com](http://www.adelonggold.com) or the ASX website [www.asx.com.au](http://www.asx.com.au) under the code "ADG".

An investment in the Company is not risk free and should be regarded as speculative.

There are specific risks that relate directly to the Company's activities. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares and the underlying Shares.

The Directors strongly recommend that potential investors consider the risk factors described below, together with information contained elsewhere in this Prospectus and consult with their professional advisers before deciding whether to apply for Shares under this Prospectus.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed and does not take into account the individual circumstances of Shareholders.

#### **(a) Operational Risk**

Exploration and mining of minerals is highly speculative and no assurance can be given that production will be obtained from the areas in which the Company has or may acquire

an interest, or that production and marketing of any materials discovered by the Company will prove to be economic.

Should a discovery be made, there is no guarantee that it will be commercially viable for a host of factors beyond the Company's control, for example, the economics of mining operations. While the Directors will make every effort to reduce the above risks through their experience in the exploration and mining industry, the fact remains that a commercially viable mineral discovery is very much the exception rather than the rule and success can never be guaranteed. Until the Company is able to realise value from the Company's projects, the Company is likely to incur ongoing operating losses.

In summary, mineral exploration, project development and mining by their nature contain elements of significant risk. Ultimate and continuous success of these activities is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable Ore Reserves;
- successful conclusions to bankable feasibility studies;
- access to adequate capital for project development;
- design and construction of efficient mining and processing facilities within capital expenditure budgets;
- securing and maintaining title to tenements;
- obtaining consents and approvals necessary for the conduct of exploration and mining; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees.

Other factors that could affect the Company's operations include:

- failure to achieve predicted grades in exploration and mining;
- poor performance levels from external contractors;
- operational and technical difficulties encountered in mining;
- difficulties in commissioning and operating plant and equipment;
- availability of suitable plant and expertise from contractors and consultants;
- mechanical failure or plant breakdown;
- unanticipated metallurgical problems which may affect extraction rates and costs;
- adverse weather conditions;
- industrial and environmental accidents;
- industrial disputes;

- availability of water and power; and
- unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment.

Consequently, there can be no assurance that through the projects the Company will be able to develop and commercialise mineral extraction from its tenements and generate positive cashflow to sustain the Company's financial viability.

(b) **Tenure and Title Risk**

The Company's activities are presently carried out in Brazil and Australia.

Interests in tenements in Brazil are governed by legislation and are evidenced by the granting of concession licences. Each licence is for a specific term and carries with it annual reporting commitments, as well as other conditions requiring compliance. The Company may lose title to its interest in tenements if licence conditions are not met or if it defaults in its obligations to third parties. It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate native title rights exist.

In Australia, mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for tenements will be approved in full or at all. In addition, interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

(c) **Land access**

Land access is critical for exploration and/or exploitation to succeed. It requires both access to the mineral rights and access to the surface rights. Minerals rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary mineral rights or access licences to conduct exploration or evaluation activities.

The Company is able to carry out its currently planned activities for the Company's project in Brazil without additional access rights. However, there is no guarantee that it will be able to obtain access rights for future planned activities or if its Brazil project is further developed.

(d) **Political and sovereign risk**

The Company's projects are located in Australia and Brazil.

Brazil is on the east coast of South America. It shares its borders with Uruguay, Argentina, Paraguay, Bolivia, Peru, Colombia, Venezuela, Guyana and Suriname, and with the French Department of Guiana.

The Company's operations could be affected by changes in the economic or other policies of the governments in Brazil or other political, regulatory or economic authorities in Brazil. For instance, an increase in copper royalties or other taxes could adversely impact the economics of the Company's potential future operations and the Company's ability to attract capital.

Brazil is presently a stable democracy, but the Company cannot guarantee access, freedom from disruption to its operations, surety of title and/or tenure of its Brazilian based assets.

Brazil, where some of the Company's current assets reside (and other jurisdictions in which they may operate in the future), differs from the legal system found in Australia. This could lead to exposure to any or all of the following risks:

- (i) lack of guidance or interpretation of the applicable rules and regulations;
- (ii) delays in redress or greater discretion on the part of governmental authorities; and
- (iii) restrictions on the potential extraction and export of mineral ores or concentrates.

Additionally, the legal system in Brazil has inherent uncertainties that could limit the legal protections available to the Company, which include:

- (iv) the general political process in Brazil;
- (v) on-going discussion at the congress to establish a royalty on mining production;
- (vi) inconsistencies between and within laws;
- (vii) limited judicial and administrative guidance on interpreting Brazilian legislation, particularly that relating to business, corporate and securities laws;
- (viii) substantial gaps in the regulatory structure due to a delay or absence of enabling regulations;
- (ix) a lack of judicial independence from political, social and commercial forces;
- (x) corruption; and
- (xi) bankruptcy procedures that are subject to abuse,

any of which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects. Furthermore, it may be difficult to obtain swift and equitable enforcement of a Brazilian judgement, or to obtain enforcement of a judgement by a court of another jurisdiction, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company cannot guarantee that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected or even forfeited as a result of the actions of government authorities or others, and the effectiveness and enforcement of such arrangements in these jurisdictions cannot be certain. In addition, political instability and changes in foreign law, including taxation law, may affect the Company's ability to operate successfully, profitably or optimally in foreign jurisdictions.

(e) **Emerging market risk**

The Company's projects are located in Australia and Brazil. Brazil is considered to be an emerging market economy. Emerging markets are generally more vulnerable to market volatility as well as political and economic instability more so than developed markets. As such, investments in securities of issuers with all or substantially all of its interests in an emerging market are subject to certain risks which may affect economic and fiscal results. These risks include:

- (i) currency fluctuations and devaluations;
- (ii) inflation;
- (iii) foreign exchange controls;
- (iv) high interest rates;
- (v) wage and price controls;
- (vi) economic and political instability;
- (vii) the imposition of trade barriers;
- (viii) expropriation and political violence or disturbance; and
- (ix) changes in economic, tax or other policies.

In addition, economic conditions in Brazil are, to some extent, influenced by economic and securities market conditions in other emerging market countries. Although economic conditions are different in each country, investor's reaction to developments in one country can have effects on the securities of issuers in other countries.



(f) **Government and Regulatory Approvals**

There can be no assurance that all of the relevant approvals and permits necessary to conduct mining operations will be granted by the relevant governments and regulatory authorities or that they will remain in good standing where already granted.

The Company's activities will require compliance with various laws relating to the protection and rehabilitation of the environment, health and safety, culture and heritage and other matters.

In addition, the Company is required to obtain numerous government permits, leases, licences and approvals in respect of our exploration and mining operations.

There is a risk that the Company may not obtain or may lose permits, leases, licences or approvals, essential to our operations.

The Company cannot predict how existing, or future laws and regulations may be interpreted by enforcement agencies or court rulings, whether additional laws and regulations will be adopted, or the effect such changes may have on the Company's business or financial condition.

(g) **Permitting**

The Company has all required permits in place for its currently planned work program at its project in Australia and Brazil.

In any event, as the Company further develops its projects in future, it will need additional permits, authorisations, licences, environmental approvals, water use rights, and other approvals depending on the types of activities it intends to undertake. There is no guarantee that the Company will be able to obtain such approvals, or that such approvals can be obtained on favourable terms or conditions or in a timely manner.

(h) **Ore Reserves and Mineral Resource Estimates**

Ore Reserve and Mineral Resource estimates are expressions of judgment based on knowledge, experience and industry practice, and may require revision on actual production experience. All Mineral Resources estimates previously disclosed to the market are necessarily imprecise and depend to some extent on statistical inferences, which may prove unreliable or be revised in the light of additional information that comes to hand.

(i) **Production and Cost Estimates**

By their very nature, production and cost estimates and assumptions are inherently subject to significant uncertainties. Actual results may materially differ from the Company's estimates and assumptions and may materially and adversely affect the Company's commercial viability and future results.

(j) **Development Risks**

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration and development will result in the discovery of further mineral deposits. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration and development 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.

Further to the above, the future development of mining operations at any of the Company's current projects (or any future projects that the Company may acquire an interest in) is dependent on a number of factors and avoiding various risks, including, but not limited to mechanical failure of operating plant and equipment, unexpected shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, risk of access to the required level of funding and contracting risk from third parties providing essential services.

In addition, the construction of any proposed development may exceed the expected timeframe or cost for a variety of reasons out of the Company's control. Any delays to project development could adversely affect the Company's operations and financial results and may require the Company to raise further funds to complete the project development and commence operations.

The Company may be subject to significant unforeseen expenses or actions, which may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events or increases in prices for drilling contracts or skilled labour. The Directors expect that the Company will have adequate working capital to carry out its stated objectives however there is the risk that additional funds may be required to fund the Company's future objectives.

(k) **Native Title, Cultural Heritage and Community Risk**

It is possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians, and similar rights for indigenous peoples of Brazil, exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant native title claimant), or to progress from the exploration phase to the development and mining phases of operations may be affected.

Parts of Brazil are sensitive to community issues which may potentially have an impact on the Company's projects.

(l) **Potential for dilution**

Eligible Shareholders should be aware that to the extent that they do not apply for the maximum subscription under the SPP, a shortfall may arise and all or part of any shortfall may be placed by the Company, at the discretion of the Directors (in consultation with the Lead Manager), to other parties in compliance with the Corporations Act and as contemplated within the Listing Rules. In such case their interest in the Company may be significantly diluted. Further the Offers are not being extended to Shareholders with registered addresses outside of Australia and New Zealand and the holdings of those Shareholders in the Company will be diluted by the Offer. See Section 3.4 for further details.

Application for SPP Shares under the SPP Offer may also result in existing Shareholders or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company. However, the shortfall will only be placed to the extent that such placement is in compliance with the takeover provisions of the Corporations Act, which restrict a person and their associates from having a relevant interest in the Company of not more than 20.0%, subject to a number of exemptions.

The Company intends to actively work with the Lead Manager during, and after, the Offers in order to secure commitments to place, and subsequently to place, any shortfall not subscribed for by Eligible Shareholders.

(m) **Investment Risk**

Holders of Shares have no right to a repayment of their investment. Investors should appreciate that an investment in Shares carries risks. The Shares and Options may not be tradeable at their issue price, and liquidity may be thin. The Shares and Options are not redeemable in any circumstance and, in the event of external administration or liquidation (i.e., insolvency), are likely to be of minimal value.

(n) **Future capital and additional funding**

The Company's ongoing activities will require ongoing expenditures. There can be no guarantee that the funds raised by the Company will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to continue to use equity to fund expansion after the substantial exhaustion of the Company's existing funds, there can be no assurances that the Company will have sufficient capital resources for that purpose, or any other purposes, or that it will be able to obtain additional funds on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to Shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations

and business strategy. The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

The Company currently has 10,416,667 convertible notes on issue with a face value of \$250,000 and a maturity date of 23 July 2024. If these convertible notes are not converted, then the Company may be required to repay the face value, plus any accrued interest, on that maturity date.

(o) **Commodity and Currency Price Volatility**

Commodity prices are contingent on influencing factors beyond the control of the Company and can be subject to significant fluctuations. Some of these influencing factors include:

- world demand for particular commodities;
- the level of production costs in major commodity producing regions; and
- expectations regarding inflation, interest rates and US dollar exchange rates.

Any significant and/or sustained fluctuation in exchange rates or commodity prices could have a materially adverse effect on the Company's operations and financial position.

Factors affecting commodity prices include:

- supply and demand fluctuations for specific commodities;
- changes in investor sentiment toward specific commodities;
- speculative trading;
- forward selling activities; and
- macro-economic factors such as inflation and interest rates.

(p) **Environmental Risks**

Environmental risks are inherent in mining operations. The Company adopts practices which the Company believes are appropriate to minimise the potential of causing environmental damage in all the Company's operations, but no assurance can be made that the Company will not be affected by environmental claims or issues in the future.

The Board is strongly committed to conducting operations in an environmentally responsible manner, applying the highest standards and industry best practice to all the Company's field activities. Surface disturbance is kept to a minimum, but where it is necessary, full cognisance is given to the environmental impact of the work to be carried out. Relevant government approvals are obtained and measures are taken to minimise the environmental impact and to ensure that following the activities

involved, the land is restored and rehabilitated to as close as possible to its original condition.

The Board is not aware of any concerns about the Company's environmental practices or impacts of its activities from owners of land on which the Company has operated or from any relevant government officers or agencies with regulatory responsibility.

(q) **Uninsured Loss and Liability**

Exploration for and development of minerals involves hazards and risks that could result in the Company incurring losses and liabilities to third parties. There is a risk that the Company may not be insured against all losses or liabilities that could arise from the Company's operations. If the Company incurs losses or liabilities which are not covered by the Company's insurance policies, the funds available for exploration and development will be reduced and the value and/or tenure of the Company's assets may be at risk.

(r) **Occupational Health and Safety**

There is an inherent risk of workplace accidents occurring during the conduct of mining activity. The Board is totally committed to providing a safe and healthy workplace for the Company's employees and contractors, where engaged from time to time. Hazardous activities are avoided wherever possible, but when necessary, all employees and contractors are required to conduct themselves in accordance with all applicable laws and policies in force from time to time in respect of occupational health and safety.

(s) **Quotation of New Options**

Whilst the Company intends to apply for Quotation of the \$0.008 Options and the \$0.02 Options, there is no guarantee that the Company will be able to fulfil the ASX's requirements in relation to Quotation of the New Options. If so, the Options proposed to be issued under this Prospectus will not be tradeable on ASX.

(t) **Going concern**

The Company's half year report for 31 December 2023 (**Half Year Financial Report**) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cashflow in line with available funds.

Notwithstanding the 'going concern' qualification included in the Half Year Financial Report, the Directors believe that upon the successful completion of the Offers, the Company will have sufficient funds to adequately meet the Company's current

exploration commitments and short-term working capital requirements. In the event that the Offers are not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern, which is likely to have a material effect on the Company's activities.

(u) **Reliance on Key Management**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company may be dependent upon the Company's senior management, key personnel and consultants. There can be no assurance given that there will be no detrimental impact on the Company if one, or a number of, those employees or consultants cease their employment or engagement with the Company.

(v) **Third party risk**

The operations of the Company will require involvement of a number of third parties including suppliers. With respect to these third parties and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:

- (i) financial failure or default by a participant in any joint venture to which the Company may become a party; and
- (ii) insolvency, default on performance, or delivery by any operators, contractors or service providers.

These contracts typically contain provisions providing for early termination of the contracts upon giving varying notice periods and paying varying termination amounts. The early termination of any of these contracts, for any reason, may mean that the Company will not realise the full value of the contract, which is likely to adversely affect the growth prospects, operating results and financial performance of the Company.

(w) **New Projects**

To achieve the Company's objectives, the Company may acquire or invest in new projects from time to time. However, there is always risk that the Company may not be successful in negotiating for an acquisition of a new project.

(x) **Loan to Cosmo Gold**

Following withdrawal of the initial public offering of Cosmo Gold in 2021, the Company has continued to advance funds to Cosmo Gold pursuant to the loan agreement, the terms of which were set out in the Cosmo Gold prospectus dated 4 February 2021 (as supplemented). The Company is informed that Cosmo is in ongoing

discussions in relation to a proposed transaction. There is no certainty as to whether a transaction will eventuate or that the loan will be repaid in part or in full.

(y) **Environmental Impact Constraints**

The Company's exploration and appraisal programs will, in general, be subject to approval by government authorities. Development of any mineral resources will be dependent on the Company being able to obtain environmental approvals to carry out its planned activities, and then being able to meet all environmental conditions placed on such activities.

(z) **Climate Risk**

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

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company's operations may be impacted by changes to local or international compliance regulations related to climate change mitigation effects, specific taxation or penalties for carbon emissions or environmental damage. These examples illustrate an array of possible restraints on industry that may impact the Company and its profitability.
- (ii) climate change may also cause certain physical and environmental risks that cannot be predicted by the Company, including increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

The Company's operations could be impacted by natural events such as significant rain events and flooding. Such natural events could result in impacts including reduced mining efficiencies, restrictions to or loss of access to open pits, mining and exploration locations or necessary infrastructure, or restrictions to or delays in access to the site for exploration activities and deliveries of key consumables required for the Company's operations. This could result in increased costs which could impact the Company's financial performance and position. Whilst the Company is able to transfer some of these risks to third parties through insurance, many of the associated risks are not able to be insured or in the Company's opinion the cost of transfer is not warranted by the likelihood of occurrence of the risk event.

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects

and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds.

It is the Company's intention to conduct its activities to the highest standard of environmental obligations, including compliance with all environmental laws.

(aa) **Impairment of Non-Financial Assets Risk**

As at 31 December 2023, the Company's assets included capitalised exploration and evaluation costs. These assets are tested semi-annually for impairment in accordance with accounting standard requirements to assess whether the carrying value may exceed its recoverable amount. An impairment loss may be triggered if capitalised exploration expenditure, evaluation and development costs, or where an area of interest does not meet the requirements under the accounting standards (AASB 6 – Exploration for and Evaluation of Mineral Resources).

### 4.3 General Risks

(a) **Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.

(b) **Currency Fluctuations**

The future value of Shares and options may fluctuate in accordance with movements in foreign currency exchange rates.

(c) **Taxation**

The Company's profitability may be affected by changes in overseas, Australian and State government taxation laws and policies, including royalties payable in respect of any future mining operations.

There may be tax implications arising from the acquisition of Securities, any possible receipt of dividends (both franked and un-franked) and the disposal of Securities (as appropriate). Investors should carefully consider these tax implications and if uncertain as to the relevant taxation issues, obtain further advice from a qualified professional adviser. Tax liabilities are the responsibility of each individual investor and neither the Directors nor the Company will be responsible for any tax or related penalties incurred by investors.

(d) **Stock Market Risks**

The market price of the Shares may be significantly adversely affected by a variety of factors including (but not limited to) perceptions of, or variations in, general market



conditions, operating performance, commodity prices, project and country risk, Board and management strength and expertise and a broad range of other factors which may or may not relate to the Company's operations.

(e) **Ukraine Conflict and Gaza Conflict**

The current conflict between Ukraine and Russia (**Ukraine Conflict**) and Israel and Gaza (**Gaza Conflict**) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict and the Gaza Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict, the Gaza Conflict and the wider effect the conflict has on global economies and financial markets.

The Directors are monitoring the potential secondary and tertiary macroeconomics impacts of the Ukraine Conflict and the Gaza Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict and the Gaza Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia and Israel, may adversely impact the Company's operations and are likely to be beyond the control of the Company.

#### **4.4 Other risk factors**

There are other risks involved with any investment in listed shares. The value of Securities may rise or fall depending upon a range of factors and share conditions which are unrelated to the Company's future financial performance. Share market conditions are affected by many factors including, but not limited to:

- economic conditions in both Australia and internationally;
- investor sentiment and local and international share market conditions;
- changes in interest rates and the rate of inflation;
- changes in metal and commodity prices;
- changes to government regulation, policy or legislation;
- changes in exchange rates; and
- the nature of competition in the industry in which the Company operates.

Some of these risks can be mitigated by the use of contingency plans and safeguards. However, many are outside the control of the Company and cannot be mitigated.

Like all businesses, the Company is affected by general economic conditions including the level of interest rates, inflation and consumer spending. Any prolonged downturn in economic activity

could be expected to have a negative impact on the Company. As a company having a smaller market capitalisation, the market in the Company's securities may suffer periods of illiquidity.

Before any decision is made to subscribe for securities under the Offers, the above matters, and all other matters described in this document must be carefully considered. The New Options to be allotted pursuant to this Prospectus should be regarded as speculative in nature and carry no guarantee with respect to the payment of dividends, return of capital or their market value.

Investment in the Company is regarded as speculative and neither the Company nor any of its Directors guarantees that any specific objective of the Company will be achieved or that any particular performance of the Company or its securities, including the New Options offered by this Prospectus will be achieved.

The above list of risk factors should not be taken as exhaustive of the risks faced by the Company or the Shareholders. The above factors, and others not specifically referred to above, may in the future materially affect the Company's financial performance and the value of the Securities.

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## **5. RIGHTS AND LIABILITIES ATTACHING TO THE SECURITIES**

### **5.1 Rights attaching to the Shares**

The rights attaching to ownership of the Shares arise from a combination of:

- the Constitution; and
- in certain circumstances, the Corporations Act, the Listing Rules, the ASX Settlement Operating Rules and the general law.

The following is a summary of the more significant rights attaching to the Shares. This summary is not exhaustive, nor does it constitute a definitive statement of the rights and liabilities of the Shareholders.

Further details of the rights attaching to the Shares are set out in the Constitution of the Company, a copy of which can be inspected at the Company's registered office during normal business hours or found on the Company's website at <https://adelonggold.com/>.

#### **(a) Variation of rights**

The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

#### **(b) Voting rights**

Subject to any rights or restrictions, at general meetings 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 the Share, 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) General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

The Directors may convene a general meeting at their discretion.

(d) **Dividends**

Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment, or if the Directors have fixed a time for determining entitlement to a dividend, at that time. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Directors may set aside a sum out of the profits of the Company, as reserves, before recommending dividends of the profits.

(e) **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 a value as the liquidator considers fair upon any property to be so decided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may also, with the authority of a special resolution, vest the whole or any part of any property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit. No member is obliged to accept any Shares, securities or other assets in respect of which there is any liability.

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

(f) **Transfer of shares**

Shares can be transferred upon delivery of a proper instrument of transfer to the Company. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Except where the operating rules of an applicable clearing and settlement facility licensee provide otherwise, until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

The Directors may refuse to register a transfer if the Listing Rules permit or require, or if the transfer is a transfer of restricted securities which is or might be in breach of the Listing Rules or any escrow agreement entered into by the Company. The Board may refuse to register a transfer of shares upon which the Company has a lien.

(g) **Unmarketable parcels**

The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the Shareholders holding less than a marketable parcel stating that the Company intends to sell their relevant Shares unless a retention notice is received by a specified date.

## 5.2 Rights attaching to New Options

The following are the terms of the New Options to be issued pursuant to this Prospectus.

(a) **Entitlement**

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

(b) **Exercise Price and Expiry Date**

Options	\$0.008 Options	\$0.02 Options
Exercise Price	\$0.008	\$0.02
Expiry Date	Five years after the issue date	30 June 2026

(c) **Exercise Period**

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

(d) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option's certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(e) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

(f) **Quotation**

Unless determined otherwise by the Board in its absolute discretion, the New Options will not be quoted on the ASX or any other recognised exchange.

The Company notes that it will make an application to ASX for quotation of the New Options.

**(g) Issue of Shares on exercise**

Within 15 business days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, subject to any restriction or escrow arrangements imposed by ASX, apply for quotation on ASX of Shares issued pursuant to the exercise of the New Options.

**(h) Shares issued on exercise**

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

**(i) Reconstruction of capital**

In the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the expiry date of the Options, all rights of the New Option holder will be varied in accordance with the Listing Rules.

**(j) Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options. However, the Company will give the holders of the New Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

**(k) Change in exercise price**

There will be no change to the exercise price of the New Options or the number of Shares over which the New Options are exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).

(l) **Adjustment for bonus issues**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a New Option will be increased by the number of Shares which the holder would have received if the holder of the New Options had exercised the New Option before the record date for the bonus issue; and
- (ii) no change will be made to the New Option exercise price.

(m) **Transferability**

The New Options are transferable with prior written consent of the Board.

The Company notes that it will make an application to ASX for quotation of the Options, and if quotation is granted, the Options will be freely tradable without the prior written consent of the Board.

(n) **Adjustments**

Any calculations or adjustments which are required to be made will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the New Option holder.

(o) **Governing Law**

These terms and the rights and obligations of the New Option holder are governed by the laws of Victoria. The New Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Victoria.

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## **6. ADDITIONAL INFORMATION RELEVANT TO THE OFFER**

### **6.1 The Company is a Disclosing Entity**

The Company is a disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure requirements. As a listed company, the Company is required to comply with all applicable continuous disclosure and reporting requirements in the Listing Rules.

The ASX maintains records of company announcements for all companies listed on the ASX. The Company's announcements may be viewed on the ASX's website at [www.asx.com.au](http://www.asx.com.au).

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at an office of ASIC.

### **6.2 Section 713 Prospectus**

This Prospectus has been issued under the provisions of section 713 of the Corporations Act. Section 713 enables disclosing entities to issue prospectuses in relation to securities in a class of securities that has been quoted on the ASX at all times in the 12-month period preceding the date of the prospectus, or options to acquire such securities. Copies of documents lodged at ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, an office of ASIC.

The Shares are in a class of securities that has been continuously quoted on the ASX in the 12-month period preceding the date of this Prospectus. The New Options are options to acquire continuous quoted Shares.

No exposure period applies to this Prospectus by operation of the Corporations Act and *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*. Since the New Options to be issued under the Offers are not Shares, the Company cannot rely on this ASIC Instrument in offering the SPP Options under the SPP. Accordingly, the Company is offering the New Options under this Prospectus.

The level of disclosure that applies to this Prospectus requires that it must contain all the information investors and their professional advisers would reasonably require to make an informed assessment of:

- (a) the effect of the Offers on the Company; and
- (b) the rights and liabilities attaching to the securities being offered.

The Prospectus must contain this information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in the Prospectus. 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. Accordingly, this Prospectus does not contain the same level of disclosure as a prospectus of an unlisted company or an initial public offering prospectus.



Having taken such precautions and having made such enquiries as are reasonable, the Company believes that the Company has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the date of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company. Information that is already in the public domain has not been reported in this Prospectus, other than that which is considered necessary to make the Prospectus complete.

### 6.3 Right to Obtain Copies of Documents

The Company will provide a copy of any of the following documents, free of charge, to any person who requests a copy of the document before the Closing Date:

- (a) the annual financial report of the Company for the year ended 30 June 2023;
- (b) the half-year financial report for the period ended 31 December 2023; and
- (c) any continuous disclosure notices (that is, documents in which the ASX was notified of information relating to the Company) given by the Company after 28 September 2023, being the date of lodgement of the Company's 2023 Annual Report, and before lodgement of a copy of this Prospectus with the ASIC. These documents are:

Date	Document
26/03/2024	Proposed issue of securities - ADG
26/03/2024	Notice of General Meeting/Proxy Form
26/03/2024	Change of Director's Interest Notice - Mena Habib
25/03/2024	Change of Director's Interest Notice - John Chegwidan
25/03/2024	Change of Director's Interest Notice - Ian Hastings
20/03/2024	Options Issue
20/03/2024	Notification regarding unquoted securities - ADG
19/03/2024	Response to ASX Aware Letter
19/03/2024	Notice under section 708A(9)(c) of the Corporations Act
15/03/2024	Change in substantial holding
15/03/2024	Half Year Accounts

14/03/2024	Exceptional Soil Sampling Results Highlight Further Targets
13/03/2024	Cleansing Statement
13/03/2024	Application for quotation of securities - ADG
6/03/2024	Update – Proposed issue of securities - ADG
6/03/2024	Proposed issue of securities - ADG
6/03/2024	Proposed issue of securities – ADG
6/03/2024	Proposed issue of securities – ADG
6/03/2024	Adelong Gold to raise up to \$1.6 million
5/03/2024	Cleansing Statement
5/03/2024	Change of Director's Interest Notice – Mena Habib
5/03/2024	Change of Director's Interest Notice – Ian Hastings
4/03/2024	Update – Notification regarding unquoted securities - ADG
4/03/2024	Trading Halt
4/03/2024	Notification regarding unquoted securities - ADG
4/03/2024	Application for quotation of securities - ADG
4/03/2024	Additional Exploration Permits Granted in Brazil
1/03/2024	Initial Director's Notice – Ian Holland
28/02/2024	Director to Retire
27/02/2024	Target identified for Further Exploration in Brazil
21/02/2024	Results of Meeting
20/02/2024	Adelong appoints Mr Ian Holland as Managing Director
22/01/2024	Notice of General Meeting/Proxy Form
17/01/2024	Quarterly Activities/Appendix 5B Cash Flow Report
22/12/2023	Cleansing Statement

22/12/2023	Notification regarding unquoted securities - ADG
22/12/2023	Application for quotation of securities - ADG
22/12/2023	Notification regarding unquoted securities - ADG
22/12/2023	Notification regarding unquoted securities - ADG
21/12/2023	Proposed issue of securities - ADG
21/12/2023	Adelong completes acquisition of Lithium Tenements in Brazil
7/12/2023	Amended - 6 December - Exploration Commences
6/12/2023	Cleansing Statement
6/12/2023	Application for quotation of securities - ADG
6/12/2023	Exploration Commences in Brazil's World Class Lithium Valley
29/11/2023	Proposed issue of securities - ADG
29/11/2023	Proposed issue of securities - ADG
29/11/2023	Adelong raises \$500,000 to progress Gold & Lithium projects
28/11/2023	Final Director's Interest Notice - Peter Mitchell
27/11/2023	Results of Meeting
27/11/2023	Trading Halt
27/11/2023	Withdrawal of Resolutions and Drilling Update
23/11/2023	Application for a Further 10 Licenses in Brazil
17/11/2023	Third Exploration Permit Granted in Brazil
14/11/2023	Board & Management Changes
1/11/2023	Adelong Gold Investor Presentation
31/10/2023	Quarterly Activities/Appendix 5B Cash Flow Report
30/10/2023	Two Exploration Permits Granted in Brazil Lithium Valley
25/10/2023	Notice of Annual General Meeting/Proxy Form

16/10/2023	Maiden Resource Estimate for Perkins West, Gibraltar
28/09/2023	Appendix 4G Corporate Governance

The Company may make further announcements to ASX from time to time. Copies of announcements are released by ASX on its website ([www.asx.com.au](http://www.asx.com.au)), and will also be made available on the Company website ([www.adelonggold.com](http://www.adelonggold.com)). Copies of announcements can also be obtained from the Company on request. Prospective investors are advised to refer to ASX's website or the Company's website for updated releases about events or matters affecting the Company.

The annual financial report and the continuous disclosure notices referred to above have been identified for the purposes of section 713(4) of the Corporations Act and are not taken to form part of the content of this Prospectus.

The Company's Constitution and the consents referred to in Section 6.10 are also available for inspection for a period of 12 months after the date of this Prospectus during normal business hours at the Company's office at:

Adelong Gold Limited  
 DW Accounting & Advisory  
 Level 4, 91 William Street  
 Melbourne VIC 3000

#### 6.4 Lead Manager Mandate

The Company has engaged GBA Capital Pty Ltd, the Lead Manager, to act as lead manager to the Placement and the SPP pursuant to a lead manager mandate dated 3 March 2024 (**Lead Manager Mandate**). In accordance with the Lead Manager Mandate, the Company agreed to:

- (a) pay the Lead Manager a 6% commission (plus GST) of the total funds placed by GBA under the Placement and any shortfall placed under the SPP; and
- (b) issue the Lead Manager (or its nominee), subject to shareholder approval, 20,000,000 \$0.008 Options.

Under the Lead Manager Mandate, the Company has:

- (a) given the Lead Manager certain representations and warranties in respect of the company and the conduction of the Offers which are considered usual for an agreement of this type; and
- (b) provided certain indemnities to the Lead Manager for any breach by the Company of the agreement, which are which are considered usual for an agreement of this type.

## 6.5 Interests of Directors

Details of the direct and indirect interests of each Director in the securities of the Company immediately before lodgement of the Prospectus with ASIC are set out in the table below. The table does not take into account any securities the Directors may acquire under the Offers.

Director	Shares	Unlisted Options	Convertible Notes
Ian Hastings <sup>1</sup>	29,694,621	19,166,667	-
Ian Holland <sup>2</sup>	-	-	-
John Chegwiddden <sup>3</sup>	4,761,199	10,000,000	-
Mena Habib <sup>4</sup>	5,833,333	12,916,667	-

<sup>1</sup> As set out in the Notice of General Meeting, Shareholder approval is sought for the issue of the following securities to Ian Hastings (or nominee):

- (a) up to 12,500,000 Shares, 12,500,000 \$0.008 Options and 12,500,000 \$0.02 Options pursuant to his participation in the Placement (as Placement Shares and Placement Options);
- (b) up to 14,375,000 \$0.008 Options and 14,375,000 \$0.02 Options pursuant to the SPP (as SPP Options); and
- (c) up to 15,000,000 \$0.008 Options (as Director and Management Options).

<sup>2</sup> As set out in the Notice of General Meeting, Shareholder approval is sought for the issue of the following securities to Ian Holland (or nominee):

- (a) up to 6,250,000 Shares, 6,250,000 \$0.008 Options and 6,250,000 \$0.02 Options pursuant to his participation in the Placement (as Placement Shares and Placement Options); and
- (b) up to 50,000,000 \$0.02 Options issued with certain vesting conditions as set out in the Notice of General Meeting.

<sup>3</sup> As set out in the Notice of General Meeting, Shareholder approval is sought for the issue of the following securities to John Chegwiddden (or nominee):

- (a) up to 7,500,000 \$0.008 Options and 7,500,000 \$0.02 Options pursuant to the SPP (as SPP Options); and
- (b) up to 5,000,000 \$0.008 Options (as Director and Management Options).

<sup>4</sup> As set out in the Notice of General Meeting, Shareholder approval is sought for the issue of the following securities to Mena Habib (or nominee):

- (a) up to 12,500,000 Shares, 12,500,000 \$0.008 Options and 12,500,000 \$0.02 Options pursuant to his participation in the Placement (as Placement Shares and Placement Options);
- (b) up to 7,500,000 \$0.008 Options and 7,500,000 \$0.02 Options pursuant to the SPP (as SPP Options); and
- (c) up to 10,000,000 \$0.008 Options (as Director and Management Options).

Whilst Shareholder approval will be sought at the General Meeting in relation to the above participation in the SPP, the Directors of the Company have not yet determined the number of SPP Shares (and SPP Options) that they will apply for under the SPP.

## 6.6 Payments and Benefits to Directors

Except as set out in this Prospectus, no person has paid or agreed to pay any amount, or provided or agreed to provide any benefit to:

- (a) any Director in order to induce them to become, or to qualify as, a Director; or
- (b) any Director for services provided by him in connection with:
  - (i) the formation or promotion of the Company, or
  - (ii) the Offers.

The remuneration paid or payable to each Director for the last two years (including cash and non-cash benefits) is set out in Section 6.7.

## 6.7 Remuneration of Directors and Executives

The following table shows the annual remuneration for the directors for the financial years ended 30 June 2022 and 30 June 2023 and the current financial year ending 30 June 2024:

Director	Cash salary and fees \$	Superannuation	Share-based payments equity-settled	Total
<b>2024 financial year</b>	\$	\$	\$	\$
Ian Hastings	71,344	-	-	71,344
Ian Holland <sup>1</sup>	16,066	-	-	16,066
John Chegwidan	26,754	-	-	26,754
Mena Habib <sup>2</sup>	26,459	-	-	26,459
Peter Mitchell <sup>3</sup>	49,180	-	-	49,180

Justin Ward <sup>4</sup>	295	-	-	295
<b>2023 financial year</b>				
Ian Hastings	102,000	-	-	102,000
Peter Mitchell <sup>3</sup>	120,000	-	-	120,000
John Chegwiddden	27,000	-	-	27,000
Justin Ward <sup>4</sup>	17,348	-	-	17,348
<b>2022 financial year</b>				
Ian Hastings	108,000	-	-	108,000
Peter Mitchell <sup>3</sup>	108,000	-	-	108,000
John Chegwiddden	36,000	-	-	36,000

<sup>1</sup> Appointed 1 March 2024

<sup>2</sup> Appointed 3 July 2023

<sup>3</sup> Resigned 27 November 2023

<sup>4</sup> Resigned 3 July 2023

Further detail of the remuneration of the Directors is set out in the Remuneration Report set out in the Company's 2023 Annual Report.

## 6.8 Interests of, and Issue of Payments and Benefits to, Advisors and Experts

Except as set out in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory, expert or any other capacity in connection with the preparation and distribution of this Prospectus, promoters of the Company (together, **Prescribed Persons**) holds, or at any time in the past two years held, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired in connection with the formation or promotion of the Company or the Offer; or
- (c) the Offers.

Except as set out in this Prospectus, no amounts have been paid or agreed to be paid to any Prescribed Person and no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offers.

GrilloHiggins Lawyers will receive the sum of approximately \$20,000 (excluding GST and disbursements) from the Company for the provision of legal services to the Company in connection with the Offers. During the 24 months preceding lodgement of this Prospectus with the ASIC, GrilloHiggins Lawyers has been paid fees totalling approximately \$62,500 (excluding GST and disbursements) for legal services provided to the Company.

GBA Capital Pty Ltd has acted as Lead Manager in respect of the Offers under this Prospectus, for which they will receive fees pursuant to the Lead Manager Mandate as summarised at Section 6.4. During the 24 months preceding lodgement of this Prospectus with ASIC, the Lead Manager has been paid fees totalling \$75,000 (excluding GST) for services provided to the Company.

Computershare Investor Services Pty Limited has acted as Share Registry in respect of the Offers under this Prospectus, for which they will receive fees on normal commercial terms.

## 6.9 Litigation

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

## 6.10 Consents

GrilloHiggins Lawyers has given and as at the date of this Prospectus has not withdrawn its consent to be named as the Company's solicitors in relation to the Offers. GrilloHiggins Lawyers has not authorised or caused the issue of any part of this Prospectus.

GBA Capital Pty Ltd has given, and as at the date of this Prospectus has not withdrawn, its consent to be named as Lead Manager in relation to the Offers. GBA Capital Pty Ltd has not authorised or caused the issue of any part of this Prospectus.

Computershare Investor Services Pty Limited has given, and as at the date of this Prospectus has not withdrawn, its consent to be named as Share Registry in relation to the Offers. The Share Registry has not authorised or caused the issue of any part of this Prospectus.

## 6.11 Expenses of the Offer

The total cash expenses of the Offers (excluding GST) are estimated to be the following:

Item	Amount
Legal and preparation expenses (ex GST)	\$20,000
ASIC fees	\$3,206



Printing, mailing and other expenses (ex GST)	\$32,860
<b>Total</b>	<b>\$56,066</b>

## 6.12 Target Market Determination

A Target Market Determination has been prepared for the New Options offered under this Prospectus as required under section 994B of the Corporations Act. A copy of the Target Market Determination is available at the Company's website at [www.adelonggold.com](http://www.adelonggold.com). It contains the information prescribed under section 994B of the Corporations Act, including a description of the class of consumers that comprises the target market for the New Options, the distribution conditions and restrictions of the New Options and certain review triggers. The Target Market Determination forms part of the Company's product governance arrangements in respect of its Options. The Target Market Determination does not apply to the secondary sales of any securities issued under this Prospectus.

## 6.13 Enquiries

If you have any queries about this Prospectus, please contact the Company Secretary between the hours of 8.30am and 5.00pm (AEDT/AEST), Monday to Friday on (03) 8611 5333 or +61 3 8611 5333.

Alternatively, contact your stockbroker or other professional adviser.

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## **7. DIRECTORS AUTHORISATION**

The Directors of the Company have authorised the issue of this Prospectus on behalf of the Company.

This Prospectus has been signed by a Director for and on behalf of the Directors, in accordance with section 351 of the Corporations Act.



**Mr Ian Hastings**

Non-Executive Chairman

## 8. GLOSSARY

In this Prospectus the following terms have the meanings ascribed to them below, unless the context otherwise requires.

TERM	DEFINITION
<b>\$0.008 Options</b>	Options exercisable at \$0.008 and expiring five years after the issue date and on the terms set out at Section 5.2
<b>\$0.02 Options</b>	Options exercisable at \$0.02 and expiring on 30 June 2026 and on the terms set out at Section 5.2
<b>AEDT</b>	Australian Eastern Daylight Time
<b>AEST</b>	Australian Eastern Standard Time
<b>Applicant(s)</b>	Person(s) who submit an Application
<b>Application</b>	A person who applies for New Options pursuant to an Offer
<b>Application Form</b>	An application form attached to or accompanying this Prospectus
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASX</b>	ASX Limited (ACN 008 624 691)
<b>ASX Settlement</b>	ASX Settlement Pty Limited (ACN 008 504 532)
<b>ASX Settlement Operating Rules</b>	The settlement rules of the securities clearing house which operates CHESS
<b>Board</b>	The board of Directors at the Company
<b>Business Day</b>	A business day as defined in the Listing Rules
<b>CHESS</b>	Clearing House Electronic Subregister System
<b>Closing Date</b>	The date the Offers close, being 5.00pm (AEST) on 24 April 2024, unless extended by the Company
<b>Company</b>	Adelong Gold Limited (ACN 120 973 775)
<b>Constitution</b>	The constitution of the Company
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth)
<b>Cosmo Gold</b>	Cosmo Gold Limited (ACN 636 743 649)

TERM	DEFINITION
<b>Director and Management Options</b>	Up to 45,000,000 \$0.008 Options
<b>Director and Management Options Offer</b>	The offer of the Director and Management Options by the Company to specific Directors and management
<b>Directors</b>	The directors of the Company
<b>Eligible Shareholder</b>	A person registered as the holder of Shares on the SPP Record Date whose registered address is in Australia or New Zealand.
<b>General Meeting</b>	The general meeting of the Company to be held on 29 April 2024
<b>GST</b>	Australian goods and services tax
<b>Ineligible Shareholder</b>	A Shareholder that is not an Eligible Shareholder, being a holder of Shares having a registered address outside Australia or New Zealand
<b>Issuer Sponsored Statement</b>	Issuer sponsored holding statement to be issued by CHESS
<b>Lead Manager</b>	GBA Capital Pty Ltd (ACN 643 039 123)
<b>Lead Manager Mandate</b>	The lead manager mandate between the Company and the Lead Manager dated 3 March 2024, as summary of which is set out at Section 6.4
<b>Lead Manager Options</b>	Up to 20,000,000 \$0.008 Options
<b>Lead Manager Options Offer</b>	The offer of the Lead Manager Options by the Company to the Lead Manager
<b>Listing Rules</b>	The official listing rules of the ASX
<b>Maximum Amount</b>	The maximum number of Options offered under this Prospectus, being a total of 865,000,000 Options comprised as follows: (a) 465,000,000 \$0.008 Options; and (b) 400,000,000 \$0.02 Options
<b>New Options</b>	Options issued under this Prospectus, being the \$0.008 Options and \$0.02 Options (as the context requires)
<b>Notice of General Meeting</b>	The notice of meeting for the General Meeting dated 25 March 2024

TERM	DEFINITION
<b>Offers</b>	The Placement Options Offer, the SPP Options Offer, the Shortfall Offer, the Lead Manager Options Offer and the Directors and Management Options Offer, made pursuant to this Prospectus
<b>Option</b>	An Option to acquire a Share
<b>Placement</b>	The proposed issue of the Placement Shares as announced to ASX on 6 March 2024
<b>Placement Options</b>	(a) up to 275,000,000 \$0.008 Options on the basis of one free attaching \$0.008 Option for every one Placement Share subscribed for and issued under the Placement; and (b) up to 275,000,000 \$0.02 Options (exercisable at \$0.02 and expiring 30 June 2026) on the basis of one free attaching \$0.02 Option for every one Placement Share subscribed for and issued under the Placement
<b>Placement Options Offer</b>	The offer of the Placement Options to the Placement Participants pursuant to this Prospectus
<b>Placement Participants</b>	Sophisticated investors, professional investors and senior managers introduced by the Lead Manager, where the allottees were determined in consultation with the Directors
<b>Placement Shares</b>	(a) Tranche 1 - 162,500,000 Shares issued on 13 March 2024, and (b) Tranche 2 - subject to obtaining shareholder approval, the issue of 112,500,000 Shares on or about the date of issue of the SPP Shares
<b>Prescribed Persons</b>	Prescribed Persons has the meaning given to it in Section 6.8
<b>Prospectus</b>	This Prospectus dated 2 April 2024
<b>Quotation</b>	Has the meaning given to the term 'quotation' in the Listing Rules
<b>Record Date</b>	7.00pm (AEDT) on 5 March 2024
<b>Resulting Shares</b>	Shares issued on the exercise of New Options issued under an Offer
<b>Section</b>	A section of this Prospectus
<b>Securities</b>	All securities on issue in the Company
<b>Shareholder</b>	A register holder of Shares appearing on the Company's share register

TERM	DEFINITION
<b>Share Registry</b>	Computershare Investor Services Pty Limited (ACN 078 279 277)
<b>Shares</b>	Ordinary fully paid shares in the capital of the Company
<b>Shortfall Offer</b>	The offer of Shortfall Options offered under and in accordance with this Prospectus
<b>Shortfall Options</b>	The New Options forming the shortfall under the SPP Options Offer which may be placed by GBA Capital in consultation with the Directors
<b>SPP</b>	Has the meaning given in Section 2.1
<b>SPP Offer</b>	The offer made to Eligible Shareholders for the SPP Shares pursuant to the SPP Offer Booklet
<b>SPP Offer Booklet</b>	The offer booklet prepared in accordance with <i>ASIC Corporations (Shares and Interest Purchase Plans) Instrument 2019/54</i> for the SPP dated on or about the date of this Prospectus
<b>SPP Options</b>	<p>(a) up to 125,000,000 \$0.008 Options on the basis of one free attaching \$0.008 Option for every one SPP Share subscribed for and issued under the SPP; and</p> <p>(b) up to 125,000,000 \$0.02 Options on the basis of one free attaching \$0.02 Option for every one SPP Share subscribed for and issued under the SPP</p>
<b>SPP Options Offer</b>	The offer of the SPP Options to Eligible Shareholders pursuant to this Prospectus
<b>SPP Participants</b>	Eligible Shareholders which elect to participate in the SPP
<b>SPP Record Date</b>	7.00pm (AEDT) on 5 March 2024
<b>SPP Shares</b>	Up to 125,000,000 Shares
<b>U.S. Securities Act</b>	U.S. Securities Act of 1933, as amended

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**CORPORATE DIRECTORY**
**Registered Office**

Adelong Gold Limited  
 Level 4, 91 William Street  
 Melbourne VIC 3000

**Solicitors to the Offers**

GrilloHiggins Lawyers  
 Level 25, 367 Collins Street  
 Melbourne VIC 3000

**Directors**

Ian Hastings – Non-Executive Chairman  
 Ian Holland – Managing Director  
 John Chegwiddden – Non-Executive Director  
 Mena Habib – Non-Executive Director

**Lead Manager**

GBA Capital Pty Ltd  
 Level 2, 68 Pitt Street  
 Sydney NSW 2000

**Secretary**

Andrew John Draffin

**Auditor\***

Morrows Audit Pty Ltd  
 Level 13, Freshwater Place  
 2 Southbank Boulevard  
 Southbank VIC 3006

**Website**

[www.adelonggold.com](http://www.adelonggold.com)

**Share Registry**

Computershare Investor Services Pty Limited  
 Yarra Falls, 452 Johnston Street  
 Abbotsford VIC 3067

**ASX Code**

Shares: ADG

*\*This entity has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only.*