DY6 METALS

PROSPECTUS

DY6 Metals Ltd
ACN 663 592 318

THE OFFERS COMPRISE:

(a) an initial public offering of a minimum of 25,000,000 Shares and a maximum of 35,000,000 Shares to be issued at a price of $0.20 per Share to raise a minimum of $5,000,000 and a maximum of $7,000,000 (before costs) (**Capital Raising Offer**); and

(b) an offer of 3,000,000 Options to be issued to the Lead Manager (or its nominees) as part consideration for the provision of lead manager and bookrunner services provided to the Company (**Lead Manager Offer**), (together, the **Offers**).

It is proposed that the Offers will close at 5:00pm (WST) on the Closing Date. The Company reserves the right to close the Offers earlier or to extend this date without notice. Applications must be received before that time.

IMPORTANT NOTICE

This is an important document and requires your immediate attention. It should be read in its entirety. Please consult your professional adviser(s) if you have any questions about this Prospectus.

Investment in the Securities offered pursuant to this Prospectus should be regarded as **highly speculative** in nature, and investors should be aware that they may lose some or all of their investment. Refer to Section 3 for a summary of the key risks associated with an investment in the Securities.

Lead Manager:

Sanlam PRIVATE Wealth

CONTENTS

Important Information

The Offers

This Prospectus is issued by DY6 Metals Ltd (ACN 663 592 318) (**Company**) for the purpose of Chapter 6D of the *Corporations Act 2001* (Cth) (**Corporations Act**). The offers in this Prospectus comprise: (i) an initial public offering of a minimum of 25,000,000 Shares and a maximum of 35,000,000 Shares to be issued at a price of $0.20 per Share to raise a minimum of $5,000,000 and a maximum of $7,000,000 (before costs) (**Capital Raising Offer**); and (ii) an offer of 3,000,000 Options to be issued to the Lead Manager (or its nominees) as part consideration for the provision of lead manager and bookrunner services provided to the Company (**Lead Manager Offer**).

Lodgement and listing

This Prospectus is dated, and was lodged with ASIC on, 3 April 2023 (**Prospectus Date**). Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Application will be made to ASX within seven days of the Prospectus Date for Official Quotation of the Shares the subject of the Capital Raising Offer.

Expiry Date

This Prospectus expires on the date which is 13 months after the Prospectus Date (**Expiry Date**). No Securities will be issued on the basis of this Prospectus after the Expiry Date.

Not investment advice

The information in this Prospectus is not investment or financial product advice and does not take account your investment objectives, financial situation or particular needs. It is important that you read this Prospectus carefully and in its entirety before deciding whether to invest in the Company.

In particular, you should consider the risk factors that could affect the performance of the Company. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant or other professional adviser before deciding whether to invest in the Company. See Section 3 for the key risks relating to an investment in the Company, noting there may be other risks relevant to your personal circumstances.

Except as required by law, and only to the extent required, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company, the repayment of capital by the Company or any return on investment in the Securities made pursuant to this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offers, other than as is contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company, the Directors, the Lead Manager or any other person in connection with the Offers.

Sanlam Private Wealth Pty Ltd (**Sanlam**) will act as Lead Manager to the Capital Raising Offer. To the maximum extent permitted by law, the Lead Manager and its affiliates, officers, employees and advisers expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Prospectus.

The Company, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before receiving their holding statement.

Exposure Period

The Corporations Act prohibits the Company from processing Applications in the seven-day period after the Prospectus Date (**Exposure Period**). The Exposure Period may be extended by ASIC by up to a further seven days. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus. In such circumstances, any Application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications under this Prospectus will not be processed by the Company until after the Exposure Period. No preference will be conferred upon Applications received during the Exposure Period.

No cooling-off rights

Cooling-off rights do not apply to an investment in Securities issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Conditional Offers

The Offers contained in this Prospectus are conditional on certain events occurring. If these events do not occur, the Offers will not proceed and Applicants will be refunded their Application Monies (without interest). See Section 1.5 for further details on the conditions attaching to the Offers.

Electronic Prospectus and Application Forms

During the Exposure Period, an electronic version of this Prospectus (without an Application Form) will be available at www.dy6metals.com to only persons in Australia and Hong Kong. Application Forms will not be made available until after the Exposure Period has expired.

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be a resident in Australia or Hong Kong and must only access this Prospectus from within Australia or Hong Kong.

The Prospectus is not available to persons in other jurisdictions in which it may not be lawful to make such an invitation or offer to apply for Securities. If you access the electronic version of this Prospectus, you should ensure that you download and read the Prospectus in its entirety.

Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the Application Form (free of charge) from the Company's registered office during the offer period by contacting the Company as detailed in the Corporate Directory. Applications will only be accepted on the Application Form attached to, or accompanying, this Prospectus. The Corporations Act prohibits any person from passing on to another person the Application Form unless it is attached to a paper copy.

Prospective investors wishing to subscribe for Securities under the Offers should complete the relevant Application Form. If you do not provide the information required on

the Application Form, the Company may not be able to accept or process your Application.

Notice to foreign investors

No action has been taken to register or qualify the Securities the subject of this Prospectus or the Offers, or otherwise to permit the offering of the Securities, in any jurisdiction outside Australia and Hong Kong (to the extent specified below).

The distribution of this Prospectus in jurisdictions outside of Australia and Hong Kong (including electronically) may be restricted by law and persons who come into possession of this Prospectus outside of Australia and Hong Kong should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the SFO). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Competent Persons Statement

The information in this Prospectus that relates to Exploration Targets and Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Sifiso Siwela, a Competent Person who is a fellow of GSSA and a professional geologist registered with SACNASP. Mr Siwela is employed by ERM Australia Consultants Pty Ltd trading as CSA Global (**CSA Global**). Mr Siwela has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Mr Siwela consents to the inclusion of the matters based on his information in the form and context in which it appears in this Prospectus and has not withdrawn his consent before lodgement of this Prospectus with ASIC.

All information in this Prospectus that relates to Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves has been prepared and reported in accordance with the JORC Code.

Taxation

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

The Company does not propose to give any taxation advice and, to the maximum extent permitted by law, the Company, its Directors and other officers and each of their respective advisers accept no responsibility or liability for any taxation consequences of subscribing for Securities under this Prospectus. You should consult your own professional tax advisers in regard to tax implications of the Offers.

Using this Prospectus

Persons wishing to subscribe for Securities offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses, and prospects of the Company and the rights and liabilities attaching to the Securities offered pursuant to this Prospectus. If persons considering subscribing for Securities offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

Statements of past performance

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Forward-looking statements

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

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

The Company does not undertake to, and does not intend to, update or revise any forward-looking statements, or publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

Any forward-looking statements are subject to various risks that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Forward-looking statements should be read in conjunction with, and are qualified by reference to, the risk factors as set out in Section 3. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors,

many of which are beyond the control of the Company, the Directors and the Company's management.

The Company, the Directors, the Company's management and the Lead Manager cannot and do not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Photographs and diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Prospectus Date.

Disclaimer

Except as required by law, and only to the extent so required, none of the Company, the Directors, the Company's management, the Lead Manager or any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Company website

Any references to documents included on the Company's website at www.dy6metals.com are for convenience only, and none of the documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Miscellaneous

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. Conversions may not reconcile due to rounding. All references to '$' are references to Australian dollars.

All references to time in this Prospectus are references to WST, being the time in Perth, Western Australia, unless otherwise stated.

Defined terms and abbreviations used in this Prospectus are detailed in the glossary in Section 9.

Corporate Directory

Directors

Mr Daniel Smith	Non-Executive Chairman
Mr Myles Campion	Non-Executive Director
Mr John Kay	Non-Executive Director
Dr Nannan He	Non-Executive Director

Company Secretary

Mr John Kay

Registered and Principal Office

Level 8, 99 St Georges Tce
Perth WA 6000

Phone: +61 8 9486 4036
Email: info@dy6metals.com
Website: www.dy6metals.com

Share Registry*

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth WA 6000, Australia
Registry Information line:
1300 850 505 (within Australia); or
+61 3 9415 4000 (outside Australia)

Legal - Australia

HWL Ebsworth Lawyers
Level 20, 240 St Georges Terrace
Perth WA 6000

Lead Manager

Sanlam Private Wealth Pty Ltd
Level 2, 33 York Street
Sydney NSW 2000
AFSL: 337927

Legal - Malawi

Messrs. William Faulkner
William Faulkner House
Area 15/175
Ntcheu Street
P.O. Box 30636
Lilongwe 3, Malawi

Corporate Advisor

Minerva Corporate Pty Ltd
Level 8, 99 St Georges Terrace
Perth WA 6000

Auditor*

Moore Audit Australia (WA)
Level 15, Exchange Tower
2 The Esplanade
Perth, WA 6000

Investigating Accountant

Moore Australia Corporate Finance (WA) Pty Ltd
Level 15, Exchange Tower
2 The Esplanade
Perth, WA 6000

Independent Geologist

ERM Australia Consultants Pty Ltd
trading as CSA Global
Level 3, 1-5 Havelock Street
West Perth, WA 6005

Proposed Stock Exchange Listing

Australian Securities Exchange (**ASX**)
ASX Code: **DY6**

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

Letter from the Chairman

Dear Investor

On behalf of the Board of DY6 Metals Ltd (**Company**), I am pleased to present this Prospectus and to invite you to become a Shareholder in the Company.

The Company is a mineral exploration and development company with a focus on heavy rare earth and critical metal projects in Malawi, including the acquisition of attractive exploration and development resource projects.

The Company has the right to acquire 100% of three highly prospective heavy rare earth and critical metal exploration projects in Southern Malawi, being:

(a) Machinga – prospective for Heavy Rare Earth Elements (HREE) and Niobium (Nb), Tantalum (Ta) and Zirconium (Zr);

(b) Salambidwe – prospective for HREE and Nb-Ta; and

(c) Ngala Hill – prospective for Palladium (Pd) rich Platinum Group Elements (PGEs), Copper (Cu) and Nickel (Ni).

The Company has secured a total of $2.5m in IPO commitments from two strategic cornerstone investors:

(a) Zhenshi Group (HK) Heshi Composite Materials Co., Limited, a Hong Kong based investment group with businesses spanning multiple industries, including composite materials production, trading and logistics, special steel production, mineral development and financial investments, has agreed to subscribe for $1,500,000 worth of Shares under the Capital Raising Offer; and

(b) Zhung Nam New Material Company Limited, a Hong Kong based investment group that focusses on the mining, beneficiation, processing and sale of heavy mineral sands and rare earths, has agreed to subscribe for $1,000,000 worth of Shares under the Capital Raising Offer.

The Company believes this demonstrates confidence in the quality of DY6's rare earth and critical metals exploration portfolio and management team.

The purpose of this Prospectus is to issue a minimum of 25,000,000 Shares and a maximum of 35,000,000 Shares to be issued at a price of $0.20 per Share to raise a minimum of $5,000,000 and a maximum of $7,000,000 (before costs). This Prospectus also incorporates a secondary offer to the Lead Manager (or its nominees) to subscribe for 3,000,000 Options (see section 1.2 for further details).

The proceeds from the Capital Raising Offer will be utilised to enable the Company to systematically explore across its Projects, pay corporate and administration costs, fund future acquisition costs and general working capital and pay the costs of the Offers.

This Prospectus contains detailed information about the Offers and the current and proposed operations of the Company, as well as the risks pertaining to an investment in the Company. Potential investors in the Company should carefully consider those risks (detailed in Section 3).

Before deciding on whether to invest in the Company, you should read this Prospectus carefully and consult with your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

We look forward to welcoming you as a Shareholder and sharing in what we believe are exciting and prospective times ahead for the Company, should you decide to take up Securities pursuant to the Offers.

Yours faithfully

Daniel Smith
Non-Executive Chairman

Key details of the Offers

Key details of the Offers[1]	Shares		Options	Performance Rights[4]	
	Minimum Subscription	**Maximum Subscription**		**Minimum Subscription**	**Maximum Subscription**
Existing Securities on issue	12,500,000	12,500,000	6,000,000[2]	1,500,000	1,500,000
Total number of Shares to be issued under the Capital Raising Offer	25,000,000	35,000,000	-	-	-
Total number of Options to be issued to the Lead Manager	-	-	3,000,000[3]	-	-
Total number of Securities to be issued to the Vendors	8,000,000	8,000,000	-	3,000,000	3,000,000
Total Securities on issue on completion of the Offers[5]	**45,500,000**	**55,500,000**	**9,000,000**	**4,500,000**	**4,500,000**
Fully diluted capital structure on completion of the Offers[6]	**59,000,000**	**69,000,000**			

Notes:

1. Please refer to Section 1.7 for further details relating to the current and proposed capital structure of the Company.
2. See Section 7.2 for the terms and conditions of the Options.
3. See Section 7.3 for terms of the Lead Manager Options. Also see Section 1.8 for further details of the fees payable to the Lead Manager.
4. See Section 7.4 for the terms of the Performance Rights.
5. Assuming no further Shares are issued and none of the Options or Performance Rights are exercised.
6. Assuming all Options and Performance Rights are issued and exercised, and no other Shares or convertible Securities are issued and exercised.

Indicative Timetable

Event	Date
Lodgement of Prospectus with ASIC	3 April 2023
Opening Date for the Offers	11 April 2023
Closing Date for the Offers	10 May 2023
Issue Date under the Offers	5 June 2023
Expected dispatch of holding statements	7 June 2023
Expected date for Official Quotation on ASX	8 June 2023

Note:

The dates shown in the table above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. The Company, in consultation with the Lead Manager, reserves the right to vary the dates and times of the Offers (including, to vary the Opening Date and Closing Date, to accept late Applications, either generally or in particular cases, or to cancel or withdraw the Offers before Completion) in each case without notifying any recipient of this Prospectus or any Applicants, which may have a consequential effect on other dates. If the Offers are cancelled or withdrawn before the allotment of Securities, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Applicants are therefore encouraged to lodge their Application Form and deposit the Application Monies as soon as possible after the Opening Date if they wish to invest in the Company. The admission of the Company to the Official List of the ASX and the commencement of quotation of the Shares are subject to confirmation from the ASX.

Investment Overview

This Section is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

Topic	Summary	More information
The Company, its business model and strategy		
Who is the issuer of the Prospectus?	DY6 Metals Ltd (ACN 663 592 318) (**Company**).	Section 2
Who is the Company and what does it do?	The Company is an early-stage mineral exploration and development company focused on heavy rare earths and critical metal discoveries in Malawi. The Company was only recently incorporated in November 2022. Pursuant to the Option Agreement, Company has the right to acquire 100% of three highly prospective heavy rare earth and critical metal projects in Southern Malawi, being: (a) Machinga – prospective for Heavy Rare Earth Elements (HREE) and Niobium (Nb), Tantalum (Ta) and Zirconium (Zr); (b) Salambidwe – prospective for HREE and Nb-Ta; and (c) Ngala Hill – prospective for Palladium (Pd) rich Platinum Group Elements (PGEs), Copper (Cu) and Nickel (Ni), (together, the **Projects**).	Sections 2.1 and 6.1
What is the Company's business model, growth strategy and key objectives?	Following Admission, the Company's primary focus is to increase Shareholder wealth through the exploration, development and acquisition of mineral resource projects. The primary focus will be on undertaking exploration and evaluation of the Projects described in this Prospectus. Funds raised through this prospectus will be applied to exploration of minerals on the Projects, in particular to: (a) further compilation and assessment of historical data; (b) surface geophysical sampling surveys; and (c) implementation of both diamond and RC core drilling programs. Although the Company's immediate focus will be on the existing Projects, as with most exploration entities, it will pursue and assess other new business opportunities in the resource sector over time which complement its business. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation. The Board will assess the suitability of investment opportunities by utilising its experience in evaluating projects. There are uncertainties in the process of identifying and	Section 2.3(b)

Topic	Summary	More information
	acquiring new and suitable projects. The Company confirms that it is not currently considering other acquisitions and that future acquisitions are likely to be in the mineral resource sector.	
Where does the Company operate and what are its main business activities?	The Company's business activities, being mineral exploration and development, are in Southern Malawi. See Section 2.5 and the Independent Geologist's Report at Annexure B for project specific location details.	Section 2.5 and Annexure B
How does the Company propose to achieve its objectives?	Following Admission, the Company's primary focus is to increase Shareholder wealth through the exploration, development and acquisition of mineral resource projects. The primary focus will be on undertaking exploration and evaluation of the Projects described in this Prospectus. Funds raised through this prospectus will be applied to exploration of minerals on the Projects, in particular to: (a) further compilation and assessment of historical data; (b) surface geophysical surveys; and (c) implementation of reverse circulation and diamond core drilling programs. Although the Company's immediate focus will be on the existing Projects, as with most exploration entities, it will pursue and assess other new business opportunities in the resources sector over time which complement its business. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation. The Board will assess the suitability of investment opportunities by utilising its experience in evaluating projects. There are uncertainties in the process of identifying and acquiring new and suitable projects. The Company confirms that it is not currently considering other acquisitions and that future acquisitions are likely to be in the mineral resource sector.	Section 2.3(b)
What are the key dependencies of the Company's business model?	The significant dependencies impacting the Company's business model are: (a) the maintenance (including renewal) of the tenements in which the Company has or acquires an interest; (b) tenure access and the grant of current or future licence applications; (c) commodity price volatility and exchange rate risk; (d) the ability to meet resource and reserves and exploration targets; (e) the accuracy of historical data pertaining to exploration targets, resource and reserve estimates in relation to the Projects and any future acquired interests; (f) the ability to raise further funds to satisfy expenditure requirements, exploration and operating costs; and	Section 2.3(c)

Topic	Summary	More information
	(g) minimising environmental impact and complying with health and safety requirements.	
Will the Company require more capital?	The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Projects are successfully developed and production commences. The Company believes its available cash and the net proceeds of the Offers should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Prospectus.	Section 2.7
Key risks		
Prospective investors should be aware that subscribing for Securities in the Company involves a number of risks and uncertainties. The risk factors set out in Section 3, and other general risks applicable to all investments in listed securities, may affect the value of the Securities in the future. An investment in the Company should be considered speculative. Investors may lose some or all of their investment. A non-exhaustive list of the key risk factors affecting the Company is set out below. Investors should refer to Section 3 for a more detailed summary of risks. The occurrence of any one of the risks below could adversely impact the Company's operating and financial performance.		
Limited operating history	The Company was only recently incorporated on 3 November 2022 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, its projects. Until the Company is able to realise value from the projects, it is likely to incur operational losses.	Section 3.1(a)
Operating in Malawi	The Company's Projects are located in Malawi. The political climate in Malawi is currently stable and generally held to offer a favourable outlook for foreign investments, however there is no guarantee that it will remain so in the future and changes in the government, regulatory and legislative regimes cannot be ruled out. Adverse changes in the Malawian Government's policy or legislation affecting foreign ownership of mineral interests, taxation, imposition of additional fees, repatriation of profit, royalties, land access, labour relations, granting of approval or consent and mining or exploration activities may affect the operations of the Company. It is possible that the current systems of granting exploration and mining concessions in Malawi may change, resulting in impairment of rights and possibly expropriation of one or more of the Tenements without adequate compensation. If at any stage the Company cannot pursue its exploration and development programmes because of such factors, the Company's financial condition and forward projections would be materially adversely affected.	Section 3.1(b)

Topic	Summary	More information
Grant and renewal of tenements	The Company's exploration activities are dependent upon the maintenance (including renewal) of the tenements in which the Company has or acquires an interest. Maintenance of the Company's tenements is dependent on, among other things, the Company's ability to meet the licence conditions imposed by relevant authorities including minimum annual expenditure requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. Exploration licences are generally required to be reduced in area by 50% at each renewal. However, this is not the case where an exploration licence covers an area of 25km^2 or less. On this basis, EL0529 will be reduced by 50% of its area size at its next renewal in November 2023 whilst the other granted licences will not be reduced any further. In addition, EL0510 will be subject to renewal in June 2023 (note, the Company has already submitted an application for renewal with the Department of Mines), and EL0518 and EL0529 will be subject to renewal in November of 2023, after which they may each be granted for a final two (2) years provided the relevant criteria has been met. During this final renewal period, the Company would need to assess whether to apply for a mining or retention licence on each Tenement, which would be dependent on the circumstances and exploration success at that point in time. Although the Company has no reason to think that the tenements in which it currently has an interest will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.	Section 3.1(c)
Department of Forestry Consent	The Company is currently awaiting grant of EL application APL0251 (Machinga South). On 29 April 2022, the Company received approval from the Department of Mines in Malawi for the exploration licence subject to permission from the Department of Forestry given part of the exploration area under the application falls within the Zomba-Malosa Forest Reserve. The Company is currently liaising with the Department of Forestry and providing all information the Department requires for assessment of the application. Although the Board does not foresee any issues with the Department (the previous owner's exploration licence was granted over much of the same area and therefore is low risk), there is no guarantee that the EL application will be granted.	Section 3.1(d)
Future Applications	Should the Company have success with its exploration activities and decide to move forward with commercial production, the Company will need to obtain a Mining Licence. The Company will also be required to obtain further environmental and technical permits for the construction and development of its commercial operations. There is a risk that these further permits and licences may not be granted which would have a significant material adverse effect on the viability of the Company. In addition, the granting of such approvals and consent may be withheld for lengthy periods or granted subject to satisfaction of certain conditions which the Company cannot or may consider impractical or uneconomic to meet.	Section 3.1(e)

Topic	Summary	More information
	The result of which may result in the delay or inability to exploit its projects further and the Company may incur additional costs of losses. Obtaining a full Mining Licence in Malawi is further dependent upon an applicant entering into negotiations with the Malawian Government in respect of royalties and taxes. Should the Company advance to this stage, there is no guarantee that the Company will be able to secure a favourable agreement with the Government that would secure a commercially viable prospect. Furthermore, the Malawian government has the ability to elect to take up to a 10% free equity stake on a large-scale mining licence.	
Early-Stage Exploration	A key risk, common to all exploration companies, is that the expected mineralisation may not be present or that it may be too small to warrant commercial exploitation. The Projects are at an early greenfields exploration stage. Considerable exploration is still required to determine the likelihood of discovery. If a discovery is made, significant work programs and studies are still required to test the potential of that discovery being economically mineable. Typically, such work programs are done by a stage gate process, with the aim of each stage to incrementally increase confidence in the mineralisation, decrease uncertainty and risks towards a decision to mine. While the Board is of the view that good potential exists at the Projects for discovery, it is uncertain whether the work programs to be undertaken by DY6 will deliver positive results. The work programs planned by DY6 are designed to test the potential of the Projects for discovery, thereby reducing the uncertainty and risks of the Projects.	Section 3.1(g)
Operational risks	The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions, fire, explosions and other incidents beyond the control of the Company. These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.	Section 3.1(h)
Future capital needs and Additional funding	The Company's funding requirements depend on numerous factors including the Company's ability to generate income from its projects, the outcome of future exploration and work programs and the acquisition of any new projects. The Company may require further funding in addition to current cash reserves to fund future exploration activities or the acquisition of new projects. Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if	Section 3.1(i)

Topic	Summary	More information
	and when needed, will be available on terms favourable to the Company or at all. Additional equity financing, if available, may be dilutive to shareholders and/or occur at prices lower than the market price. Debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed it may be required to reduce the scope of its exploration operations. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities, including resulting in the Tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern. However, the Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Western Australia and the Northern Territory and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted tenements for reasons beyond the control of the Company could be significant.	
Contractual risk	As at the date of this Prospectus, the Company's interests in the Projects are limited to a contractual right (rather than legal title) as an option to acquire a 100% interest in those Projects, subject to certain terms and conditions (further details in respect of which are set out in Section 6.1. The right to acquire the Projects is subject to the Company exercising the option under the Option Agreement, and subject to the satisfaction of certain conditions precedent. If completion of the Option Agreement does not occur, the Company will not acquire an interest in the relevant Projects. If the Company enters into agreements with third parties for the acquisition or divestment of equity interests in mineral exploration and mining projects there are no guarantees that any such contractual obligations will be satisfied in part or in full.	Section 3.1(j)
Exploration costs	The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.	Section 3.1(k)
Metallurgy	Metal and/or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as: (a) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;	Section 3.2(d)

Topic	Summary	More information
	(b) developing an economic process route to produce a metal and/or concentrate; and (c) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project. The economic recovery of rare earths is particularly complex. The Company's Projects are at an early stage, and limited work has been done on them to date. If the Company's is successful in its exploration activities, there is no guarantee that it will be able to economically produce concentrate to meet its objectives (whether by accessing or developing an economic recovery process).	
Environmental	The operations and proposed activities of the Company are subject to laws and regulations in Malawi concerning the environment. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations. Approvals are also required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities. Additionally, rare earths elements coexist with radioactive materials such as uranium and thorium. Rare earth element extraction and processing may result in radioactive exposures and radioactive waste generation. Attempts at reducing, reusing, and recycling existing rare earth elements will need to be made, irrespective of further extraction. Extraction will need to occur in accordance with environmental guidelines recognising the potential for long-term risks of environmental, worker, and community exposures to radioactive materials and other minerals or chemicals involved in or produced by REE extraction and processing. As such, there is a risk that environmental laws and regulations may become more onerous making the Company's operations more expensive.	Section 3.2(e)
Directors, key managers, interests, benefits and related party transactions		
Who are the Company's Directors and key management personnel?	As at the date of this Prospectus, the Board comprises of: (a) Daniel Smith - Non-Executive Chairman; (b) Myles Campion - Non-Executive Director; (c) Nannan He – Non-Executive Director; and (d) John Kay - Non-Executive Director.	Section 5.1

<table>
<tr><th>Topic</th><th>Summary</th><th>More information</th></tr>
<tr><td>What interests do the Directors and key management personnel have in the securities of the Company at the Prospectus Date and on Admission?</td><td>
The Directors and their related entities hold the following interests in Securities in the Company as at the date of this Prospectus:
<table>
<tr><th>Director and key management personnel</th><th>Shares</th><th>Voting Power %[1]</th><th>Options[5]</th><th>Performance. Rights[5]</th></tr>
<tr><td>John Kay</td><td>3,105,000[2]</td><td>24.8%</td><td>2,140,000[2]</td><td>750,000[2]</td></tr>
<tr><td>Daniel Smith</td><td>3,037,500[3]</td><td>24.3%</td><td>2,225,000[3]</td><td>750,000[3]</td></tr>
<tr><td>Myles Campion</td><td>325,000[4]</td><td>2.6%</td><td>562,500[4]</td><td>-</td></tr>
<tr><td>Nannan He[7]</td><td>925,556</td><td>7.4%</td><td>225,278</td><td>-</td></tr>
</table>
Notes:
1. Based on 12,500,000 Shares being on issue.
2. These securities are held by First Arrow Investments Pty Ltd ATF The First Arrow Trust, an entity controlled by Mr Kay.
3. 2,450,000 Shares, 2,225,000 Options and 750,000 Performance Rights are held by Bridge The Gap Trading Pty Ltd and 587,500 Shares are held by Orwellian Investments Pty Ltd, entities controlled by Mr Smith.
4. 125,000 Shares and 562,500 Options are held by Mr Campion personally and 200,000 Shares held by Virico (IOM) Ltd, an entity controlled by Mr Campion.
5. Options issued on the terms set out in Section 7.2.
6. Performance Rights issued on the terms set out in Section 7.4.
7. Dr He holds these securities via her private investment company, Woodsouth Asset Management Pty Ltd ATF the Woodsouth Trust.
Based on the intentions of the Directors at the date of this Prospectus in relation to the Offers, the Directors and their related entities will have the following interests in Securities on Admission:
<table>
<tr><th rowspan="2">Director and KMP</th><th colspan="2">Shares</th><th rowspan="2">Voting power (%)[(1)]</th><th rowspan="2">Options[5]</th><th rowspan="2">PRs[6]</th></tr>
<tr><th>Min. Sub</th><th>Max Sub.</th></tr>
<tr><td>Daniel Smith[3]</td><td>3,037,500</td><td>3,037,500</td><td>6.7%</td><td>2,225,000</td><td>750,000</td></tr>
</table>
</td><td>Section 5.6</td></tr>
</table>

Topic	Summary	More information

John Kay[2]	3,105,000	3,105,000	6.8%	2,140,000	750,000	
Myles Campion[4]	325,000	325,000	0.7%	562,500	-	
Nannan He[7]	925,556	925,556	2.0%	225,278	-	

Notes:

1. Based on the Minimum Subscription.
2. These securities are held by First Arrow Investments Pty Ltd ATF The First Arrow Trust, an entity controlled by Mr Kay.
3. 2,450,000 Shares, 2,225,000 Options and 750,000 Performance Rights are held by Bridge The Gap Trading Pty Ltd and 587,500 Shares are held by Orwellian Investments Pty Ltd, entities controlled by Mr Smith.
4. 125,000 Shares and 562,500 Options are held by Mr Campion personally and 200,000 Shares held by Virico (IOM) Ltd, an entity controlled by Mr Campion.
5. See section 7.2 for the terms and conditions of the Options.
6. See section 7.4 for the terms and conditions of the Performance Rights.
7. Dr He holds these securities via her private investment company, Woodsouth Asset Management Pty Ltd ATF the Woodsouth Trust.

What are the remuneration arrangements and benefits of the Directors and key management personnel?

The Company has entered into letters of appointment with Daniel Smith, Myles Campion, Nannan He and John Kay as set out in Section 6.3.

On and from the date of the Company's admission to the official list of the ASX, the Directors will receive the following remuneration:

Director	Remuneration (exclusive of superannuation) ($)
Nannan He	54,000
Myles Campion	54,000
Daniel Smith[1,2]	54,000
John Kay[1,3]	54,000

Notes:

1. In addition to the annual director fees outlined above, the Company has agreed to pay $50,000 to each of John Kay and Daniel Smith on Admission, for work undertaken in assisting the Company in relation to the Offers and listing on the ASX.
2. The Company has also entered into a consultancy agreement with Minerva Corporate, a company that Mr Smith is a director and minority shareholder, pursuant to which Minerva Corporate is engaged to provide CFO and accounting services. See Section 6.4 for details.
3. The Company has also entered into a consultancy agreement with Arcadia Corporate, a company that Mr Kay is a director and shareholder, pursuant to which Arcadia is engaged to provide company secretarial services. See Section 6.6 for details.

Section 5.8 and Section 6.3

<table>
<tr><th>Topic</th><th>Summary</th><th>More information</th></tr>
<tr><td>What important contracts and/or arrangements with related parties is the Company a party to?</td><td>The Company has entered into the following related party transactions on arms' length terms:
(a) letters of appointment with Myles Campion, Daniel Smith, Nannan He and John Kay on standard terms (refer to Section 6.3 for details);
(b) consultancy agreement with Minerva Corporate Pty Ltd, an entity in which Daniel Smith is a Director and shareholder (refer to Section 6.5 for details);
(c) consultancy agreement with Arcadia Corporate Pty Ltd, an entity in which John Kay is a Director and shareholder (refer to Section 6.6 for details; and
(d) deeds of indemnity, insurance and access with each of its Directors on standard terms (refer to Section 6.7) for details).</td><td>Section 6</td></tr>
<tr><td>Who will be the substantial holders of the Company?</td><td>Those Shareholders holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows:
<table><tr><th>Name</th><th>Number of Shares</th><th>% of Shares(1)</th></tr><tr><td>John Kay(2)</td><td>3,105,000</td><td>24.8%</td></tr><tr><td>Daniel Smith(3)</td><td>3,037,500</td><td>24.3%</td></tr><tr><td>Nannan He(4)</td><td>925,556</td><td>7.4%</td></tr></table>**Notes**:
1. Based on 12,500,000 Shares being on issue.
2. These Shares are held by First Arrow Investments Pty Ltd ATF The First Arrow Trust, an entity controlled by Mr Kay.
3. 2,450,000 Shares are held by Bridge The Gap Trading Pty Ltd and 587,500 Shares are held by Orwellian Investments Pty Ltd, entities controlled by Mr Smith.
4. Dr He holds these securities via her private investment company, Woodsouth Asset Management Pty Ltd ATF the Woodsouth Trust.
Based on the information known as at the date of this Prospectus, on Admission the following persons will have an interest in 5% or more of the Shares on issue:</td><td>Section 7.7</td></tr>
</table>

<table>
<tr><th>Topic</th><th>Summary</th><th>More information</th></tr>
<tr><td></td><td>
<table>
<tr><th rowspan="2">Name</th><th colspan="2">Number of Shares</th><th rowspan="2">% of Shares(1)</th></tr>
<tr><th>Minimum Subscription</th><th>Maximum Subscription</th></tr>
<tr><td>Zhenshi Group[4]</td><td>7,500,000</td><td>7,500,000</td><td>16.5%</td></tr>
<tr><td>Zhung Nam[5]</td><td>5,000,000</td><td>5,000,000</td><td>10.9%</td></tr>
<tr><td>John Kay[2]</td><td>3,105,000</td><td>3,105,000</td><td>6.8%</td></tr>
<tr><td>Daniel Smith[3]</td><td>3,037,500</td><td>3,037,500</td><td>6.7%</td></tr>
</table>
Notes:
1. Based on the minimum subscription.
2. These Shares are held by First Arrow Investments Pty Ltd ATF The First Arrow Trust, an entity controlled by Mr Kay.
3. 2,450,000 Shares are held by Bridge The Gap Trading Pty Ltd and 587,500 Shares are held by Orwellian Investments Pty Ltd, entities controlled by Mr Smith.
4. Zhenshi Group have entered into a firm commitment letter with the Company to subscribe for $1,500,000 under the Capital Raising Offer at $0.20 per Share. Refer to Section 6.4 for further details.
5. Zhung Nam have entered into a firm commitment letter with the Company to subscribe for $1,000,000 under the Capital Raising Offer at $0.20 per Share. Refer to Section 6.4 for further details.
</td><td></td></tr>
<tr><td>What are the Lead Manager’s interests in the Securities of the Company at the Prospectus Date and on Admission?</td><td>As at the date of this Prospectus, the Lead Manager and its associates have a relevant interest in 400,000 Shares and 150,000 Options. The Shares and Options are held by Maurice Feilich, a director of the Lead Manager, who acquired the Shares and Options for cash as part of the seed and pre-IPO funding.

Based on the information available to the Company as at the date of the Prospectus regarding the intentions of the Lead Manager and its associates in relation to the Capital Raising Offer and assuming:

(a) the Minimum Subscription is achieved under the Capital Raising Offer; and

(b) neither of the Lead Manager nor its associates take up any Shares under the Capital Raising Offer,

the Lead Manager and its associates will have a relevant interest in 400,000 Shares, 150,000 Options and up to 3,000,000 Lead Manager Options on Admission. Note however that the Lead Manager Options will be distributed by Sanlam amongst participating brokers under the Capital Raising Offer and therefore the final number of Lead Manager Options held by Sanlam may be less than this figure.</td><td>Section 1.8</td></tr>
</table>

Topic	Summary	More information
Financial information		
What is the Company's financial position?	The Company was incorporated on 3 November 2022. Given the Company is a mineral exploration company, it has not earned any revenue from its activities and is currently generating a loss. Financial information on the Company is set out in Section 4 and has been reviewed by the Investigating Accountant, whose report is set out in Annexure A.	Section 4
Are there any forecasts of future earnings?	There are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On these bases and after considering ASIC Regulatory Guide 170, the Directors do not believe they have a reasonable basis to reliably forecast future earnings and accordingly forecast financials are not included in this Prospectus.	Section 1.9
Will the Company have sufficient funds for its stated objectives?	The Company believes that the funds raised from the Capital Raising Offer will provide it with sufficient working capital to fund its near-term capital commitments and to achieve its stated objectives as detailed in this Prospectus.	Section 1.6
What is the Company's dividend policy?	The Company does not expect to pay dividends in the near future as its focus will primarily be on growing the existing business. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.	Section 2.8
Summary of the Offers		
What are the Offers?	The Capital Raising Offer is an initial public offering of Shares, at an offer price of $0.20 per Share (**Offer Price**), for the issue of a minimum of 25,000,000 Shares and a maximum of 35,000,000 Shares to be issued at a price of $0.20 per Share to raise a minimum of $5,000,000 and a maximum of $7,000,000 (before costs). This Prospectus also incorporates the offer of up to 3,000,000 Options to be issued to the Lead Manager (or its nominees) as part consideration for the provision of lead manager and bookrunner services provided to the Company.	Section 1.1

Topic	Summary	More information
What is the Offer Price?	$0.20 per Share.	Section 1.1
Is there a Minimum Subscription?	The minimum subscription under the Offer is $5,000,000 (before costs) (being 25,000,000 Shares) (**Minimum Subscription**). None of the Securities offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. Should Applications for the Minimum Subscription not be received within four months from the date of this Prospectus, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).	Section 1.4
What are the conditions of the Offers?	The Offers under this Prospectus are conditional upon the following events occurring: • the Company raising the Minimum Subscription; • to the extent required by ASX or the Listing Rules, certain persons entering into a restriction agreement imposing such restrictions on trading on the Company's Securities as mandated by the Listing Rules; and • ASX providing the Company with a list of conditions which, once satisfied, will result in ASX admitting the Company to the Official List. If these conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Offers to the Applicants (without interest) in accordance with the Corporations Act.	Section 1.5
Why are the Offers being conducted and what are the proposed use of funds?	The purpose of this Prospectus is to: • to raise a minimum of $5,000,000 (before costs) under the Capital Raising Offer; • provide funding for the purposes outlined in Section 1.6; • assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission; • position the Company to seek to achieve the objectives detailed in Section 2; • provide the Company with access to capital markets to improve financial flexibility; and • provide the Company with the benefits of an increased profile that arises from being a listed entity. The Company’s source of funds and intended use of the funds, assuming completion of the Offers, is set out in Section 1.6. The allocation of funds may change depending on several factors, including market conditions, the	Section 1.3

Topic	Summary	More information
	development of new opportunities and materialisation of any risks described in Section 3, and actual expenditure levels may differ significantly from the above estimates.	
What is the effect of the Offers on the capital structure of the Company?	The Company's capital structure upon Admission will be as set out in Section 1.7.	Section 1.7
How do I apply for Shares under the relevant Offer?	Applications for Shares under the Capital Raising Offer can be made using the Application Form accompanying this Prospectus. The Application Form must be completed in accordance with the instructions set out on the form.	Section 1.10
When will I know if my Application was successful?	The Directors, in conjunction with the Lead Manager will allocate Shares in the Capital Raising Offer at the Directors' sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward. The allocation policy will be influenced, but not constrained by the following factors: (a) number of Shares bided for by particular Applicants; (b) timeliness of the bid by particular Applicants; (c) the Company's desire for an informed and active trading market following completion; (d) the Company's desire to establish a wide spread of institutional Shareholders; (e) overall level of demand under the Broker Firm and Institutional Offer and General Public Offer; (f) size and type of funds under management of particular Applicants; (g) likelihood that particular Applicants will be long-term Shareholders; and (h) other factors that the Company and the Lead Manager consider appropriate. There is no assurance that any Applicant will be allocated any Shares under the Capital Raising Offer, or the number of Shares for which it has applied. The Company reserves the right to reject any Application or to issue a lesser number of Shares than those applied for under the Capital Raising Offer. Where the number of Shares issued is less than the number applied for, surplus Application Monies will be refunded (without interest) as soon as reasonably practicable after the Closing Date.	Section 1.14

Topic	Summary	More information
What are the terms of the Shares offered under the Offers?	The Shares to be issued by the Company pursuant to the Capital Raising Offer, are of the same class and will rank equally with the existing Shares on issue. The rights and liabilities attaching to the Shares are further described in Section 7.1.	Section 1 and 7.1
Is there a cooling off period?	No.	N/A
Can the Offers be withdrawn?	The Company, in consultation with the Lead Manager, may at any time decide to withdraw this Prospectus and the Offers in which case the Company will return all Application Monies (without interest) to the Applicants within 28 days of giving notice of their withdrawal.	Section 1.20
Who is the Lead Manager?	Sanlam Private Wealth Pty Ltd (ABN 18 136 960 775) holder of Australian Financial Services Licence (AFSL) 337927).	Section 1.8
Are the Offers underwritten?	No.	Section 1.17
Will the Shares be quoted?	Within seven days after the date of this Prospectus, the Company will apply to ASX for admission to the Official List and for the Shares, including those offered by this Prospectus, to be granted Official Quotation (apart from any Shares that may be designated by ASX as restricted securities). If ASX does not grant permission for Official Quotation within three months after the date of this Prospectus (or within such longer period as may be permitted by ASIC) none of the Securities offered by this Prospectus will be allotted and issued. If no allotment and issue is made, all Application Monies will be refunded to Applicants (without interest) as soon as practicable.	Section 1.10
Are there any escrow arrangements?	As at the date of this Prospectus the Company expects, on a Maximum Subscription basis, approximately 14,000,000 Shares, 7,750,000 Options and 4,500,000 Performance Rights to be subject to 24 months escrow and 6,500,000 Shares and 1,250,000 Options to be subject to 12 months escrow. However, please note that these figures are subject to change following consultation with the ASX. The Company may, in its discretion, resolve to enter into voluntary restriction agreements.	Section 1.19
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, stamp duty or other costs are payable by Applicants.	Section 1.10

Topic	Summary	More information
How can I find out more about the Prospectus or the Offers?	Questions relating to the Offers and the completion of an Application Form can be directed to the Company Secretary on +61 8 9486 4036 or john.kay@dy6metals.com.	Section 1.24

1. Details of the Offers

1.1 The Capital Raising Offer

The Capital Raising Offer is an initial public offering of Shares, at an offer price of $0.20 per Share (**Offer Price**), for the issue of a minimum of 25,000,000 Shares and a maximum of 35,000,000 Shares to be issued at a price of $0.20 per Share to raise a minimum of $5,000,000 and a maximum of $7,000,000 (before costs).

This Prospectus also incorporates the offer of 3,000,000 Options to be issued to the Lead Manager (or its nominees) as part consideration for the provision of lead manager and bookrunner services provided to the Company.

The Offers are made with disclosure under this Prospectus and is made on the terms, and is subject to the conditions, set out in this Prospectus.

The Shares to be issued by the Company pursuant to the Capital Raising Offer, are of the same class and will rank equally with the existing Shares on issue. The rights and liabilities attaching to the Shares are further described in Section 7.1.

Applications for Shares under the Capital Raising Offer must be made on the Application Form accompanying this Prospectus, and otherwise in accordance with Section 1.10. Persons wishing to apply for Shares under the Capital Raising Offer should refer to Section 1.10 for further details and instructions.

(a) Structure of the Capital Raising Offer

The Capital Raising Offer comprises:

(i) Broker Firm and Institutional Offer

The Broker Firm and Institutional Offer is open to Australian and Hong Kong resident investors and Institutional Investors in Australia and Hong Kong who have received a firm allocation of Shares from a Broker. Applications may only be made on an Application Form attached to or accompanying this Prospectus. If you are an investor applying under the Broker Firm and Institutional Offer, you should complete the application procedure advised to you by your Broker. Please contact your Broker for further instructions.

(ii) General Public Offer

The General Public Offer is open to members of the general public with a registered address in Australia or Hong Kong. Applications may only be made on an Application Form attached to or accompanying this Prospectus or by submitting an online Application.

1.2 Lead Manager Offer

This Prospectus includes a separate offer of 3,000,000 Lead Manager Options to be issued to the Lead Manager (or its nominees) under this Prospectus.

The Company has agreed to issue the Lead Manager Options to the Lead Manager (or its nominees) upon successful completion of the Offers as partial consideration for the provision

of lead manager and bookrunner services provided in connection with the Offers. No funds will be raised from the Lead Manager Offer.

Only the Lead Manager (or its nominees) may accept the Lead Manager Offer.

The Lead Manager Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares issued upon exercise of any Lead Manager Options into Shares.

An Application Form in relation to the Lead Manager Offer will be issued to the Lead Manager (or its nominees) together with a copy of this Prospectus.

Refer to Section 6.2 for a summary of the Lead Manager Mandate.

1.3 Purpose of the Offers

The purpose of this Prospectus is to:

(a) to raise a minimum of $5,000,000 (before costs) under the Capital Raising Offer;

(b) complete the acquisition of the Projects in accordance with the Option Agreement;

(c) provide funding for the purposes outlined in Section 1.6;

(d) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission;

(e) position the Company to seek to achieve the objectives detailed in Section 2;

(f) provide the Company with access to capital markets to improve financial flexibility; and

(g) provide the Company with the benefits of an increased profile that arises from being a listed entity.

1.4 Minimum Subscription

The minimum subscription under the Offer is $5,000,000 (before costs) (being 25,000,000 Shares) (**Minimum Subscription**). The maximum subscription under the Offer is $7,000,000 (before costs) (being 35,000,000 Shares).

None of the Securities offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. Should Applications for the Minimum Subscription not be received within four months from the date of this Prospectus, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

1.5 Conditional Offers

The Offers under this Prospectus are conditional upon the following events occurring:

(a) the Company raising the Minimum Subscription;

(b) to the extent required by ASX or the Listing Rules, certain persons entering into a restriction agreement imposing such restrictions on trading on the Company's Securities as mandated by the Listing Rules; and

(c) ASX providing the Company with a list of conditions which, once satisfied, will result in ASX admitting the Company to the Official List.

If these conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Offers to the Applicants (without interest) in accordance with the Corporations Act.

1.6 Proposed use of funds

Following the Offers, it is anticipated that the following funds will be available to the Company:

Source of funds	$	
	Minimum Subscription	**Maximum Subscription**
Existing cash as at the date of this Prospectus	705,400	705,400
Proceeds from the issue of Shares under the Capital Raising Offer	5,000,000	7,000,000
Total funds available	**5,705,400**	**7,705,400**

The following tables show the intended use of funds in the 24-month period following Admission:

Use of funds - Year 1	**$'000**		**%**	
	Minimum Subscription	**Maximum Subscription**	**Minimum Subscription**	**Maximum Subscription**
Exploration expenditure	1,400	1,575	24.54%	20.44%
— Machinga	900	1,000	15.77%	12.98%
— Salambidwe	350	400	6.13%	5.19%
— Ngala Hill	150	175	2.63%	2.27%
New Project Evaluation	285	400	5.00%	5.19%
Administration costs(1)	265	375	4.64%	4.87%
Working capital(2)	512	690	8.97%	8.96%

Use of funds - Year 1	$'000		%	
	Minimum Subscription	Maximum Subscription	Minimum Subscription	Maximum Subscription
Estimated expenses of the Offers[3]	538	665	9.43%	8.63%
Total Funds allocated - Year 1	**3,000**	**3,705**	**52.58%**	**48.08%**

Use of funds - Year 2	$'000		%	
	Minimum Subscription	Maximum Subscription	Minimum Subscription	Maximum Subscription
Exploration expenditure	1,625	2,350	28.48%	30.50%
— Machinga	1,000	1,450	17.53%	18.82%
— Salambidwe	400	600	7.01%	7.79%
— Ngala Hill	250	300	4.38%	3.89%
New Project Evaluation	285	400	5.00%	5.19%
Administration costs[1]	265	375	4.65%	4.87%
Working capital[2]	530	875	9.29%	11.36%
Total Funds allocated - Year 2	**2,705**	**4,000**	**47.42%**	**51.92%**
TOTAL FUNDS ALLOCATED	**5,705**	**7,705**	**100%**	**100%**

Notes:

1. Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.

2. To the extent that:

   (a) the Company's exploration activities warrant further exploration activities; or

   (b) the Company is presented with additional acquisition opportunities,

   the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions). Any

amounts not so expended will be applied toward administration costs for the period following the initial 2-year period following the Company's quotation on ASX.

3. Expenses paid or payable by the Company in relation to the Offers is set out in Section 7.12.

If the Company raises more than the Minimum Subscription but less than the Maximum Subscription, the additional funds raised will be proportionately applied towards the allocation of the funds under the use of funds tables above.

The above table is a statement of current intentions as at the date of this Prospectus. Prospective investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including market conditions, the development of new opportunities and/or any number of other factors (including the risk factors outlined in Section 3), and actual expenditure levels, may differ significantly from the above estimates.

The Company believes that the funds raised from the Capital Raising Offer will provide it with sufficient working capital to fund its near-term capital commitments and to achieve its stated objectives as detailed in this Prospectus.

The use of further equity funding may be considered by the Company where it is appropriate to accelerate a specific project or strategy.

Based on the intended use of funds detailed above, the amounts raised pursuant to the Capital Raising Offer will provide the Company with sufficient funding for approximately the 24 month period following Admission (based on the Minimum Subscription). The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash and the net proceeds of the Capital Raising Offer should be adequate to fund its business objectives in the short term as stated in this Prospectus, however, the Company may require further financing in the future. See Section 3 for further details about the risks associated with the Company's future capital requirements.

1.7 Capital structure on Admission

On the basis that the Company completes the Offers on the terms in this Prospectus, the Company's capital structure will be as follows:

Capital Structure[(1)]	**Shares**		**Options**	**Performance Rights**[(4)]	
	Minimum Subscription	**Maximum Subscription**		**Minimum Subscription**	**Maximum Subscription**
Existing Securities on issue	12,500,000	12,500,000	6,000,000[2]	1,500,000	1,500,000
Total number of Shares to be issued under the Capital Raising Offer	25,000,000	35,000,000	-	-	-

Total number of Options to be issued to the Lead Manager	-	-	3,000,000[3]	-	-
Total number of Securities to be issued to the Vendors	8,000,000	8,000,000	-	3,000,000	3,000,000
Total Securities on issue on completion of the Offers[(5)]	**45,500,000**	**55,500,000**	**9,000,000**	**4,500,000**	**4,500,000**
Fully diluted capital structure on completion of the Offers[(6)]	**59,000,000**	**69,000,000**			

Notes:

1. Please refer to Section 2.4 for further details relating to the Company's current capital structure.
2. See Section 7.2 for the terms of issue of the Options.
3. See Section 7.3 for the terms of issue of the Lead Manager Options. See Section 1.8 for further details of the fees payable to the Lead Manager.
4. See Section 7.4 for the terms of the Performance Rights.
5. Assuming no further Shares are issued and none of the Options or Performance Rights are exercised.
6. Assuming all Options and Performance Rights are issued and exercised and no other Shares or convertible Securities are issued and exercised.

The Company's free float at the time of Admission will be not less than 20%.

1.8 Lead Manager's interests in the Offers

Sanlam Private Wealth Pty Ltd have been appointed as exclusive Lead Manager to the Capital Raising Offer. The Lead Manager is a party to the Lead Manager Mandate that is summarised in Section 6.2.

(a) Fees payable to the Lead Manager

The Company has or will pay to the Lead Manager the following fees in connection with the Offers:

(i) a management fee of 2% (plus GST) of the proceeds from the Capital Raising Offer (other than in respect of proceeds received under the Firm Commitment Letters, where a management fee of 1% (plus GST) will apply);

(ii) an equity raising fee of 4% (plus GST) on all amounts raised under the Offer, other than from investors introduced by the Company (e.g. Zhenshi and Zhung Nam);

(iii) the Lead Manager Options, and

(iv) $10,000 (plus GST) corporate administration fee for book running, allocation management, funds reconciliation, application form completions/bank reconciliations, DVP agent costs associated,

in accordance with the Lead Manager Mandate summarised in Section 6.2.

(b) **Lead Manager's interests in Securities**

As at the date of this Prospectus, the Lead Manager and its associates have a relevant interest in 400,000 Shares and 150,000 Options. The Shares and Options are held by Maurice Feilich, a director of the Lead Manager, who acquired the Shares and Options for cash as part of the seed and pre-IPO funding.

Based on the information available to the Company as at the date of the Prospectus regarding the intentions of the Lead Manager and its associates in relation to the Capital Raising Offer and assuming:

(i) the Minimum Subscription is achieved under the Capital Raising Offer; and

(ii) neither of the Lead Manager nor its associates take up any Shares under the Capital Raising Offer,

the Lead Manager and its associates will have a relevant interest in 400,000 Shares, 150,000 Options and up to 3,000,000 Lead Manager Options on Admission. Note however that the Lead Manager Options will be distributed by Sanlam amongst participating brokers under the Capital Raising Offer and therefore the final number of Lead Manager Options held by Sanlam may be less than this figure.

(c) **Lead Manager's participation in previous placements**

Other than participation in pre-IPO fund raising by the Company (as noted above), the Lead Manager has not participated in any other placement of Securities by the Company in the two years preceding lodgement of this Prospectus.

1.9 Forecasts

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

The Directors consequently believe that, given these inherent uncertainties, it is not possible to include reliable forecasts in this Prospectus.

Refer to Section 2 for further information in respect to the Company's proposed activities.

1.10 Applications

(a) **The Capital Raising Offer**

Applications for Shares under the Capital Raising Offer can be made using the Application Form accompanying this Prospectus. The Application Form must be completed in accordance with the instructions set out on the form.

No brokerage, stamp duty or other costs are payable by Applicants.

(i) **Option 1: Submit an an Application Form with a cheque**

Completed Application Forms and accompanying cheques must be received by the Share Registry before 5.00pm (WST) on the Closing Date by either being delivered to or posted to the following address:

By Post
Computershare Investor Services Pty Limited GPO BOX 52 , Melbourne Vic 3001

Cheques must be made payable to “DY6 METALS LTD” and should be crossed 'Not Negotiable'.

(ii) **Option 2: Submit an online Application Form and pay with BPAY®**

For online Applications, investors can apply online at https://www.computersharecas.com.au/dy6ipooffer

Applicants paying the Application Monies by BPAY® will be given a BPAY® biller code and a customer reference number (CRN) unique to the online Application once the online Application Form has been completed. BPAY® payments must be made from an Australian dollar account of an Australian institution. Using the BPAY® details, Applicants must:

(A) access their participating BPAY® Australian financial institution either via telephone or internet banking;

(B) select to use BPAY® and follow the prompts;

(C) enter the biller code and unique CRN that corresponds to the online Application;

(D) enter the amount to be paid which corresponds to the value of Shares under the online Application Form;

(E) select which account payment is to be made from;

(F) schedule the payment to occur on the same day that the online Application Form is completed. Applications without payment will not be accepted; and

(G) record and retain the BPAY® receipt number and date paid.

Investors should confirm with their Australian financial institution whether there are any limits on the investor's account that may limit the amount of any BPAY® payment and the cut off time for the BPAY® payment.

You should be aware that you will only be able to make a payment via BPAY® if you are the holder of an account with an Australian financial institution which

supports BPAY® transactions. When completing your BPAY® payment, please make sure you use the specific biller code and your unique CRN provided on the online Application Form. If you do not use the correct CRN, your Application will not be recognised as valid.

The Company accepts no responsibility for any failure to receive Application Monies by BPAY® before the Closing Date arising as a result of, among other things, processing of payments by financial institutions.

The online Application Form and BPAY® payment must be completed and received by no later than the Closing Date.

An original, completed and lodged Application Form together with confirmation of BPAY® payment for the Application Monies, constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application as valid and how to construe amend or complete the Application Form is final; however an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the BPAY® for the Application Monies.

It is the responsibility of Applicants outside of Australia to obtain all necessary approvals for the allotment and issue of Shares pursuant to this Prospectus.

The return of a completed Application Form with the requisite Application Monies (if applicable) will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained and that the Applicant:

(A) agreed to be bound by the terms of the Capital Raising Offer;

(B) agreed to be bound by the terms of the Constitution;

(C) acknowledged having personally received a printed or electronic copy of the Prospectus (and any supplementary or replacement prospectus) including or accompanied by the Application Form and having read them all in full;

(D) declares that all details and statements in the Application Form are complete and accurate;

(E) declares that, if they are an individual, they are over 18 years of age and have full legal capacity and power to perform all its rights and obligations under the Application Form;

(F) acknowledged that, once the Company receives an Application Form, it may not be withdrawn;

(G) applied for the number of Shares at the Australian dollar amount shown on the front of the Application Form;

(H) agreed to being allocated and issued or transferred the number of Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;

(I) acknowledged that the Company may not pay dividends, or that any dividends paid may not be franked;

(J) declared that the Applicant(s) is/are a resident of Australia or Hong Kong;

(K) authorises the Company and its respective officers or agents, to do anything on their behalf necessary for the Shares to be issued to them, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;

(L) acknowledges that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Shares are suitable for them given their investment objectives, financial situation or particular needs;

(M) acknowledges that the Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and Hong Kong (to the extent disclosed in this Prospectus), and accordingly, the Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws;

(N) acknowledged and agreed that the Capital Raising Offer may be withdrawn by the Company, or may otherwise not proceed in the circumstances described in this Prospectus; and

(O) acknowledged and agreed that if the listing does not occur for any reason, the Capital Raising Offer will not proceed.

The Capital Raising Offer may be closed at an earlier date and time at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Capital Raising Offer or accept late Applications.

Applications under the Capital Raising Offer must be for a minimum of 10,000 Shares ($2,000) and then in increments of 2,500 Shares ($500).

Applications for Shares under the Capital Raising Offer must be made on the relevant Application Form accompanying this Prospectus and received by the Company on or before the Closing Date.

Queries regarding the above information or how to apply should be directed to the Company's Share Registry at 1300 850 505 (within Australia) or +61 3 9415 5000 (outside Australia).

(b) **Lead Manager Offer**

Only the Lead Manager (or its nominees) may accept the Lead Manager Offer. A personalised application form in relation to the Lead Manager Offer will be issued to the Lead Manager (or its nominees) together with a copy of this Prospectus.

No monies are payable for the issue of the Lead Manager Options under the Lead Manager Offer.

1.11 CHESS and issuer sponsorship

The Company will apply to participate in CHESS. All trading on the ASX will be settled through CHESS. ASX Settlement, a wholly-owned subsidiary of the ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry will operate an electronic issuer sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of securities.

Under CHESS, the Company will not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be sent to Shareholders as soon as practicable after allotment. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Shares on the CHESS sub-register) or by the Company's Share Registry (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of existing Shares (where applicable) and the number of new Shares allotted under this Prospectus and provide details of a Shareholder's holder identification number (for Shareholders who elect to hold Shares on the CHESS sub-register) or Shareholder reference number (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each Shareholder at the end of each month in which there is a transaction on their holding, as required by the Listing Rules.

1.12 ASX Listing and Official Quotation

Within seven days after the date of this Prospectus, the Company will apply to ASX for admission to the Official List and for the Shares, including those offered by this Prospectus, to be granted Official Quotation (apart from any Shares that may be designated by ASX as restricted securities).

If ASX does not grant permission for Official Quotation within three months after the date of this Prospectus (or within such longer period as may be permitted by ASIC) none of the Securities offered by this Prospectus will be allotted and issued. If no allotment and issue is made, all Application Monies will be refunded to Applicants (without interest) as soon as practicable.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the Securities offered pursuant to this Prospectus.

1.13 Application Monies to be held in trust

Application Monies will be held in trust for Applicants until the allotment of the Securities. Any interest that accrues will be retained by the Company. No allotment of Securities under this Prospectus will occur unless:

(a) the Company raises not less than $5,000,000 (before costs) under the Capital Raising Offer; and

(b) ASX grants conditional approval for the Company to be admitted to the Official List (refer to Section 1.12).

1.14 Allocation and issue of Shares

The Directors, in conjunction with the Lead Manager will allocate Shares in the Capital Raising Offer at the Directors' sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward.

The allocation policy will be influenced, but not constrained by the following factors:

(a) number of Shares bid for by particular Applicants;

(b) timeliness of the bid by particular Applicants;

(c) the Company's desire for an informed and active trading market following completion;

(d) the Company's desire to establish a wide spread of institutional Shareholders;

(e) overall level of demand under the Broker Firm and Institutional Offer and General Public Offer;

(f) size and type of funds under management of particular Applicants;

(g) likelihood that particular Applicants will be long-term Shareholders; and

(h) other factors that the Company and the Lead Manager consider appropriate.

There is no assurance that any Applicant will be allocated any Shares under the Capital Raising Offer, or the number of Shares for which it has applied. The Company reserves the right to reject any Application or to issue a lesser number of Shares than those applied for under the Capital Raising Offer. Where the number of Shares issued is less than the number applied for, surplus Application Monies will be refunded (without interest) as soon as reasonably practicable after the Closing Date.

Subject to the matters in Section 1.12, Securities under the Offers are expected to be allotted on the Issue Date. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares issued under the Capital Raising Offer. Applicants who sell Shares before they receive their holding statements do so at their own risk.

1.15 Trading and selling Shares on market

It is expected that trading of the Shares on the ASX will commence on or about 8 June 2023 and dispatch of initial holding statements is expected to occur on or about 7 June 2023.

It is the responsibility of each person who trades in Shares to confirm their holding before trading in Shares. If you sell Shares before receiving a holding statement, you do so at your own risk. The Company, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, if you sell Shares before receiving your holding statement.

1.16 Risks

Prospective investors should be aware that an investment in the Company should be considered highly speculative and involves a number of risks inherent in the various business segments of the Company. Section 3 details the key risk factors which prospective investors should be aware of. It is recommended that prospective investors consider these risks carefully before deciding whether to invest in the Company.

This Prospectus should be read in its entirety as it provides information for prospective investors to decide whether to invest in the Company. If you have any questions about the desirability of, or procedure for, investing in the Company please contact your stockbroker, accountant or other independent adviser.

1.17 Underwriting

The Offers are not underwritten.

1.18 Overseas Applicants

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these 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 or otherwise permit an offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia and Hong Kong (to the extent disclosed below). Applicants who are resident in countries other than Australia and Hong Kong should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia, it is your responsibility to obtain all necessary approvals for the issue of the Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

Hong Kong

This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the

Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the SFO). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

1.19 Escrow arrangements

ASX will classify certain existing Securities on issue in the Company (as opposed to those to be issued under this Prospectus) as being subject to the restricted securities provisions of the Listing Rules (**Restricted Securities**). Restricted Securities will be required to be held in escrow for up to 24 months commencing on the date on which quotation of the Restricted Securities commences, or 12 months from the date the Restricted Securities are issued by the Company (as applicable) and will not be able to be sold, mortgaged, pledged, assigned or transferred for that period without the prior approval of ASX. During the period in which these Restricted Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

Prior to Admission, the Company will either issue restriction notices or enter into restriction deeds with certain recipients of the Restricted Securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow.

As at the date of this Prospectus the Company expects, on a Maximum Subscription basis, approximately 14,000,000 Shares, 7,750,000 Options and 4,500,000 Performance Rights to be subject to 24 months escrow and 6,500,000 Shares and 1,250,000 Options to be subject to 12 months escrow. The Company may, in its discretion, resolve to enter into voluntary restriction agreements.

1.20 Withdrawal

The Company, in consultation with the Lead Manager, may at any time decide to withdraw this Prospectus and the Offers in which case the Company will return all Application Monies (without interest) to the Applicants within 28 days of giving notice of their withdrawal.

1.21 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Securities under the Offers.

The Company, the Lead Manager and their respective advisers and officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Securities under the Offers.

1.22 Privacy disclosure

Persons who apply for Securities 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 security holders, 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 you do not provide the information required on the relevant Application Form, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.23 Paper copies of Prospectus

The Company will provide paper copies of this Prospectus (including any supplementary or replacement document) and the Application Form to investors upon request and free of charge. Requests for a paper copy Prospectus and Application Form should be directed to the Company Secretary on +61 9486 4036 or john.kay@dy6metals.com.

1.24 Enquiries

This Prospectus provides information for potential investors in the Company, and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser.

Questions relating to the Offers and the completion of an Application Form can be directed to the Company Secretary on +61 9486 4036 or john.kay@dy6metals.com.

2. Company Overview

2.1 Introduction

The Company is an early-stage mineral exploration and development company focused on rare earth and critical metals discoveries in Malawi, a landlocked country in south-eastern Africa which borders Tanzania, Mozambique and Zambia.

As set out below, the Company has the right to acquire 100% of three highly prospective heavy rare earth and critical metal projects in Southern Malawi, being:

(a) Machinga – prospective for Heavy Rare Earth Elements (HREEs) and Niobium (Nb), Tantalum (Ta) and Zirconium (Zr);

(b) Salambidwe – prospective for HREEs and Nb-Ta; and

(c) Ngala Hill – prospective for Palladium (Pd) rich Platinum Group Elements (PGEs), Copper (Cu) and Nickel (Ni),

(together, the **Projects**).

The Machinga Project is particularly enriched in the high-value heavy REEs (**HREEs**) including dysprosium (Dy) and terbium (Tb) which are critical minerals in the supply chain for high end magnet uses, such as wind turbines and electric vehicle motors.

The Projects contain a number of high-grade historical drilling and/or workings with drill ready targets, with significant potential to define new mineralised zones. While the Company has developed and designed programs to undertake exploration activities on each of the Projects, it will also look to pursue and assess other new business opportunities in the resources sector over time which complement its business.

2.2 Company history

The Company was incorporated on 3 November 2022 in the state of Western Australia as an early-stage mineral exploration and development company. The Company recently converted to a public unlisted company on 21 March 2023.

On 16 December 2022, the Company entered into a binding option agreement with the shareholders of Green Exploration Limited (ie. GEL), a Malawian entity which holds title to three (3) granted exploration licences: EL0529 (Machinga), EL0518 (Salambidwe), EL0510 (Ngala Hills) and one (1) exploration licence application: APL0251 (Machinga South) (together the **Tenements**) located in Malawi and prospective for heavy rare earths and critical minerals (ie. the Option Agreement).

Pursuant to the Option Agreement, the Company has the right (subject to the satisfaction of certain conditions) to acquire 100% of the issued shares in the capital of a newly incorporated interposed Australian entity (Green Exploration (Australia) Pty Ltd (ie. GEA)) free from encumbrances, and in turn, the Tenements (ie. the Tenement Option). The shareholders of GEL and GEA (ie. the Vendors) are unrelated parties of the Company.

The Option Agreement contemplates that upon exercise of the Tenement Option, the corporate group will be structured as follows (which will all occur simultaneously as part of Settlement):

(a) the Company will acquire 100% of the issued share capital of GEA from the Vendors;

(b) GEA will acquire 100% of the shares in GEL (the holder of the Tenements); and

(c) GEA will be a wholly owned subsidiary of the Company, with GEL as a wholly owned subsidiary of GEA.

As such, at listing the Company will have the group structure as shown in the diagram below at Section 2.4.

A summary of the Option Agreement is contained in Section 6.1.

For further details regarding the Projects and Tenements, refer to Section 2.5, the Independent Geologist's Report in Annexure B and the Solicitor's Report in Annexure C.

The Company's Board comprises Daniel Smith (Non-Executive Chairman), Nannan He (Non-Executive Director), Myles Campion (Non-Executive Director) and John Kay (Non-Executive Director). Further information on the Board is set out in Section 5.

2.3 Business model of the Company

(a) Nature of the business

The Company is an early-stage mineral exploration and development company. Its primary function is the discovery, delineation and/or development of mineral resource projects. The Company has compiled historical exploration data on the Projects, including drill results, geophysical data sets and sampling data undertaken by previous owners, and during January and February 2023, conducted a verification field program at the Machinga Project, which included rock chip sampling, mapping and assaying. The Company's business model will be to utilise this historical data (including that of the recent field visits) to design exploration programs to delineate additional mineralisation.

(b) Strategy, plans and objectives

Following Admission, the Company's primary focus is to increase Shareholder wealth through the exploration, development and acquisition of mineral resource projects. The primary focus will be on undertaking exploration and evaluation of the Projects described in this Prospectus. Funds raised through this prospectus will be applied to exploration of minerals on the Projects, in particular to:

(i) further compilation and assessment of historical data;

(ii) surface geophysical surveys; and

(iii) implementation of reverse circulation and / or diamond core drilling programs.

Although the Company's immediate focus will be on the existing Projects, as with most exploration entities, it will pursue and assess other new business opportunities in the resource sector over time which complement its business. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation. The Board will assess the suitability of investment opportunities by utilising its experience in evaluating projects. There are uncertainties in the process of identifying and acquiring

new and suitable projects. The Company confirms that it is not currently considering other acquisitions and that future acquisitions are likely to be in the mineral resource sector.

(c) **Significant dependencies**

The Company is an early-stage mineral exploration and development company and, as such, has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. Its business is the discovery of mineralisation with a focus on targeting commodities and deposits that have potential for economic viability.

The Company will initially rely on its available cash and the net proceeds of the Capital Raising Offer to fund its business development activities, exploration program and other Company objectives in the short term, as stated in this Prospectus. The Company may require further funding in addition to current cash reserves to fund future exploration activities or the acquisition of new projects.

The significant dependencies impacting the Company's business model are:

(i) the maintenance (including renewal) of the tenements in which the Company has or acquires an interest;

(ii) tenure access and the grant of current or future licence applications;

(iii) commodity price volatility and exchange rate risk;

(iv) the ability to meet resource and reserves and exploration targets;

(v) the accuracy of historical data pertaining to exploration targets, resource and reserve estimates in relation to the Projects and any future acquired interests;

(vi) the ability to raise further funds to satisfy expenditure requirements, exploration and operating costs; and

(vii) minimising environmental impact and complying with health and safety requirements.

2.4 Company structure

(a) **Capital structure of the Company**

As at the date of this Prospectus, the capital structure of the Company, and particulars of its current Shareholders (and their related entities), are as follows:

Shareholder	Shares	%[1]	Options[2]	Performance Rights[3]
John Kay[4]	3,105,000	24.8	2,140,000	750,000
Daniel Smith[5]	3,037,500	24.3	2,225,000	750,000

Shareholder	Shares	%[1]	Options[2]	Performance Rights[3]
Myles[6] Campion	325,000	2.6%	562,500	-
Nannan He[7]	925,556	7.4%	225,278	-
Non-related party Shareholders	5,106,944	40.9%	847,222	-
Securities on issue as at the date of this Prospectus	**12,500,000**	**100**	**6,000,000**	**1,500,000**

Notes:

1. Based on 12,500,000 Shares being on issue.
2. Options issued on the terms set out in Section 7.2.
3. Refer to Section 7.4 for terms of the Performance Rights.
4. These securities are held by First Arrow Investments Pty Ltd ATF The First Arrow Trust, an entity controlled by Mr Kay.
5. 2,450,000 Shares, 2,225,000 Options and 750,000 Performance Rights are held by Bridge The Gap Trading Pty Ltd and 587,500 Shares are held by Orwellian Investments Pty Ltd, entities controlled by Mr Smith.
6. 125,000 Shares and 562,500 Options are held by Mr Campion personally and 200,000 Shares held by Virico (IOM) Ltd, an entity controlled by Mr Campion.
7. Dr He holds these securities via her private investment company, Woodsouth Asset Management Pty Ltd ATF the Woodsouth Trust.

(b) **Corporate structure**

Upon Admission, the corporate structure of the Group will be as follows:

(i) DY6 Metals Ltd (ACN 663 592 318) (parent entity), a company registered in Australia on 3 November 2022, that conducts its business activities primarily in Malawi;

(ii) Green Exploration (Australia) Pty Ltd, a company registered in Australia on 24 March 2023, a wholly owned subsidiary of the Company, that proposes to conduct its business activities primarily in Malawi; and

(iii) Green Exploration Limited, a company registered in Malawi (with company number 1013506) on 14 June 2021, that conducts its business activities primarily in Malawi.

A diagram setting out the corporate structure of the Group on completion of the Offers is set out below:

The Company does not have any other Related Bodies Corporate.

See the Solicitor's Report in Annexure C for details regarding the Company's interest in the Tenements.

(c) **Company status and financial year**

The Company will be subject to tax at the Australian corporate tax rate. The Company's financial year for taxation purposes ends on 30 June. The Company may form an Australian income tax consolidated group with effect from on or around completion of the Offers. A full assessment of the income tax consolidation implications will be completed following completion of the Offers and the Company will make a choice at that time whether it is in the best interests of the Company to form an income tax consolidated group.

2.5 Overview of the Company's Projects and previous exploration

(a) **Tenements**

The Tenements are all located in Southern Malawi.

Full details on the status of the Tenements can be found in the Solicitor's Report in Annexure C and information pertaining to the regional and local geology and exploration work on the Tenements is contained in the Independent Geologist's Report in Annexure B.

(b) **The Projects**

Full details on the Projects, including previous history, geology, exploration, and prospects is set out in the Independent Geologist's Report in Annexure B.

2.6 Proposed exploration budgets

Please refer to section 9 of Independent Geologist's Report in Annexure B and Section 1.6 of this Prospectus for details of the proposed exploration budget for the Projects over the next two (2) years post Admission. The Company proposes to fund these intended activities from the proceeds of the Offers.

It should be noted that the proposed budget will be subject to modification on an ongoing basis depending on the results obtained from exploration. This will involve an ongoing assessment of the Company's Projects and may lead to increased or decreased levels of expenditure on certain interests, reflecting a change in emphasis.

Subject to the above, the budget takes into account the proposed expenses over the next 2 years to complete initial exploration of the Tenements. As budgeted, the Company's exploration expenditure will exceed the statutory requirements for each of the Tenements (see section 9 of the Independent Geologist's Report in Annexure B for further details):

2.7 Financing arrangements

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Projects are successfully developed and production commences. The Company believes its available cash and the net proceeds of the Offers should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Prospectus.

Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities or the registering of security interests over the Company's assets. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities including resulting in the Tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

2.8 Dividend policy

The Company does not expect to pay dividends in the near future as its focus will primarily be on growing the existing business.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

3. Risk Factors

As with any share investment, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company but should not be taken as an exhaustive list of the potential risk factors to which the Company and its Shareholders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Shares.

Any investment in the Company under this Prospectus should be considered highly speculative.

3.1 Risks specific to the Company

(a) Limited operating history

The Company was incorporated on 3 November 2022 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, its projects. Until the Company is able to realise value from the projects, it is likely to incur operational losses.

(b) Operating in Malawi

The Company's Projects are located in Malawi. The political climate in Malawi is currently stable and generally held to offer a favourable outlook for foreign investments, however there is no guarantee that it will remain so in the future and changes in the government, regulatory and legislative regimes cannot be ruled out.

DY6 may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity.

Adverse changes in the Malawian Government's policy or legislation affecting foreign ownership of mineral interests, mining or exploration activities, taxation, imposition of additional fees, repatriation of profit, royalties, land access, labour relations, granting of approval or consent, exchange control, mine safety, export duties and environmental protection may affect the operations of the Company.

Government regulations may also change relating to employment of local staff or contractors or other requirements that require benefits to be provided to local residents. Operating in Malawi may also involve risks relating to potential social or political instability, hyperinflation, currency non-convertibility, government participation and land claims by local people.

It is also possible that the current systems of granting exploration and mining concessions in Malawi may change, resulting in impairment of rights and possibly expropriation of one or more of the Tenements without adequate compensation.

If at any stage the Company cannot pursue its exploration and development programmes because of the abovementioned factors, the Company's financial condition and forward projections would be materially adversely affected.

(c) **Grant and renewal of Tenements**

The Company's exploration activities are dependent upon the maintenance (including renewal) of the tenements in which the Company has or acquires an interest. Maintenance of the Tenements is dependent on, among other things, the Company's ability to meet the licence conditions imposed by relevant authorities including minimum annual expenditure requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements.

The Company has secured three granted exploration licences and one exploration licence application, with title details as follows:

Tenement	Title Holder	Area Size	Status	Expiry
EL0510	GEL	16.4 km^2	Granted (next renewal 17/06/23)	17/06/25
EL0518	GEL	24.9 km^2	Granted (next renewal 27/11/23)	27/11/25
EL0529	GEL	42.9 km^2	Granted (next renewal 27/11/23)	27/11/25
APL0251	GEL	157.5 km^2	Application	-

An exploration licence (EL) covering a preliminary period in accordance with the Mines Act is granted for a period not exceeding three (3) years. Thereafter two successive periods of renewal may be granted, but each must not exceed two (2) years. This means that an exploration licence has a potential life span of seven (7) years. Exploration licences that have come to the end of their term can be converted by the exploration licence holder into a retention licence (RL) for a term of up to five years subject to the satisfaction of certain criteria.

Exploration licences are generally required to be reduced in area by 50% at each renewal. However, this is not the case where an exploration licence covers an area of 25km^2 or less. On this basis, EL0529 will be reduced by 50% of its area size at its next renewal in November 2023 whilst the other granted licences will not be reduced any further.

In addition, EL0510 will be subject to renewal in June 2023 (note, the Company has already submitted an application for renewal with the Malawian Department of Mines), and EL0518 and EL0529 will be subject to renewal in November of 2023, after which they may each be granted for a final two (2) years provided the relevant criteria has been met. During this final renewal period, the Company would need to assess whether to apply for a mining or retention licence on each Tenement, which would be dependent on the circumstances and exploration success at that point in time.

Although the Company has no reason to think that any Tenement will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.

(d) **Department of Forestry consent**

The Company is currently awaiting grant of exploration licence application APL0251(Machinga South). On 29 April 2022, the Company received conditional approval from the Department of Mines in Malawi for the exploration licence, subject to permission from the Malawian Department of Forestry as part of the exploration area under the application falls within the Zomba-Malosa Forest Reserve.

The Company is currently liaising with the Department of Forestry and providing information the Department requires for assessment of the application. The Board does not foresee issues in obtaining the Department of Forestry's consent because the previous owner's exploration licence was granted over much of the same area. However, it is not certain that the application will be granted. If the application is not granted, the Company will not be able to explore, develop and discover mineral resources on that tenement. Even if the application is granted, it may be subject to conditions or a reduction to the original area applied for.

(e) **Future applications**

Should the Company have success with its exploration activities and decide to move forward with commercial production, the Company will need to obtain a mining licence. The Company will also be required to obtain further environmental and technical permits for the construction and development of its commercial operations. There is a risk that these further permits and licences may not be granted which would have a significant material adverse effect on the viability of the Company.

In addition, the granting of such approvals and consent may be withheld for lengthy periods or granted subject to satisfaction of certain conditions which the Company cannot or may consider impractical or uneconomic to meet. This could result in the delay or inability to exploit projects and the Company could incur additional costs or losses.

Obtaining a full mining licence in Malawi is also dependent upon an applicant entering into negotiations with the Malawian Government in respect of royalties and taxes. Should the Company advance to this stage, there is no guarantee that the Company will be able to secure a favourable agreement with the Government that would secure a commercially viable project. Difficulty in obtaining a mining licence could have a materially adverse effect on the financial prospects of the Company.

The Malawi Government also has the right to elect to acquire, without cost, up to a 10% free equity ownership interest in any mining project that will be subject to a large-scale mining licence. Should the Company apply for a mining licence, the Malawi Government exercising this right would reduce Company's share of any potential earnings from a mining project.

(f) **Mineral rights and licences and uncertainty of acquiring or extending the necessary mining licence, permit and access rights in Malawi**

Government concessions, approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental offices. These rights, concessions and any others acquired in the future, are subject to requirements, including certain financial commitments which, if not fulfilled, could result in the suspension or ultimate forfeiture of the relevant rights, concessions or licences. The

Company must also comply with existing standards, laws and regulations that may result in the Company incurring greater costs and/or suffering delays, depending on the nature of the activity to be permitted and the permitting authority.

Failure by the Company to acquire and retain the necessary mining and environmental concessions, licences, permits or government consents, revocation of an existing concession or permit, failure to renew a concession, licence or permit or failure to obtain a concession, licence or permit that is required to move from one stage of the industry cycle to another could have a material adverse effect on the Company's financial performance and may lead to a reduction in the carrying value of assets and may jeopardise the viability of its projects. Where the Company fails to comply with its work programme, expenditure commitments including the minimum expenditure requirements outlined in the relevant Malawian legislation, or other obligations in respect of any such concessions, licences or permits, then the said concession, licence or permit may be lost, forfeited or not renewed by the grantor, or the relevant surface area may be reduced.

(g) **Early-stage exploration**

A key risk, common to all exploration companies, is that the expected mineralisation may not be present or that it may be too small to warrant commercial exploitation. The Projects are at an early greenfields exploration stage. Considerable exploration is still required to determine the likelihood of discovery. If a discovery is made, significant work programs and studies are still required to test the potential of that discovery being economically mineable. Typically, such work programs are done by a stage gate process, with the aim of each stage to incrementally increase confidence in the mineralisation, decrease uncertainty and risks towards a decision to mine. While the Board is of the view that good potential exists at the Projects for discovery, it is uncertain whether the work programs to be undertaken by DY6 will deliver positive results. The work programs planned by DY6 are designed to test the potential of the Projects for discovery, thereby reducing the uncertainty and risks of the Projects.

(h) **Operational risks**

The operations of the Company may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including environmental hazards, transport delays, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

(i) **Future capital needs and additional funding**

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of the Company will depend on many

factors including its business development activities. The Company believes its available cash and the net proceeds of the Capital Raising Offer should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Prospectus.

The Company's funding requirements depend on numerous factors including the Company's ability to generate income from its projects, the outcome of future exploration and work programs and the acquisition of any new projects.

The Company may require further funding in addition to current cash reserves to fund future exploration activities or the acquisition of new projects. Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. Additional equity financing, if available, may be dilutive to shareholders and/or occur at prices lower than the market price. Debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed it may be required to reduce the scope of its exploration operations.

If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities, including resulting in the Tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

(j) **Contractual risk**

As at the date of this Prospectus, the Company's interests in the Tenements are limited to a contractual right (rather than legal title) as an option to acquire a 100% interest in those Tenements, subject to certain terms and conditions (see summary of the Option Agreement at Section 6.1).

The right to acquire the Tenements is subject to the Company exercising the option under the Option Agreement, and subject to the satisfaction of certain conditions precedent. If completion of the Option Agreement does not occur, the Company will not acquire an interest in the relevant Tenements.

Further, if the Company enters into agreements with third parties for the acquisition or divestment of equity interests in mineral exploration and mining projects there are no guarantees that any such contractual obligations will be satisfied in part or in full.

(k) **Exploration costs**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(l) **Currency fluctuations**

Currency fluctuations may affect the costs that the Company incurs at its operations. Rare earth elements are sold throughout the world based principally on a US dollar

price, but a large portion of the Company's operating expenses are incurred in Malawian Kwacha. The appreciation of the Malawian Kwacha against the US dollar would increase the costs of production of rare earth elements which could materially and adversely affect the Company's earnings and financial condition.

(m) **Resource estimates and targets**

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when made may change significantly when new information becomes available.

In addition, resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

(n) **Reputational risk**

The Company's operations are dependent on positive relationships with a small number of organisations (including the government of Malawi). Damage to the Company's reputation in Malawi due to the actual or perceived occurrence of certain events could negatively impact the Company.

Reputation loss could lead to increased challenges in developing and maintaining community relations, decreased investor confidence, and the impediment of the Company's overall ability to ability to advance the Tenements, thereby having a material adverse impact on financial performance.

(o) **Malawi legal system**

Malawi's legal system is less developed than in some more established countries which may result in the following risks:

(i) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation or in an ownership dispute;

(ii) a higher degree of discretion held by various government officials or agencies;

(iii) the lack of political or administrative guidance on implementing applicable rules and regulations, particularly in relation to taxation and property rights;

(iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or

(v) relative inexperience of the judiciary and court in matters affecting the Company.

The commitment of local individuals and entities, government officials and the judicial system to abide by legal requirements or negotiated agreements may be subject to uncertainty, and the ability to obtain redress for infringement of the Company's rights may not be assured. As such, the effectiveness and enforcement of any such arrangements may be subject to uncertainty.

A rent resource tax of 15% after tax profit is currently legislated in the taxation act in Malawi. However, in practice it is not currently being applied to mining projects in Malawi and it is uncertain if it would apply to the Company's projects in Malawi in the future. If it were to be applied, this could have a material effect on the economics of the Company's projects in the future.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

3.2 Risks relating to the industry generally

(a) Exploration risk

The Tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the Tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to the Tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, a reduction in the cash reserves of the Company and possible relinquishment of the Tenements.

(b) Development risk

If the Company does locate commercially viable reserves of minerals, then the future development of a mining operation at any of the Company's projects will be subject to a number of risks, including:

(i) geological and weather conditions causing delays and interference to operations;

(ii) obtaining all necessary and requisite approvals from relevant authorities and third parties;

(iii) technical and operational difficulties associated with mining of minerals and production activities;

(iv) access to necessary funding;

(v) mechanical failure of plant and equipment;

(vi) shortage or increases in price of consumables, and plant and equipment;

(vii) environmental hazards, fires, explosions and other accidents;

(viii) transportation facilities;

(ix) costs overruns; and

(x) the costs of extraction being higher than expected.

There is no guarantee that the Company will achieve commercial viability through the development of its projects. If the Company locates commercial reserves of minerals, it will need to apply for a mining licence over the area. The risks associated with such an application are set out in Section 3.1(e).

(c) **Operating risk**

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

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(d) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as:

(i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;

(ii) developing an economic process route to produce a metal and/or concentrate; and

(iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

The economic recovery of rare earths is particularly complex. The Tenements are at an early stage, and limited work has been done on them to date. If the Company is successful in its exploration activities, there is no guarantee that it will be able to economically produce concentrate to meet its objectives (whether by accessing or developing an economic recovery process).

(e) **Environmental risk**

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

and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

Approvals are also required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

Additionally, rare earths elements coexist with radioactive materials such as uranium and thorium. Rare earth element extraction and processing may result in radioactive exposures and radioactive waste generation. Attempts at reducing, reusing, and recycling existing rare earth elements will need to be made, irrespective of further extraction. Extraction should only take place under strict environmental guidelines recognising the potential for long-term risks of environmental, worker, and community exposures to radioactive materials and other minerals or chemicals involved in or produced by rare earth element extraction and processing. As such, there is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

(f) **Reliance on key personnel**

The Company is reliant on technical consultants and other resource industry specialists engaged on a consultancy basis to provide analyses and recommendations on, and carry out, exploration activities in respect of its projects. The availability of suitable technical consultants and resource industry specialists may be limited and there may be delays in securing equipment and personnel required to carry out the Company’s planned activities. This may result in cost and time overruns which may have a material adverse effect on the Company.

(g) **Infrastructure**

Development of the Projects depend to a significant degree on adequate infrastructure. In the course of developing its operations the Company may need to construct and support the construction of infrastructure, which includes, permanent water supplies, power, transport and logistics services which affect capital and operating costs. Unusual or infrequent weather phenomena, power shortages, sabotage, government or other interference in the maintenance or provision of such infrastructure or any failure or unavailability in such infrastructure could materially adversely affect the Company’s operations, financial condition and results of operations.

(h) **Transportation delays**

Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations. Any such issues arising in respect of the supporting infrastructure or on the Company's site could materially and adversely affect the Company's operations or financial condition. Furthermore, any failure or unavailability of the Company's operational infrastructure (for example, through equipment failure or disruption to its transportation arrangements) could adversely affect future operations.

(i) **Metals and currency price volatility**

The Company's ability to proceed with the development of its projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of rare earth elements. Consequently, any future earnings are likely to be closely related to the price of rare earth elements and the terms of any off-take agreements that the Company enters into.

The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for metals that may be mined commercially in the future from the Company's project areas, technological advancements, forward selling activities and production cost levels in major mineral-producing regions. Mineral prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency. As a result, the Company is exposed to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets, which could have a material effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.

(j) **Commodity**

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for base metals, forward selling by producers, and production cost levels in major metal-producing regions.

Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the commodity as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(k) **Regulatory risks**

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, conditions including environmental compliance and rehabilitation, taxation, employee

relations, health and worker safety, waste disposal, protection of the environment, heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time-consuming process and there is a risk that the Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.

3.3 General risks

(a) Securities investments

There are risks associated with any securities investment. The prices at which the securities of the Company trade may fluctuate in response to a number of factors. Furthermore, the stock market, and in particular the market for mining and exploration companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the securities of the Company regardless of its operational performance.

(b) Share market conditions

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

(i) general economic outlook;

(ii) introduction of tax reform or other new legislation;

(iii) interest rates and inflation rates;

(iv) changes in investor sentiment toward particular market sectors;

(v) the demand for, and supply of, capital; and

(vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Force majeure**

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

(d) **Government and legal risk**

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

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

(e) **Litigation risks**

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(f) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(g) **General economic and political risks**

Changes in the general economic and political climate in Australia and Malawi and on a global basis may impact on economic growth, interest rates, the rate of inflation, taxation and tariff laws, domestic security which may affect the value and viability of any activities that may be conducted by the Company.

(h) **Insurance**

Insurance against all risks associated with the Company's business is not always available or affordable. The Company maintains insurance where it is considered appropriate for its needs however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

(i) **Unforeseen expenditure risks**

Expenditure may need to be incurred which has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently required or incurred, this may adversely impact budgeted expenditure proposals by the Company.

(j) **Infectious disease**

The outbreak of coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets and share prices.

The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19. Further, any measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations. In particular, the restrictions on accessing certain mandated quarantined areas may materially impact the timeline for negotiations in relation to access agreements and heritage clearances required by the Company.

(k) **Climate change risks**

Climate change is a risk the Company has considered, particularly related to its operations in the mining industry. 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 may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and

(ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(l) **Force majeure**

Force majeure is a term used to refer to an event beyond the control of a party claiming that the event has occurred. Significant catastrophic events – such as war, acts of terrorism, pandemics, loss of power, cyber security breaches or global threats – or natural disasters - such as earthquakes, fire or floods or the outbreak of epidemic disease – could disrupt the Company's operations and interrupt critical functions, or otherwise harm the business. To the extent that such disruptions or uncertainties

result in delays or cancellations of the deployment of the Company's products and solutions, its business, results of operations and financial condition could be harmed.

(m) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation point of view and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Securities under this Prospectus.

In addition, there may also be unforeseen tax consequences as a result of the Acquisition or exchange of shares which may be imposed on the Company as a result of change in government policy or directive, post-Admission. Despite attempts to mitigate such risks, there is no guarantee that such policies or impositions will not affect the Company in the future.

(n) **Unforeseen risk**

There may be other risks which the Directors are unaware of at the time of issuing this Prospectus which may impact on the Company, its operations and/or the valuation and performance of its Shares.

3.4 Speculative investment

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

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

4. Financial Information

4.1 Introduction

This Section sets out the Historical Financial Information and Pro Forma Financial Information of DY6 Metals Ltd (**DY6** or the **Company**). The Directors are responsible for the inclusion of all Financial Information in the Prospectus. The purpose of the inclusion of the Pro Forma Financial Information is to illustrate the effects of the Offers (**IPO**) made by DY6 pursuant to the Prospectus. Moore Australia Corporate Finance (WA) Pty Ltd (**Moore Australia**) has prepared an Independent Limited Assurance Report in respect to the Historical Financial Information and the Pro Forma Financial Information. The Independent Limited Assurance Report has been prepared in accordance with the Australian Standard on Assurance Engagements ASAE 3450 *Assurance Engagement Involving Fundraising and/or Prospective Financial Information*. A copy of this report, within which an explanation of the scope and limitation of Moore Australia's work is set out in Annexure A.

All information present in this Section should be read in conjunction with the balance of this Prospectus, including the Independent Limited Assurance Report in Annexure A.

4.2 Basis and method of preparation

The Notional Historical Financial Information has been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and the accounting policies adopted by DY6 as detailed in Note 1 of Section 4.8.

The Pro Forma Financial Information has been derived from the Notional Historical Financial Information as at 31 December 2022 and assumes the completion of the pro forma adjustments as set out in Note 2 of Section 4.8 as if those adjustments had occurred as at 31 December 2022.

The financial information contained in this section of the Prospectus is presented in an abbreviated form and does not contain all the disclosures that are provided in a financial report prepared in accordance with the Corporations Act and Australian Accounting Standards and Interpretations.

The Notional Historical Financial Information comprises the following (collectively referred to as the **Notional Historical Financial Information**):

- the Notional Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income for the years ended 31 December 2021 and 31 December 2022;
- the Notional Historical Consolidated Statement of Cash Flows for the years ended 31 December 2021 and 31 December 2022; and
- the Notional Historical Consolidated Statement of Financial Position as at 31 December 2022.

The Pro Forma Financial Information comprises (collectively referred to as the **Pro Forma Financial Information**):

- the pro forma statement of financial position as at 31 December 2022, prepared on the basis that the pro forma adjustments and subsequent events detailed in Note 2 of Section 4.8 had occurred as at 31 December 2022; and

- the notes to the Pro Forma Financial Information,

(collectively referred to as the **Financial Information**).

Although DY6 was only incorporated on 3 November 2022 and its acquisition of GEL is yet to complete (subject to satisfying agreed conditions), the Notional Historical Financial Information reflects the notional consolidation of DY6 and its proposed subsidiary, GEL, for the entire financial years ended 31 December 2021 and 31 December 2022, so as to demonstrate their combined financial results for the years then ended.

The Notional Historical Financial Information of DY6 has been extracted from the audited historical financial statements of DY6 for the period from incorporation on 3 November 2022 to 31 December 2022 and the audited historical financial statements of GEL for the years ended 31 December 2021 and 31 December 2022.

The financial reports of DY6 and GEL were audited by Moore Australia Audit (WA) in accordance with Australian Auditing Standards. An unqualified audit opinion was issued for each of the periods specified. The audit reports for GEL for the years ended 31 December 2021 and 31 December 2022 included an emphasis of matter paragraph regarding a material uncertainty surrounding the ability of GEL to continue as a going concern.

The Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding the underlying historical financial performance, cash flows and financial position of the Company.

There are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On these bases and after considering ASIC Regulatory Guide 170, the Directors do not believe they have a reasonable basis to reliably forecast future earnings and accordingly forecast financials are not included in this Prospectus.

Investors should note that past results are not a guide to future performance.

4.3 Foreign Exchange Rates Applied to the Notional Historical and Pro Forma Financial Information

The Company's functional and presentation currency is Australian dollars ("$").

For each table within the financial information section of this Prospectus, the relevant information has been stated in Australian dollars ($). The following conversion rates have been used:

Foreign Currency Conversion Rates		
Exchange rate	**31 December 2022**	**31 December 2021**
Year-end exchange rate used in translating Malawi Kwacha (MWK) to $	690.78	583.84

4.4 Notional Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income

The table below sets out the notional historical consolidated statements of profit or loss and other comprehensive income for the years ended 31 December 2021 and 31 December 2022.

	Audited 31 December 2022 $	Audited 31 December 2021 $
Revenue	-	-
Administrative expenses	(10,713)	(12,757)
Share based payment expense	(31,597)	
Exploration and evaluation expenses	(2,673)	(7,323)
Net loss before income tax expenses	**(44,983)**	**(20,080)**
Income tax expense relating to ordinary activities	**-**	**-**
Net loss for the year	**(44,983)**	**(20,080)**
Other comprehensive income/(loss) for the year net of tax	**-**	**-**
Total comprehensive loss for the year	**(44,983)**	**(20,080)**

4.5 Notional Historical Consolidated Statement of Cash Flows

The table below sets out the notional historical consolidated statements of cash flows for the years ended 31 December 2021 and 31 December 2022.

	Audited 31 December 2022 $	Audited 31 December 2021 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash paid to suppliers	(14,710)	(19,395)
Net cash used in Operating Activities	**(14,710)**	**(19,395)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation	(15,446)	(5,500)
Net cash used in Investing Activities	**(15,446)**	**(5,500)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issues	145,000	-
Proceeds from Directors loan account	6,694	24,895
Net cash provided by Financing Activities	**151,694**	**24,895**
Net increase in cash held	121,538	-
Cash at the beginning of the period	-	-
Cash at the end of the period	**121,538**	**-**

4.6 Notional Historical Consolidated Statement of Financial Position

The table below sets out the Notional Historical Consolidated Statement of Financial Position as at 31 December 2022.

	Audited 31 December 2022 $
Current assets	
Cash at bank	121,538
Other receivables	1,903
Total current assets	**123,441**
Non-current assets	
Capitalised exploration expenditure	20,094
Total non-current assets	**20,094**
TOTAL ASSETS	**143,536**
Current liabilities	
Trade and other payables	28,893
Total current liabilities	**28,893**
TOTAL LIABILITIES	**28,893**
NET ASSETS	**114,642**
EQUITY	
Issued capital	145,000
Share based payment reserve	31,597
Accumulated losses	(61,955)
TOTAL EQUITY	**114,642**

4.7 Pro Forma Historical Statement of Financial Position

The table below set out the Pro Forma Statement of Financial Position as at 31 December 2022. The Pro Forma Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of the Company's view of its future financial position.

	Notes	Notional Historical 31 December 2022	Pro forma adjustments	Impact of Capital Raising Offer		Pro forma balance	
				Minimum	Maximum	Minimum	Maximum
		$	$	$	$	$	$
Current assets							
Cash at bank	**3**	121,538	217,500	4,461,789	6,335,362	4,800,827	6,674,400
Other receivables		1,903	-	-	-	1,903	1,903
Total current assets		**123,441**	**217,500**	**4,461,789**	**6,335,362**	**4,802,730**	**6,676,303**
Non-current assets							
Exploration Expenditure	**4**	20,094	2,265,522	-	-	2,285,616	2,285,616
Total non-current assets		**20,094**	**2,265,522**	**-**	**-**	**2,285,616**	**2,285,616**
TOTAL ASSETS		**143,536**	**2,483,022**	**4,461,789**	**6,335,362**	**7,088,346**	**8,961,919**
Current liabilities							
Trade and other payables		28,893	-	-	-	28,893	28,893
Total current liabilities		**28,893**	**-**	**-**	**-**	**28,893**	**28,893**
TOTAL LIABILITIES		**28,893**	**-**	**-**	**-**	**28,893**	**28,893**
NET ASSETS		**114,642**	**2,483,022**	**4,461,789**	**6,335,362**	**7,059,453**	**8,933,026**
EQUITY							
Issued capital	**5a**	145,000	2,160,000	4,368,965	6,248,965	6,673,965	8,553,965
Share based payment reserve	**5b**	31,597	442,466	331,035	331,035	805,098	805,098
Accumulated losses	**5c**	(61,955)	(119,445)	(238,211)	(244,638)	(419,610)	(426,037)
TOTAL EQUITY		**114,642**	**2,483,022**	**4,461,789**	**6,335,362**	**7,059,453**	**8,933,026**

4.8 Notes to and forming part of the Historical Financial Information

Note 1: Summary of significant accounting policies

(a) Basis of Preparation

The Notional Historical Financial Information has been prepared in accordance with the measurement and recognition (but not the disclosure) requirements of Australian Accounting Standards, Australian Accounting Interpretations and the Corporations Act.

The financial statements have been prepared on an accruals basis, are based on historical cost and except where stated do not take into account changing money values or current valuations of selected non-current assets, financial assets and financial liabilities. Cost is based on the fair values of the consideration given in exchange for assets. The preparation of the Notional Historical Statement of Financial Position requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Notional Historical Statement of Financial Position are disclosed where appropriate.

The Pro Forma Statement of Financial Position as at 31 December 2022 represents the Notional Historical financial position as adjusted for the transactions discussed in Note 2 of Section 4.8. The Notional Historical Statement of Financial Position should be read in conjunction with these notes.

(b) Going Concern

The Financial Information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Company's ability to continue as a going concern is not solely dependent on the success of the Offer. The Directors believe that there are reasonable grounds that the Company will continue as a going concern as a result of proceeds from recent capital raises and funds expected to be raised from the Offer. As a result, the Financial Information has been prepared on a going concern basis. Should the Offer be unsuccessful, the Company still expects to be able to continue as a going concern for at least the next 12 months. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

(c) Exploration and Evaluation Assets

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(d) **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as borrowings in current liabilities on the statement of financial position.

(e) **Contributed Equity**

Issued and paid-up capital is recognised at the fair value of the consideration received by the Company. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration. Ordinary issued capital bears no special terms or conditions affecting income or capital entitlements of the Shareholders.

(f) **Trade and Other Payables**

Trade other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(g) **Trade Receivables**

Trade receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(h) **Fair value measurement**

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

For non-financial assets, the fair value measurement also takes into account a market participant’s ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the

sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(i) **Income Tax**

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

(i) Current Tax

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

(ii) Deferred Tax

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for Annual Reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary

differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(j) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position. Cashflows are presented on a gross basis. The GST components of cash flows arising from financing and investing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Foreign Currency Translation

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at the reporting date exchange rates of monetary assets, and liabilities denominated in foreign currencies are recognised in the profit or loss.

The assets and liabilities of any foreign operations are translated into Australian dollars using the exchange rates at the reporting date. Monetary assets and liabilities denominated in

foreign currency at the reporting date are translated to the functional currency at the exchange rate at that date. The income and expenses of foreign operations are translated into Australian dollars at the average exchange rates for the period. Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are recognised to form part of a net investment in a foreign operation and are recognised in other comprehensive income and are presented in the foreign currency translation reserve in equity.

(l) **Principles of Consolidation**

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual agreements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a 'fair value concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further

assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in FRS 103.

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred assets. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group loses control of a subsidiary, it:

- derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;

- derecognises the carrying amount of any non-controlling interest (including any components of other comprehensive income attributable to them);

- recognises the fair value of the consideration received;

- recognises the fair value of any investment retained in the former subsidiary at its fair value;

- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate; and

- recognises any resulting difference as a gain or loss in profit or loss.

Investments in subsidiary companies are carried at cost less accumulated impairment losses in the statement of financial position of the Company. On disposal of investment in subsidiaries the difference between the net disposal proceeds and the carrying amount of the investment are recognised in profit or loss.

(m) **Share Based Payment Compensation**

The Group operates an equity-settled share-based plan. The fair value of the employee services received in exchange for the grant of shares is recognised as an expense with a corresponding increase in the share capital. The total amount to be recognised is determined by reference to the fair value of the shares granted on the date of the grant. These shares are vested immediately upon issue.

(n) **New and Amended Standards Adopted by the Company**

The Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB – Australian Accounting Standards Board that are relevant to the Company's operations and effective for annual reporting periods commencing on or after 1 January 2021. It has been determined by the Directors that there is no expected impact, material or otherwise, of the new and revised Standards and Interpretations on the Company and, therefore, no change is expected in the future to accounting policies.

(o) **Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key estimates

Impairment

The Company assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations, which incorporate various key assumptions.

Share based payments

The Company measures the cost of equity settled transactions with employees and directors by reference to the fair value of equity instruments at the date at which they are granted, The fair value is determined using a Black-Scholes or Binomial option pricing model.

Note 2: Actual and Proposed Transactions to Arrive at the Pro Forma Financial Information

The Pro Forma Financial Information has been prepared by adjusting the notional historical statement of financial position as at 31 December 2022 to reflect the financial effects of the following subsequent events which have occurred since 31 December 2022 and following pro forma transactions which are yet to occur, but are proposed to occur following completion of the Capital Raising Offer:

(p) The issue of a minimum of 25,000,000 Shares at issue price of $0.20 per Share in connection with the admission of DY6 to the Official List to raise a minimum of $5,000,000 before costs based on the minimum Capital Raising Offer subscription and a maximum of 35,000,000 Shares at an issue price of $0.20 per Share in connection with the admission of DY6 to the Official List to raise a maximum of $7,000,000 before costs based on a maximum Capital Raising Offer subscription;

(q) The payment of consideration to the Vendors pursuant to the Option Agreement and the capitalising of the consideration as exploration assets as follows:

  (i) The cash payment of $100,000 on Admission;

  (ii) The cash payment of US$40,000 ($55,000) to buyout (and extinguish) existing royalties;

  (iii) The cash payment of $87,500 for inground expenditure;

  (iv) The issue of 8,000,000 Shares at a deemed issue price of $0.20 per Share; and

  (v) The issue of 3,000,000 Performance Rights valued at $0.20 per security. Management has assigned a 100% probability of the milestones attaching to the Tranche 1 & 2 Performance Rights being achieved and nil% for Tranche 3.

(r) Costs of the Capital Raising Offer which are estimated to be $869,246 (including the Lead Manager Fee of $300,000 outlined in Section 7.12 of the Prospectus) assuming the Minimum Subscription is raised, of which $631,035 is offset against contributed equity and $238,211 is recognised in accumulated losses, or $995,673 (including Lead Manager Fee of $420,000 outlined in Section 7.12 of the Prospectus) assuming the Maximum Subscription is raised, of which $751,035 is offset against contributed equity and $244,638 is recognised in accumulated losses. Included in the costs are:

  (i) Capital Raising Fees payable to the Lead Manager totaling $300,000 (assuming the Minimum Subscription is raised) and $420,000 (assuming the Maximum Subscription is raised), pertaining to 6% of all funds raised under the Capital Raising Offer; and

  (ii) the issue of 3,000,000 Lead Manager Options exercisable at $0.30 each with a term of 3 years from their date of issue. The Lead Manager Options are valued at $0.11035 per Lead Manager Option, amounting to a total value of $331,035.

(s) The payment of $50,000 each to Daniel Smith and John Kay on Admission, for work undertaken in assisting the Company in relation to the Offers and listing on ASX and the expensing of this amount to accumulated losses.

(t) The issue of 4,000,000 shares on 21 March 2023 at $0.14 per share to raise $560,000.

(u) The issue of 500,000 Directors Options exercisable at $0.25 each with a term of 4 years from the date of issue on 20 March 2023 and the expensing of these options to

accumulated losses. The Director Options are valued at $0.08493 per Director Option, amounting to a value of $42,466.

Note 3: Cash Assets

	Pro forma balance	
	Minimum	**Maximum**
	$	**$**
Cash Assets	4,800,827	6,674,400
Notional historical balance as at 31 December 2022	121,538	121,538
Subsequent events:		
Proceeds from Shares issued pre-IPO	560,000	560,000
Pro forma adjustments:		
Proceeds from the Capital Raising Offer	5,000,000	7,000,000
Capital raising costs – cash settled	(538,211)	(664,638)
Payments for capitalised exploration expenditure	(242,500)	(242,500)
Payment to Daniel Smith and John Kay	(100,000)	(100,000)
Total	4,679,289	6,552,862
Pro Forma Balance	**4,800,827**	**6,674,400**

Note 4: Capitalised Exploration Expenditure

	Pro forma balance	
	Minimum	**Maximum**
	$	**$**
Capitalised Exploration Expenditure	2,285,616	2,285,616
Notional historical balance as at 31 December 2022	20,094	20,094
Pro forma adjustments:		
Acquisition of tenements of GEL:		
Issuance of Shares	1,600,000	1,600,000
Issue of Performance Rights	400,000	400,000
Buyout of existing royalties & expenditure	242,500	242,500
Assets recognised on acquisition of GEL	23,022	23,022
Total	2,265,522	2,265,522
Pro Forma Balance	**2,285,616**	**2,285,616**

Note 5: Equity

		Number of Shares Minimum	Number of Shares Maximum	Pro forma balance	
				Minimum	**Maximum**
				$	**$**
a)	**Contributed Equity**	45,500,000	55,500,000	6,673,966	8,553,966
	Fully paid ordinary share capital as at 31 December 2022	8,500,000	8,500,000	145,000	145,000
	Subsequent events:				
	Shares issued under the pre-IPO capital raise	4,000,000	4,000,000	560,000	560,000
	Pro forma adjustments:				
	Shares issued under the Capital Raising Offer	25,000,000	35,000,000	5,000,000	7,00,000
	Shares issued to vendors for acquisition of mining tenements	8,000,000	8,000,000	1,600,000	1,600,000
	Capital raising costs – cash settled	-	-	(300,000)	(420,000)
	Capital raising costs – equity settled	-	-	(331,035)	(331,035)
	Total	37,000,000	47,000,000	6,528,965	8,408,965
	Pro Forma Balance	**45,500,000**	**55,500,000**	**6,673,966**	**8,553,966**

		Number	Number	Pro forma balance	
		Minimum	**Maximum**	**Minimum**	**Maximum**
				$	**$**
b)	**Share Based Payment Reserve**	-	-	805,098	805,098
	Options on issue as at 31 December 2022	5,500,000	5,500,000	31,597	31,597
	Performance Rights on issue as at 31 December 2022[2]	1,500,000	1,500,000	-	-
	Subsequent event adjustments:				

Issue of Options to Directors[3]	500,000	500,000	42,466	42,466
Pro forma adjustments:				
Issue of Lead Manager Options[3]	3,000,000	3,000,000	331,035	331,035
Issue of Performance Rights to Vendors[1]	3,000,000	3,000,000	400,000	400,000
Total	9,500,000	9,500,000	773,501	731,501
Pro Forma Balance	**13,500,000**	**13,500,000**	**805,098**	**805,098**

Performance Rights

[1] Convert into Shares on a 1:1 basis subject to the satisfaction of any of the milestones as set out in Section 7.4. Management has assigned an 100% probability of the milestones attaching to the Tranche 1 & 2 Performance Rights being achieved and 0% for Tranche 3.

[2] Convert into Shares on a 1:1 basis subject to the satisfaction of any of the milestones as set out in Section 7.4. As these Performance Rights vest over the period of the Milestone terms, no value has been attributed to the issue of these Performance Rights on Admission.

[3] Refer to table below for details

	Milestones	Conversion Number	Expiry Date
Performance Rights	The Performance Rights will convert into Shares upon the satisfaction of any one of the milestones set out in Sections 7.4 before the Expiry Date.	4,500,000	5 years from date of issue

Director Options

	Director Options
Number	500,000
Spot price	$0.14
Exercise price	$0.25
Expiry date	20 March 2027
Expected volatility	100%
Risk free rate	3.25%
Fair value	$0.08493
Fair value ($)	$42,466
Model	Black-Scholes Option Valuation
Vesting conditions	Immediately

Lead Manager Options

	Lead Manager Options
Number	3,000,000
Spot price	$0.20
Exercise price	$0.30
Expiry period	3 years
Expected volatility	100%
Risk free rate	3.25%
Fair value	$0.11034
Fair value ($)	$331,034
Model	Black-Scholes Option Valuation
Vesting conditions	Immediately

Pro forma balance

		Minimum $	Maximum $
c)	**Accumulated Losses**	**(419,610)**	**(426,037)**
	Notional historical accumulated losses as at 31 December 2022	(61,955)	(61,955)
	Pro forma adjustments:		
	Capital raising costs – cash settled	(238,211)	(244,638)
	Payment to Daniel Smith and John Kay	(100,000)	(100,000)
	Expensing of Directors Options	(42,466)	(42,466)
	Elimination of pre-acquisition reserves in GEL	23,022	23,022
	Total	(357,656)	(364,083)
	Pro Forma Balance	**(419,610)**	**(426,037)**

Note 6: Related Parties

Refer to Section 7 of the Prospectus for the Board and Management Interests.

Note 7: Subsequent Events

Other than disclosed above there have been no material events subsequent to balance date that we are aware of, other than those disclosed in this Prospectus.

4.9 Management Discussion and Analysis of the Financial Information

General Overview

The section below is a discussion of the Company's operating and financial performance during the period of the Notional Historical Financial Information, and which may impact on future operating and financial performance.

The general matters discussed below are a summary only, do not represent all events and factors that affected the Company's historical operating and financial performance, nor everything that may affect the Company's operating and financial performance in future periods.

The information in this section should also be read in conjunction with the risk factors set out in Section 3 and the other information set out in this Prospectus.

Revenue

Due to DY6 being in the exploration stage of its operations, it is not yet generating revenue from the sale of commodities.

Expenses

The exploration activity to date has been minimal and has been carried out by GEL. Administration expenses largely comprise corporate overheads.

Tax

DY6 has incurred tax losses, although these are minimal. DY6 has not recognised a deferred tax asset as at 31 December 2022.

Key Factors Affecting the Notional Historical Statement of Cashflows

Due to the early stages of the Company's operating activities, cash generated from operations is not sufficient to sustain operations. The principal source of funding for the Company during the periods presented has been capital raised through the issue of shares.

Working Capital

Subsequent to the proposed Capital Raising Offer, as illustrated in the pro forma statement of financial position, the pro forma net current assets of the Company as at 31 December 2022 would be approximately $4.8 million, based on the Minimum Subscription of $5 million, or $6.6 million, based on the Maximum Subscription of $7 million.

Funding

The Company is aiming to raise between $5 million and $7 million from the initial public offering ("IPO") in order to fund its exploration activities, its overheads and to provide working capital over the next two years.

5. Board, Management and Corporate Governance

5.1 Board of Directors

As at the date of this Prospectus, the Board comprises of:

(a) Mr Daniel Smith - Non-Executive Chairman;

(b) Mr Myles Campion - Non-Executive Director;

(c) Dr Nannan He – Non-Executive Director; and

(d) Mr John Kay - Non-Executive Director.

5.2 Director profiles

The names and details of the Directors in office at the date of this Prospectus are:

(a) **Daniel Smith - Non-Executive Chairman (Not Independent)**

BA, FGIA

Mr Smith holds a Bachelor of Arts, is a Fellow of the Governance Institute of Australia, and has over 15 years' primary and secondary capital markets expertise.

He is a director and co-founder of Minerva Corporate, a boutique corporate services and advisory firm. He has advised on and been involved in over a dozen initial public offers/reverse takeovers for companies listed on the ASX, AIM and NSX.

Mr Smith is currently non-executive director for several companies listed on AIM/ASX operating in the resources sector and has been heavily involved in project origination and evaluation.

Mr Smith has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

Mr Smith is not considered to be an independent Director as he will be deemed to be a substantial shareholder of the Company on Admission.

(b) **Myles Campion - Non-Executive Director (Independent)**

BSc Geology (Hons), MSc Minex

Mr Campion has 24 years' experience in the natural resources sector, including as a Resource Analyst, Fund Manager, and in equities research and project and debt financing. He has spent over 10 years as a field geologist that includes success at the Emily Ann Nickel Sulphide Mine. He was based in London for five years working at Barclays Capital in their natural resources team and as a Senior Resource Analyst at WH Ireland. Mr Campion also served as Fund Manager of CF Global Resources Fund and as the Project Geologist at LionOre responsible for the exploration, discovery and bankable feasibility study completion of the Emily Ann Nickel Sulphide Mine.

Mr Campion's financial experience includes equities research in Australia and the UK and project and debt financing in London, and covers the entire spectrum of mining

companies. Mr Campion has extensive knowledge of the global resources market covering the three main bourses, the Toronto Stock Exchange, AIM and ASX. He started his career as an exploration and mine site geologist in Australia covering base metals and gold and has a comprehensive background in all technical and financial facets of the resource sector, specialising internationally in resource evaluation, debt capacity modelling, mergers and acquisitions, project assessment and equity/convertible capital raisings. He has been Non-Executive Director at Katoro Gold PLC (formerly Opera Investments Plc) since 11 November 2014.

Mr Campion holds a Graduate Diploma of Business (Finance) and is an Associate of the Royal School of Mines. Mr Campion earned an M.Sc. in Minerals Exploration from the Royal School of Mines in London and B.Sc. (Honors in Geology) from the University of Wales College Cardiff.

Mr Campion has been Technical Director and an Executive Director of Europa Metals Ltd (AIM:EUZ) since 21 November 2017 and was appointed as Executive Chairman on 4 August 2020. Mr Campion served as a Fund Manager of Oceanic Asset Management Pty Ltd, Australian Natural Resources OEIC and Global Connections Funds plc - Junior Resources Fund.

Mr Campion has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

Mr Campion is considered to be an independent Director and is free from any business or other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of his judgement.

(c) **John Kay - Non-Executive Director (Not Independent)**

LLB

Mr Kay is an experienced corporate lawyer and corporate adviser and has advised on numerous initial public offers and reverse takeovers for companies listed on the ASX.

Mr Kay currently operates a corporate advisory practice, Arcadia Corporate, which provides corporate advisory and capital raising services to listed and unlisted companies in the mining sector. Mr Kay has previously held a number of non-executive and company secretarial roles for ASX listed mining and energy companies.

Mr Kay has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

Mr Kay is not considered to be an independent Director as he will be deemed to be a substantial shareholder of the Company on Admission.

(d) **Nannan He – Non-Executive Director (Independent)**

PhD Geochemistry

Dr He has over 10 years' experience in geosciences, across chemical material trading, exploration and resources investment. Via her investment vehicle, Woodsouth Asset Management Pty Ltd ATF the Woodsouth Trust, she has been actively examining exploration and resource projects worldwide and has built strong networks throughout the southeast Asian market.

Dr He holds a PhD in Geochemistry from Curtin University, a MS in Geochemistry in Hokkaido University, and a BS in Mineral Resource Exploration from Jilin University.

Dr He has acknowledged to the Company that she will have sufficient time to fulfil her responsibilities as a Director.

Dr He is considered to be an independent Director and is free from any business or other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of her judgement.

5.3 Company Secretary

(a) **John Kay - Company Secretary**

See Section 5.2 above.

5.4 Management and Consultants

(a) Dr Eric Lilford – Technical Consultant

A mining engineer and a minerals and energy economist, with over 30 years' experience in various senior and executive roles in mining, investment banking, consulting and academic roles. He has multi-commodity expertise and has had operations and government experience across most African mining countries.

Dr Lilford is a member of the international Rare Earths Standards Committee, ISO Australia, and is on the Experts Panel for the IMF.

(b) Mr Allan Younger – Technical Consultant

Geologist with 40+ years' experience in all facets of the resources industry and most commodities. Specialist explorer highly experienced in target generation and project generation.

Advanced expertise in multi-element geochemistry application and Interpretation. Has worked for a number of large international and junior mining and exploration companies, within Australia and internationally, both as employee, contractor or consultant.

Currently exploration manager for White Cliff Minerals Ltd (ASX:WCN), a mineral explorer focussing on rare earths and lithium exploration in Western Australia.

(c) Mr Hilton Banda – Malawian Technical Consultant

Mr Banda runs an experienced Malawian geological, geotechnical, mining and environmental consultancy, Akatswiri Mineral Resources, which will assist the Company's executive management team in Malawi.

Akatswiri are based in Zomba, southern Malawi, only ~50kms from the Company's Machinga project.

The Board is aware of the need to have sufficient management to properly supervise the exploration and (if successful) for the development of the Projects in which the Company has, or will in the future have, an interest and the Board will continually monitor the management

roles in the Company. As the Company's Projects require an increased level of involvement, the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's Projects.

5.5 Interests of Directors

No Director of the Company (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interests in:

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

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or

(c) the Offers, and

no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

(d) any Director to induce him or her to become, or to qualify as, a Director; or

(e) any Director of the Company for services which he or she (or an entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offers,

except as disclosed in this Prospectus and as follows.

5.6 Security holdings of Directors and key management personnel

The Directors, key management personnel and their related entities have the following interests in Securities as at the date of this Prospectus:

Director and key management personnel	Shares	Voting Power %[1]	Options[2]	Performance Rights[3]
John Kay[4]	3,105,000	24.8%	2,140,000	750,000
Daniel Smith[5]	3,037,500	24.3%	2,225,000	750,000
Myles Campion[6]	325,000	2.6%	562,500	-
Nannan He[7]	925,556	7.4%	225,278	-

Notes:

1. Based on 12,500,000 Shares being on issue.
2. Options issued on the terms set out in Section 7.2.
3. Performance Rights issued on the terms set out in Section 7.4.
4. These securities are held by First Arrow Investments Pty Ltd ATF The First Arrow Trust, an entity controlled by Mr Kay.

5. 2,450,000 Shares, 2,225,000 Options and 750,000 Performance Rights are held by Bridge The Gap Trading Pty Ltd and 587,500 Shares are held by Orwellian Investments Pty Ltd, entities controlled by Mr Smith.

6. 125,000 Shares and 562,500 Options are held by Mr Campion personally and 200,000 Shares held by Virico (IOM) Ltd, an entity controlled by Mr Campion.

7. Dr He holds these securities via her private investment company, Woodsouth Asset Management Pty Ltd ATF the Woodsouth Trust.

Based on the intentions of the Directors at the date of this Prospectus in relation to the Offers, the Directors and their related entities will have the following interests in Securities on Admission:

Director and key management personnel	Shares		Voting power (%)[1]	Options[2]	Performance Rights[3]
	Minimum Subscription	Maximum Subscription			
John Kay[4]	3,105,000	3,105,000	6.8%	2,140,000	750,000
Daniel Smith[5]	3,037,500	3,037,500	6.7%	2,225,000	750,000
Myles Campion[6]	325,000	325,000	0.7%	562,500	-
Nannan He[7]	925,556	925,556	2.0%	225,278	-

Notes:

1. Based on the Minimum Subscription.

2. See Section 7.2 for the terms and conditions of the Options.

3. See Section 7.4 for the terms and conditions of the Performance Rights.

4. These securities are held by First Arrow Investments Pty Ltd ATF The First Arrow Trust, an entity controlled by Mr Kay.

5. 2,450,000 Shares, 2,225,000 Options and 750,000 Performance Rights are held by Bridge The Gap Trading Pty Ltd and 587,500 Shares are held by Orwellian Investments Pty Ltd, entities controlled by Mr Smith.

6. 125,000 Shares and 562,500 Options are held by Mr Campion personally and 200,000 Shares held by Virico (IOM) Ltd, an entity controlled by Mr Campion.

7. Dr He holds these securities via her private investment company, Woodsouth Asset Management Pty Ltd ATF the Woodsouth Trust.

5.7 Disclosure of Directors

No Director has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director or which is relevant to an investor's decision as to whether to subscribe for Shares. Other than as set out below, no Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer, or within a 12-month period after they ceased to be an officer.

Mr Smith was a non-executive director of York Energy NL, a company which was placed into voluntary administration on 9 September 2013, and a non-executive director of Stirfire Limited, a company which was placed into voluntary administration on 1 July 2019. The other Directors have considered the circumstances surrounding Mr Smith's involvement in York Energy NL Pty Ltd and Stirfire Limited and are of the view that Mr Smith's involvement in no way impacts his appointment and contribution as Non-Executive Director of the Company.

5.8 Remuneration of Directors

The Constitution provides that the Company may remunerate the Directors. The remuneration shall, subject to any resolution of a general meeting, be fixed by the Directors. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is currently set at $300,000 per annum. The remuneration of the Executive Directors will be determined by the Board.

The Company has entered into letters of appointment with Myles Campion, Daniel Smith, Nannan He and John Kay as set out in Section 6.3.

On and from the date of the Company's Admission, the Directors will receive the following remuneration:

Director	Remuneration (exclusive of superannuation) ($)
Nannan He	54,000
Myles Campion	54,000
Dan Smith[1,2]	54,000
John Kay[1,3]	54,000

Notes:

1. In addition to the annual director fees outlined above, the Company has agreed to pay $50,000 (+GST) to each of John Kay and Daniel Smith on Admission, for work undertaken in assisting the Company in relation to the Offers and listing on the ASX.
2. The Company has entered into a consultancy agreement with Minerva Corporate, a company that Mr Smith is a director and minority shareholder, pursuant to which Minerva Corporate is engaged to provide Chief Financial Officer and accounting services. See Section 6.5 for details.
3. The Company has entered into a consultancy agreement with Arcadia Corporate, a company that Mr Kay is a director and shareholder, pursuant to which Arcadia is engaged to provide company secretarial services. See Section 6.6 for details.

5.9 Related Party Transactions

The Company has entered into the following related party transactions on arms' length terms:

(a) letters of appointment with Myles Campion, Nannan He, Daniel Smith and John Kay on standard terms (refer to Section 6.3 for details);

(b) consultancy agreement with Minerva Corporate, a company that Mr Smith is a director and minority shareholder, pursuant to which Minerva Corporate is engaged to provide Chief Financial Officer and accounting services. See Section 6.4 for details;

(c) consultancy agreement with Arcadia Corporate, a company that Mr Kay is a director and shareholder, pursuant to which Arcadia Corporate is engaged to provide company secretarial services. See Section 6.6 for details; and

(d) Deeds of indemnity, insurance and access with each of its Directors on standard terms (refer to Section 6.7) for details).

At the date of this Prospectus, no other material transactions with related parties and Directors' interests exist that the Directors are aware of, other than those disclosed in the Prospectus.

5.10 ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the Company's policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are detailed below. The Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website at www.dy6metals.com.

(a) **Board of Directors**

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. Clearly articulating the division of responsibilities between the Board and management will help manage expectations and avoid misunderstandings about their respective roles and accountabilities.

In general, the Board assumes (amongst others) the following responsibilities:

(i) providing leadership and setting the strategic objectives of the Company;

(ii) appointing and when necessary replacing the Executive Directors of the Company;

(iii) approving the appointment and when necessary replacement, of other senior executives;

(iv) undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director;

(v) overseeing management's implementation of the Company's strategic objectives and its performance generally;

(vi) approving operating budgets and major capital expenditure;

(vii) overseeing the integrity of the Company's accounting and corporate reporting systems including the external audit;

(viii) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;

(ix) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate; and

(x) monitoring the effectiveness of the Company's governance practices.

The Company is committed to ensuring that appropriate checks are undertaken before the appointment of a Director and has in place written agreements with each Director which detail the terms of their appointment.

(b) **Composition of the Board**

Election of Board members is substantially the province of the Shareholders in a general meeting. The Board currently consists of the four Non-Executive Directors including two independent directors, Myles Campion and Nannan He. As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

(c) **Identification and management of risk**

The Board's collective experience will assist in the identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(d) **Conflicts of interest and related party transactions**

Any potential conflicts of interest or entry into related party transactions are governed by the Company's Corporate Governance Plan and Board Charter, which provides, inter alia, that Directors must disclose to the Board potential or actual conflicts that may or might reasonably be thought to exist between the interests of the Director and interests of the Company.

While related party transactions are largely governed by the Corporations Act, under the Company's Corporate Governance Plan and Board Charter, the Board has also resolved that, in relation to any related party transaction involving a Director or officer, the relevant Director or officer shall exclude himself/herself from the process relating to the approval of such a transaction.

(e) **Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards.

(f) **Independent professional advice**

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(g) **Remuneration arrangements**

The remuneration of any Executive Director will be decided by the Board, without the affected Executive Director participating in that decision-making process.

In addition, subject to any necessary Shareholder approval, a Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director (e.g. non-cash performance incentives such as options).

Directors are also entitled to be paid reasonable travel and other expenses incurred by them in the course of the performance of their duties as Directors.

The Board reviews and approves the Company's remuneration policy in order to ensure that the Company is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The Board is also responsible for reviewing any employee ©ncentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(h) **Securities trading policy**

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the Executive Directors). The policy generally provides that the written acknowledgement of the Chairman (or the Board in the case of the Chairman) must be obtained prior to trading.

(i) **Diversity policy**

The Board values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Accordingly, the Company has set in place a diversity policy. This policy outlines the Company's diversity objectives in relation to gender, age, cultural background and ethnicity. It includes requirements for the Board to establish measurable objectives for achieving diversity, and for the Board to assess annually both the objectives, and the Company's progress in achieving them.

(j) **Audit and risk**

The Company will not have a separate audit or risk committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

(k) **External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

(l) **Social media policy**

The Board has adopted a social media policy to regulate the use of social media by people associated with the Company or its subsidiaries to preserve the Company's reputation and integrity. The policy outlines requirements for compliance with confidentiality, governance, legal, privacy and regulatory parameters when using social media to conduct Company business.

(m) **Whistleblower policy**

The Board has adopted a whistleblower protection policy to ensure concerns regarding unacceptable conduct including breaches of the Company's code of conduct can be raised on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment. The purpose of this policy is to promote responsible whistle blowing about issues where the interests of others, including the public, or of the organisation itself are at risk.

(n) **Anti-bribery and anti-corruption policy**

The Board has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings. The Board has adopted an anti-bribery and anti-corruption policy for the purpose of setting out the responsibilities in observing and upholding the Company's position on bribery and corruption provide information and guidance to those working for the Company on how to recognise and deal with bribery and corruption issues.

5.11 Departures from Recommendations

Following Admission, the Company will be required to report any departures from the Recommendations in its annual financial report.

The Company's compliance and departures from the Recommendations as at the date of this Prospectus are detailed in the table below.

Principles and Recommendations	Explanation for Departures
Recommendation 1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board, set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (i) the measurable objectives set for that period to achieve gender diversity; (ii) the entity's progress towards achieving those objectives; and (iii) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under the Act.	While the Company does have in place a diversity policy, due to the current size and composition of the organisation, the Board does not consider it appropriate to provide measurable objectives in relation to gender diversity. The Company is committed to ensuring that the appropriate mix of skills, expertise, and diversity are considered when employing staff at all levels of the organisation and when making new senior executive and Board appointments and is satisfied that the composition of employees, senior executives and members of the Board is appropriate. The Company currently has three male directors and one female director.
Recommendation 2.1 The Board of a listed entity should: (a) have a nomination committee which:	As a consequence of the size and composition of the Board, the Company does not have a separate nomination committee. The roles and responsibilities of

Principles and Recommendations	Explanation for Departures
(i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	a nomination committee are currently undertaken by the Board. The duties of the full Board in its capacity as a nomination committee are set out in the Company's Remuneration and Nomination Committee Charter. When the Board meets as a remuneration and nomination committee it carries out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a Remuneration and Nomination Committee are marked as separate agenda items at Board meetings when required. The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of a Nomination Committee. The Board as a whole reviews the size, structure and composition of the Board including competencies and diversity, in addition to reviewing Board succession plans and continuing development.
Recommendation 2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	The Board will review capabilities, technical skills and personal attributes of its directors. It will normally review the Board's composition against those attributes and recommend any changes in Board composition that may be required. An essential component of this will be the time availability of Directors. The Company has not disclosed a Board skill matrix.
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	The Board is not comprised of a majority of independent directors. The Company is working towards complying with Recommendation 2.4.
Recommendation 2.5	The Chair of the Board, Daniel Smith, is not an independent director (refer to Sections 5.2, 5.6 and 5.9 for more information). Due to the current size and composition of the

Principles and Recommendations	Explanation for Departures
The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	organisation, the Board did not consider it viable to engage an independent chair outside of Mr Smith. Notwithstanding his interest in the Company, the Directors believe that Mr Smith will be able to, and will make, quality and independent judgement in the best interests of the Company on all relevant issues before the Board.
Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	As a consequence of the size and composition of the Board, the Company does not have a stand-alone audit committee. The Board as a whole has responsibilities typically assumed by an audit committee, including but not limited to: (a) verifying and safeguarding the integrity of the Company's stakeholder reporting; (b) reviewing and approving the audited annual and reviewed half-yearly financial reports; (c) reviewing the appointment of the external auditor, their independence and performance, the audit fee, any questions of their resignation or dismissal and assessing the scope and adequacy of the external audit; and (d) a risk management function. That is, matters typically dealt with by an audit committee are dealt with by the full Board. Information on the Company's procedures for the selection and appointment of the external auditor and the rotation of external audit partners is set out in the Policy on Selection, Appointment and Rotation of External Auditors, which is available on the Company's website, www.dy6metals.com.

Principles and Recommendations	Explanation for Departures
Recommendation 7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or if it does not have a risk committee or committees that satisfy paragraph (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	As a consequence of the size and composition of the Company's Board, the Company does not have a stand-alone risk committee. The Board as a whole has responsibilities typically assumed by a risk committee, including but not limited to: (a) ensuring that an appropriate risk-management framework is in place and is operating properly; and (b) reviewing and monitoring legal and policy compliance systems and issues. That is, matters typically dealt with by a risk committee are dealt with by the full Board.
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director,	As a consequence of the size and composition of the Board, the Company does not have a standalone remuneration committee. The Board as a whole has responsibilities typically assumed by a remuneration committee, including but not limited to: (a) reviewing the remuneration (including short- and long-term incentive schemes and equity-based remuneration, where applicable) and performance of Directors;

Principles and Recommendations	Explanation for Departures
and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	(b) setting policies for senior executive remuneration, setting the terms and conditions of employment for senior executives, undertaking reviews of senior executive performance, including setting goals and reviewing progress in achieving those goals; and (c) reviewing the Company's senior executive and employee incentive schemes (including equity-based remuneration) (where applicable) and making recommendations to the Non-Executive Chair on any proposed changes. That is, matters typically dealt with by a remuneration committee are dealt with by the full Board. The Company has adopted a Remuneration and Nomination Committee Charter available on the Company's website, www.dy6metals.com.

6. Material Contracts

The Directors consider that certain contracts entered into by the Company are material to the Company or are of such a nature that an investor may wish to have particulars of them when assessing whether to apply for Securities under the Offers. The provisions of such material contracts are summarised in this Section.

6.1 Option Agreement

On 16 December 2022, the Company entered into a binding option agreement with the shareholders (refer to the 'Vendors' below') of Green Exploration Limited (**GEL**), a Malawian entity which holds title to three (3) granted exploration licences: EL0529 (Machinga), EL0518 (Salambidwe), EL0510 (Ngala Hills) and one (1) exploration licence application: APL0251 (Machinga South) (together the **Tenements**) located in Malawi and prospective for rare earths and critical minerals (**Option Agreement**).

Pursuant to the Option Agreement, the Company has the right (subject to the satisfaction of certain conditions) to acquire 100% of the issued shares in the capital of a newly incorporated interposed Australian entity (Green Exploration (Australia) Pty Ltd (**GEA**)) free from encumbrances, and in turn, the Tenements (**Tenement Option**) (**Acquisition**). As far as the Company is aware, the shareholders of GEL (together, the **Vendors**) are all unrelated parties of the Company (and none are associates of each other).

Prior to Settlement, the Vendors are required to conduct a reorganisation under which GEA is incorporated, shares in GEA are issued to the Vendors in agreed proportions, and GEA will acquire all of the shares in the capital of GEL (**Reorganisation**).

The Option Agreement contemplates that upon exercise of the Tenement Option, the corporate group will be structured as follows (which will all occur simultaneously as part of Settlement):

(a) the Company will acquire 100% of the issued share capital of GEA from the Vendors;

(b) GEA will acquire 100% of the shares in the capital of GEL (the holder of the Tenements) (as noted above); and

(c) GEA will be a wholly owned subsidiary of the Company, with GEL as a wholly owned subsidiary of GEA.

Please refer to Section 2.4 for a diagram of the corporate group structure on Admission.

In consideration for the payment of a USD$10,000 deposit, the Company is granted an exclusive period until 31 July 2023 in which it may exercise the Tenement Option, subject to the satisfaction (or where applicable, waiver) of the following conditions precedent:

(a) the Company being satisfied with the outcome of legal, financial, and technical due diligence on GEL, GEA and the Tenements;

(b) there being no material breach of the GEL warranties or Vendors' warranties before Settlement;

(c) the Company receiving firm commitments for a total seed/pre-IPO capital raising of not less than A$500,000;

(d) completion of the Reorganisation in accordance with the terms of the Option Agreement;

(e) the Company receiving firm commitments of not less than the Minimum Subscription;

(f) the Company receiving written confirmation from ASX to have its securities listed on the ASX on terms acceptable to the Company;

(g) the Vendors receiving any necessary shareholder, regulatory, governmental or other third-party consents or approvals (including the Vendors or GEL receiving any necessary exchange control approvals), or waivers, for the Acquisition to proceed; and

(h) the Company and the Vendors being satisfied with the final group structure for the Reorganisation.

Settlement of the Acquisition will occur five business days after the satisfaction or waiver of the conditions precedent (**Settlement**). If the conditions precedent are not satisfied or waived by 31 July 2023 (or such other date agreed by the parties to the Option Agreement, in writing), the Option Agreement will be at an end and the parties will be released from their obligations under the Option Agreement (other than any obligations that accrued prior to that date).

An additional cash payment of USD$2,500 will be paid to the Vendors within seven (7) days of written confirmation that tenement application APL0251 (Machinga South) has been validly granted to GEL.

Prior to Settlement, the Company will be required to meet an exploration programme on the Tenements, with expenditure capped at a total of AUD$87,500.

At Settlement, the Company will be required to pay the Vendors the following:

(a) A$100,000 cash payment;

(b) USD$40,000 cash (payment to buyout (and extinguish) existing royalties over the Tenements);

(c) 8,000,000 Shares; and

(d) 3,000,000 Performance Rights, the full terms of which are set out at Section 7.4.

The Company also agrees to take on the Vendors' sunk cost (not exceeding USD$25,000) for work related out-of-pocket expenses relating to tenement application APL0251 (Machinga South) and the Option Agreement, to be paid within 30 days of Settlement.

For a period of twelve (12) months post Settlement, the Vendors agree to use their best endeavours to introduce and/or identify additional exploration and mining resource project opportunities available in Malawi that could add strategic value to the Company's portfolio.

As at the date of this Prospectus, the Tenement Option has not been exercised by the Company.

As far as the Company is aware, the Vendors are each independent and are not associated with each other.

The Option Agreement otherwise contains additional provisions, including various warranties in favour of the Company, which are considered customary for agreements of this nature.

6.2 Lead Manager Mandate

The Company has entered into a mandate agreement appointing Sanlam to act as exclusive Lead Manager and broker in respect of the Capital Raising Offer.

Under the Lead Manager Mandate, the Lead Manager will provide services and assistance customarily provided in connection with marketing and execution of an initial public offer.

The Company will pay the following fees to the Lead Manager (or its nominees) pursuant to the Lead Manager Mandate, subject to Admission:

(a) a management fee of 2% (plus GST) of the proceeds from the Capital Raising Offer (other than in respect of proceeds received under the Firm Commitment Letters, where a management fee of 1% (plus GST) will apply);

(b) an equity raising fee of 4% (plus GST) on all amounts raised under the Capital Raising Offer, other than from investors introduced by the Company (e.g. Zhenshi and Zhung Nam);

(c) the Lead Manager Options; and

(d) $10,000 (plus GST) corporate administration fee for book running, allocation management, funds reconciliation, application form completions/bank reconciliations and DVP agent costs.

Please see Section 1.8 for further information regarding the Lead Managers' interests in the Offers.

The Lead Manager Mandate has a term of 12 months.

The Lead Manager Mandate contains additional provisions considered customary for agreements of this nature.

6.3 Letters of Appointment

(a) Non-Executive Chairman Letter of Appointment – Daniel Smith

The Company has entered into a non-executive director letter of appointment with Daniel Smith pursuant to which the Company has agreed to pay Mr Smith, $54,000 per annum (plus GST) for services provided to the Company as Non-Executive Chairman. In addition, the Company has agreed to issue to Mr Smith (or his nominee):

(i) 1,375,000 Options for nil consideration as a founding director and shareholder of the Company, on the terms and conditions set out in Section 7.2;

(ii) 750,000 Options as remuneration on the terms and conditions set out in Section 7.2; and

(iii) 750,000 Performance Rights as remuneration on the terms and conditions set out in Section 7.4.

The number of Securities that Mr Smith has an interest in as at the date of this Prospectus and upon Admission is disclosed in Section 5.6.

Mr Smith will also receive a cash payment of $50,000 (plus GST) on Admission by way of remuneration for pre-IPO services provided to the Company.

Note, Mr Smith also holds an additional 100,000 Options which were issued as free attaching options as part of the Company's initial pre-IPO seed funding.

The agreement contains additional provisions considered customary for agreements of this nature.

(b) **Non-Executive Director Letter of Appointment – John Kay**

The Company has entered into a non-executive director letter of appointment with John Kay pursuant to which the Company has agreed to pay Mr Kay, $54,000 per annum (plus GST) for services provided to the Company as Non-Executive Director. In addition, the Company has agreed to issue to Mr Kay (or his nominee):

(i) 1,375,000 Options for nil consideration as a founding director and shareholder of the Company, on the terms and conditions set out in Section 7.2;

(ii) 750,000 Options as remuneration on the terms and conditions set out in Section 7.2; and

(iii) 750,000 Performance Rights as remuneration on the terms and conditions set out in Section 7.4.

The number of Securities that Mr Kay has an interest in as at the date of this Prospectus and upon Admission is disclosed in Section 5.6.

Mr Kay will also receive a cash payment of $50,000 (plus GST) on Admission by way of remuneration for pre-IPO services provided to the Company.

Note, Mr Kay also holds an additional 15,000 Options which were issued as free attaching options as part of the Company's initial pre-IPO seed funding.

The agreement contains additional provisions considered customary for agreements of this nature.

(c) **Non-Executive Director Appointment – Myles Campion**

The Company has entered into a non-executive director letter of appointment with Myles Campion pursuant to which the Company has agreed to pay Mr Campion, $54,000 per annum (plus GST) for services provided to the Company as Non-Executive Director.

In addition, the Company has agreed to issue to Mr Campion (or his nominees) 500,000 Options on the terms and conditions set out in Section 7.2.

Note, Mr Campion also holds an additional 62,500 Options which were issued as free attaching options as part of the Company's initial pre-IPO seed funding.

The number of Securities that Mr Campion has an interest in as at the date of this Prospectus and upon Admission is disclosed in Section 5.6.

The agreement contains additional provisions considered customary for agreements of this nature.

(d) **Non-Executive Director Appointment – Nannan He**

The Company has entered into a non-executive director letter of appointment with Dr Nannan He pursuant to which the Company has agreed to pay Dr He, $54,000 per annum (plus GST) for services provided to the Company as Non-Executive Director.

The number of Securities that Dr He has an interest in as at the date of this Prospectus and upon Admission is disclosed in Section 5.6.

The agreement contains additional provisions considered customary for agreements of this nature.

6.4 Firm Commitment Letters

(a) The Company has entered into firm commitment letters (**Firm Commitment Letters**) with the following two strategic investors:

(i) Zhenshi Group (HK) Heshi Composite Materials Co., Limited (**Zhenshi or Zhenshi Group**), a Hong Kong based investment group with businesses spanning multiple industries, including composite materials production, trading and logistics, special steel production, mineral development and financial investments, has agreed to subscribe for $1,500,000 worth of Shares under the Capital Raising Offer; and

(ii) Zhung Nam New Material Company Limited (**Zhung Nam**), a Hong Kong based investment group that focusses on the mining, beneficiation, processing and sale of heavy mineral sands and rare earths, has agreed to subscribe for $1,000,000 worth of Shares under the Capital Raising Offer (together referred to as the **Cornerstones**).

(b) The right to terminate the Cornerstones obligations under their Firm Commitment Letters may only occur at the Company's election. The Company has also been given authorisation from each of the Cornerstones to act as their power of attorney to complete an application form under the Prospectus for their allocations.

(c) As at the date of this Prospectus, neither of the Cornerstones have an interest in the securities of the Company. Refer to Section 7.7 for details on their proposed holdings on completion of the IPO.

6.5 Minerva Corporate Mandate

The Company has entered into a consultancy agreement with Minerva Corporate, an entity that Mr Smith is a director and minority shareholder, pursuant to which Minerva will provide pre-IPO and post-IPO Chief Financial Officer and accounting services to the Company.

Prior to Admission, the Company will provide accounting services in exchange for a fee of $175 per hour (plus GST).

Following Admission, the Company will pay a monthly fee of $4,500 (plus GST) to Minerva for services including, but not limited to:

(i) bookkeeping and data entry;

(ii) review of monthly trial balance, bank reconciliations etc;

(iii) preparation of monthly management accounts, to include entering journals for prepayments, accruals etc;

(iv) preparation and review and lodgement of quarterly business activity statements;

(v) preparation of ASX quarterly cash flow reports;

(vi) preparation of half year financial report including the co-ordination of the directors' report information and assisting the auditors with field work as required;

(vii) preparation of full year financial report including the co-ordination of the directors' report and assisting the auditors with field work as required;

(viii) preparation of information as required by the tax agent for the completion and lodgement of the income tax returns with the Australian Taxation Office;

(ix) assist management with day-to-day accounting and budgeting tasks; and

(x) assist management with the preparation of information for discussion at board meetings.

Minerva Corporate will be engaged for the provision of the post-IPO accounting services for a minimum of 12 months post Admission. Either party may terminate the agreement by giving the other three (3) months' notice in writing.

The agreement contains additional provisions considered customary for agreements of this nature.

6.6 Arcadia Corporate Mandate

The Company has entered into a consultancy agreement with Arcadia Corporate, an entity that Mr Kay is a director and shareholder, pursuant to which Arcadia (via Mr Kay as its representative) will provide company secretarial services to the Company.

In consideration for its services, Arcadia will be paid a monthly fee of $4,500 (plus GST), payable monthly in arrears. The Company agrees to engage Arcadia for a minimum of 12 months post listing in this capacity. Either party may terminate the agreement by giving the other three (3) months' notice in writing.

The agreement contains additional provisions considered customary for agreements of this nature.

6.7 Deeds of indemnity, insurance and access

The Company is party to a deed of indemnity, insurance and access with each of the Directors. Under these deeds, the Company indemnifies each Director to the extent permitted by law against any liability arising as a result of the Director acting as a director of the

Company. The Company is also required to maintain insurance policies for the benefit of the relevant Director and must allow the Directors to inspect board papers in certain circumstances. The deeds are considered customary for documents of this nature.

7. Additional information

7.1 Rights attaching to Shares

A summary of the rights attaching to the Shares is detailed below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to the Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) (**Ranking of Shares**): At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.

(b) (**Voting rights**): Subject to any rights or restrictions, at general meetings:

(i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;

(ii) has one vote on a show of hands; and

(iii) has one vote for every Share held, upon a poll.

(c) (**Dividend rights**): Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment. 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 Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend.

(d) (**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.

(e) (**Transfer of Shares**): Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien.

(f) (**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. General meetings shall also be convened on requisition as provided for by the Corporations Act.

(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 minority Shareholders stating that the Company intends to sell their relevant Shares unless an exemption notice is received by a specified date.

(h) (**Rights on winding up**): If the Company is wound up, the liquidator may with the sanction of special resolution, divide the assets of the Company amongst members as the liquidator sees fit. If the assets are insufficient to repay the whole of the paid up capital of members, they will be distributed in such a way that the losses borne by members are in proportion to the capital paid up.

(i) (**Restricted Securities**): A holder of Restricted Securities (as defined in the Listing Rules) must comply with the requirements imposed by the Listing Rules in respect of Restricted Securities.

7.2 Terms and conditions of the Options

The following terms and conditions apply to the Options:

(a) **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **(Issue Price):** The Options are issued for nil consideration.

(c) **(Exercise Price):** The Options have an exercise price of $0.25.

(d) **(Expiry Date):** Each Option will expire at 5:00pm (WST) on the date four (4) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

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

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

(g) Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(h) **(Timing of issue of Shares and quotation of Shares on exercise):** within 10 Business Days after the valid exercise of an Option, the Company will:

(i) issue, allocate or cause to be transferred to the holder of the Option the number of Shares to which the holder is entitled;

(ii) issue a substitute Certificate for any remaining unexercised Options held by the holder;

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

(iv) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

All Shares issued upon the exercise of Options will upon issue rank equally in all respects with the then issued Shares.

(i) **(Restrictions on transfer of Shares):** If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

(j) **(Cashless exercise of Options):** The holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date.

(k) **(Dividend and voting rights):** The Options do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

(l) **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company and subject to compliance with the Corporations Act.

(m) **(Quotation of the Options):** The Company will not apply for quotation of the Options on any securities exchange.

(n) **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.

(o) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(p) **(Adjustment for bonus issues of Shares):** 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 an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

7.3 Terms and conditions of Lead Manager Options

The following terms and conditions apply to each of the Lead Manager Options (in this clause referred to as the Options):

(a) **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **(Issue Price):** The Options are issued for nil consideration.

(c) **(Exercise Price):** The Options have an exercise price of $0.30.

(d) **(Expiry Date):** Each Option will expire at 5:00pm (WST) on the date three (3) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

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

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

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **(Timing of issue of Shares and quotation of Shares on exercise):** within 10 Business Days after the valid exercise of an Option, the Company will:

(i) issue, allocate or cause to be transferred to the holder of the Options the number of Shares to which the holder is entitled;

(ii) issue a substitute Certificate for any remaining unexercised Options held by the holder;

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

(iv) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

All Shares issued upon the exercise of Options will upon issue rank equally in all respects with the then issued Shares.

(h) **(Restrictions on transfer of Shares):** If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

(i) **(Dividend and voting rights):** The Options do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

(j) **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company and subject to compliance with the Corporations Act.

(k) **(Quotation of the Options):** The Company will not apply for quotation of the Options on any securities exchange.

(l) **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.

(m) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(n) **(Adjustment for bonus issues of Shares):** 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 an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

7.4 Terms and conditions of Performance Rights

(a) **General**

(i) (**Share Capital**) Each Performance Right is a right to acquire a share in the capital of the Company.

(ii) (**General meetings**) Each Performance Right confers on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to the Company's shareholders. A Holder has the right to attend general meetings of the Company.

(iii) (**No voting rights**) A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the *Corporations Act 2001* (Cth) (**Corporations Act**) or the ASX Listing Rules (**Listing Rules**) where such rights cannot be excluded by these terms.

(iv) (**No dividend rights**) A Performance Right does not entitle the Holder to any dividends.

(v) (**No rights to return of capital**) A Performance Right does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(vi) (**No rights on winding up**) A Performance Right does not confer a right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

(vii) (**Transfer of Performance Rights**) A Performance Right is not transferable.

(viii) (**Reorganisation of Capital**) In the event that the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the economic and other rights of the Holder are not diminished.

(ix) (**Quotation**) The Performance Rights will not be quoted on ASX.

(x) (**No participation in entitlements and bonus issues**) Subject always to the rights under 7.4(a)(viii) (**Reorganisation of Capital**), Holders will not be entitled to participate in new issues of capital offered to holders of fully paid ordinary shares in the Company (**Shareholders**) such as bonus issues and entitlement issues.

(xi) (**Amendments required by ASX**) The terms of the Performance Rights may be amended as considered necessary by the board of directors of the Company in order to comply with the Listing Rules or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.

(xii) (**No other rights**) A Performance Right does not give a Holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

(b) **Definitions**

In this Section and Section 7.5, these capitalised terms have the following meanings:

(i) **Mineral Resource** has the meaning given to that term as defined in the JORC Code.

(ii) **NI43-101** means the Standards of Disclosure for Mineral Projects (Canada).

(iii) **JORC Code** means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition (or the most recent edition when reference is made to it).

(iv) **Related Body Corporate** has the meaning given to that term in the Corporations Act.

(v) **Tenement** means any minerals tenement in respect of which the Company or its Related Bodies Corporate has the right to undertake exploration, development or mining.

(c) **Milestones**

The Performance Rights will convert into Shares in three (3) equal tranches upon the satisfaction of each of the milestones set out below, before the Expiry Date and otherwise in accordance with their terms.

That is, ⅓ of the Performance Rights will convert into Shares upon the satisfaction of milestone 1, an additional ⅓ of the Performance Rights will convert into Shares upon the satisfaction of milestone 2, and any remaining Performance Rights will convert into Shares upon the satisfaction of milestone 3.

(i) **Milestone 1**

the announcement or announcements by the Company to ASX that tenement application APL0251 has been granted as a new exploration licence within two years from the date of Settlement;

(ii) **Milestone 2**

the announcement or announcements by the Company to ASX that completion of at least 2,000m of drilling has occurred on the Tenements within two years from the date of Settlement; and

(iii) **Milestone 3**

the announcement or announcements by the Company to ASX that the Company has delineated a JORC or NI43-101 compliant Mineral Resource on the Tenements of a minimum of 5Mt and having a minimum grade of 0.75% *TREO + Nb2O5 within four years from the date of Settlement.

*TREO = Total Rare Earth Oxides (La through Lu + Y)

(d) **Change in control**

Performance Rights will automatically convert into Shares upon the happening of either of the following events:

(i) **Takeover bid**: the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that takeover bid has become unconditional; or

(ii) **Scheme of arrangement**: the announcement by the Company that Shareholders have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return of the issued capital of the Company) under which all Company securities are to be either cancelled or transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement,

provided that the offeror under the takeover bid, or the third party under the scheme of arrangement (as applicable), or the acquirer under such disposal, does not control the Company at the time of issue of the Performance Rights.

(e) **Expiry Date**

(i) The Expiry Date for each of the Performance Rights is 5.00pm (Western Australian Standard Time) on the date, which is 5 years after the date of their issue (**Expiry Date**).

(ii) To the extent that any Performance Rights have not converted into Shares by the applicable Expiry Date, such Performance Rights for each Holder will automatically lapse and be deemed to have been cancelled without payment or other compensation to the Holder.

(f) **Conversion of Performance Rights**

(i) Any conversion of Performance Rights into Shares is on a one for one basis (subject to 7.4(a)(viii), if applicable).

(ii) The Company must issue the relevant number of Shares to the Holder immediately upon conversion of any Performance Rights.

(iii) A Performance Right, which converts immediately, ceases to exist.

(g) **Takeover provisions**

(i) If the conversion of Performance Rights (or part thereof) under 7.4(c) would result in any person being in contravention of section 606(1) of the Corporations Act, then the conversion of each Performance Right that would cause the contravention shall be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1) of the Corporations Act.

(ii) Where 7.4(g)(i) applies, if requested to do so by the affected Holder, the Company must seek to obtain the approval of its shareholders under section 611, item 7 of the Corporations Act for the conversion of the affected Performance Rights at the Company's next annual general meeting.

(iii) A Holder must promptly notify the Company in writing if they consider that the conversion of Performance Rights (or part thereof) under 7.4(c) may result in the contravention of section 606(1) of the Corporations Act, failing which the Company is entitled to assume that such conversion will not result in any person being in contravention of section 606(1) of the Corporations Act (unless it is on notice to the contrary through a substantial holder notice which has been lodged in relation to the Company).

(iv) The Company may (but is not obliged to) by written notice request that a Holder confirm to the Company in writing within 7 days if they consider that the conversion of Performance Rights under 7.4(c) may result in the contravention of section 606(1) of the Corporations Act. If the Holder does not confirm to the Company within 7 days that they consider such conversion may result in the contravention of section 606(1) of the Corporations Act, then the Company is entitled to assume that such conversion will not result in any person being in contravention of section 606(1) of the Corporations Act (unless it is on notice to the contrary through a substantial holder notice which has been lodged in relation to the Company).

(h) **Quotations**

If the Company is listed on the ASX at the time, upon conversion of the Performance Rights into Shares in accordance with these terms, the Company must within 7 days after the conversion, apply for and use its best endeavours to obtain the official quotation on ASX of the Shares arising from the conversion.

(i) **Conversion procedure**

(i) The Company will procure that the Holder is issued with a new holding statement for the Shares as soon as practicable following the conversion of the Performance Rights into Shares.

(ii) The Company must use its best endeavours to release to ASX a notice under sections 708A(5) and (6) of the Corporations Act in relation to the Shares within 5 Business Days of conversion of the Performance Rights into Shares.

(j) **Ranking of Shares**

Subject to any applicable laws and the Listing Rules, the Shares into which the Performance Rights will convert will be freely tradable and will rank pari passu in all respects with the Shares on issue at the date of conversion.

7.5 Information required by ASX Guidance Note 19

The following information is provided in respect of ASX Guidance Note 19:

(a) The Performance Rights are to be issued to Directors' Daniel Smith and John Kay and to the Vendors.

(b) The number of Performance Rights to be issued to the Vendors is set out in Section 6.1 and the number of Performance Rights to be issued to Directors' Daniel Smith and John Kay is set out in Section 5.6.

(c) The Vendors are all unrelated parties to the Company. The Directors are related parties to the Company.

(d) In respect of the Vendors:

(i) the Performance Rights are being issued as part consideration for the Acquisition. The issue of the Performance Rights reflect fair and equitable compensation for the benefits the Company will obtain if it is successful in defining a Mineral Resource on any one of the Tenements. By imposing the milestones, the Company is seeking to mitigate general mining and exploration risks;

(ii) the Company has the option to the acquire 100% of GEA, and in turn a 100% interest in the Tenements pursuant to the Option Agreement. Further details of this agreement and the interest of Vendors and GEA in the Tenements is contained in Section 6.1 and the Solicitor's Report included in Annexure C;

(iii) the Company is acquiring GEA from the Vendors. At Settlement, GEA will own a 100% interest in the shares in the capital of GEL, which in turn owns a 100% legal interest in the Tenements;

(iv) the Company considers the quantum of Performance Rights are reasonably proportionate to the additional value the Company will derive if the milestones are achieved as the Company will likely be able to advance to the next stage of its exploration and mining program; and

(v) the Performance Rights are not being issued to an entity or individual which does not have an ownership interest in the Tenements being acquired by the Company;

(e) In respect of Directors' Daniel Smith and John Kay:

(i) the Performance Rights are being issued to incentivise and reward the directors for progressing exploration on the Tenements towards the definition of a Mineral Resource;

(ii) each of the Directors will be expected (where required) to advise on and contribute towards the Company's business plan and exploration strategy in advancing the Projects;

(iii) the existing total remuneration package of the Directors is set out in Section 5.8;

(iv) details of the securities each of the Directors and their associates hold in the Company, and consideration paid for those securities is set out in Sections 2.4, 5.6 and 6.3;

(v) given the early stage and higher nature of risk associated with the Projects, it is necessary to further incentivise and remunerate the Directors to progress the Projects to an advanced stage where a Mineral Resource can be defined; and

(vi) the Company considers the quantum of Performance Rights to be issued to the Directors are reasonably proportionate to the additional value the Company will derive if the milestones are achieved as the Company will likely be able to advance to the next stage of its exploration and mining program.

(f) Up to 4,500,000 Shares will be issued on conversion of the Performance Rights. A summary of the impact of the conversion of the performance rights on the capital structure of the Company is set out in the table in Section 1.7 of this Prospectus.

(g) The full terms of the Performance Rights are set out in detail in section 7.4.

7.6 Summary of the Company's Employee Securities Incentive Plan

The DY6 Metals Ltd ESIP (**Plan**) was adopted on 28 December 2022. The full terms of the Plan may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the Plan is set out below. It is intended that both the Executive and Non-Executive Directors will participate in the Plan. As at the date of this Prospectus, the Directors currently participate in the Plan to the extent that they have been granted Performance Rights, as set out in Section 5.6.

(a) (**Eligible Participant**): Eligible Participant means a person that:

(i) is an "ESS participant", as that term is defined in s 1100L of the Corporations Act in relation to the Company or an associated entity of the Company, where

that associated entity is a body corporate (and where associated entity has the meaning given by section 50AAA of the Corporations Act); and

(ii) has been determined by the Board to be eligible to participate in the Plan from time to time.

(b) (**Maximum allocation**):

(i) The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where the total number of Plan Shares (as defined in paragraph (m) below) that may be issued, or acquired upon exercise of securities exercisable for Plan Shares (**Convertible Securities**) offered, when aggregated with the number of Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period would exceed 5% of the total number of Shares on issue at the date of the offer, or such other limit as may be specified by the relevant requirements of the Constitution from time to time. Under the current Constitution, this percentage limit has been increased from 5% to 10%.

(ii) The maximum number of equity securities proposed to be issued under the Plan for the purposes of Listing Rule 7.2, Exception 13 is 5,550,000 Securities (**ASX Limit**). This means that, subject to the following paragraph, the Company may issue up to the ASX Limit under the Plan, without seeking Shareholder approval and without reducing its placement capacity under Listing Rule 7.1.

(iii) The Company will require prior Shareholder approval for the issue of Securities under the Plan to Directors, their associates, and any person whose relationship with the Company or a Director or a Director's associate is such that, in ASX's opinion, the acquisition should be approved by Shareholders. The issue of Securities with Shareholder approval will not count towards the ASX Limit.

(c) (**Purpose**): The purpose of the Plan is to:

(i) assist in the reward, retention and motivation of Eligible Participants;

(ii) link the reward of Eligible Participants to Shareholder value creation; and

(iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

(d) (**Plan administration**): The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.

(e) (**Eligibility, invitation and application**): The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An invitation issued under the Plan will comply with the disclosure obligations pursuant to Division 1A of Part 7.12 of the Corporations Act (**Division 1A of Part 7.12**).

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A of Part 7.12.

(f) (**Grant of Securities**): The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

(g) (**Terms of Convertible Securities**): Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

(h) (**Vesting of Convertible Securities**): Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

(i) (**Exercise of Convertible Securities and cashless exercise**): To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

At the time of exercise of the Convertible Securities, and subject to Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

(j) (**Delivery of Shares on exercise of Convertible Securities**): As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

(k) (**Forfeiture of Convertible Securities**): Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group (as defined above), the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

(i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and

(ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

(l) (**Change of control**): If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.

(m) (**Rights attaching to Plan Shares**): All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

(n) (**Disposal restrictions on Securities**): If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share or Convertible Security is subject to any disposal restrictions under the Plan, the Participant will not:

(i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or

(ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

(o) (**Adjustment of Convertible Securities**): If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

(p) (**Participation in new issues**): There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

(q) (**Amendment of Plan**): Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

(r) (**Plan duration**): The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

7.7 Effect of the Offers on control and substantial Shareholders

Those Shareholders holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows:

Name	Number of Shares	% of Shares[(1)]
John Kay[(2)]	3,105,000	24.8%
Daniel Smith[(3)]	3,037,500	24.3%
Nannan He[(4)]	925,556	7.4%

Notes:

1. Based on 12,500,000 Shares being on issue.
2. These Shares are held by First Arrow Investments Pty Ltd ATF The First Arrow Trust, an entity controlled by Mr Kay.
3. 2,450,000 Shares are held by Bridge The Gap Trading Pty Ltd and 587,500 Shares are held by Orwellian Investments Pty Ltd, entities controlled by Mr Smith.
4. Dr He holds these securities via her private investment company, Woodsouth Asset Management Pty Ltd ATF the Woodsouth Trust.

Based on the information known as at the date of this Prospectus, on Admission the following persons will have an interest in 5% or more of the Shares on issue:

Name	Number of Shares		% of Shares[(1)]
	Minimum Subscription	Maximum Subscription	
Zhenshi[5]	7,500,000	7,500,000	16.5%
Zhung Nam[4]	5,000,000	5,000,000	10.9%
John Kay[2]	3,105,000	3,105,000	6.8%
Daniel Smith[3]	3,037,500	3,037,500	6.7%

Notes:

1. Based on the minimum subscription.
2. These Shares are held by First Arrow Investments Pty Ltd ATF The First Arrow Trust, an entity controlled by Mr Kay.
3. 2,450,000 Shares are held by Bridge The Gap Trading Pty Ltd and 587,500 Shares are held by Orwellian Investments Pty Ltd, entities controlled by Mr Smith.
4. Zhung Nam New Material Company Limited have entered into a firm commitment letter with the Company to subscribe for $1,000,000 worth of Shares under the Capital Raising Offer at $0.20 per Share. Refer to Section 6.4 for further details.
5. Zhenshi Group (HK) Heshi Composite Materials Co., Limited have entered into a firm commitment letter with the Company to subscribe for $1,500,000 worth of Shares under the Capital Raising Offer at $0.20 per Share. Refer to Section 6.4 for further details.

7.10 Interests of Promoters, Experts and Advisers

(a) No interest except as disclosed

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

(i) persons or entity named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(ii) promoter of the Company; or

(iii) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds at the date of this Prospectus, or has held at any time during the last 2 years, any interest in:

(iv) the formation or promotion of the Company;

(v) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or

(vi) the Offers,

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

(b) Share Registry

Computershare has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions. During the 24 months preceding lodgement of this Prospectus with ASIC, Computershare has not provided any other services to the Company.

(c) Auditor

Moore Audit Australia (WA) has been appointed to act as Auditor to the Company. The Company estimates it will pay Moore Audit Australia (WA) a total of $20,000 (excluding GST) for these services.

During the 24 months preceding lodgement of this Prospectus with ASIC, Moore Audit Australia (WA) has not provided any other services to the Company.

(d) Australian Solicitors

HWL Ebsworth Lawyers (**HWLE**) has acted as the Australian solicitors to the Company in relation to the Offers. The Company estimates it will pay HWLE $60,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

During the 24 months preceding lodgement of this Prospectus with ASIC, HWLE has not provided any other services to the Company.

(e) **Malawian Solicitors**

Messrs. William Faulkner has acted as the Malawian solicitors to the Company in relation to the Offers and to prepare the Solicitor's Report which is included in Annexure C of this Prospectus. The Company estimates it will pay Messrs. William Faulkner US$2,500 for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

During the 24 months preceding lodgement of this Prospectus with ASIC, Messrs. William Faulkner has not provided any other services to the Company.

(f) **Independent Geologist**

CSA Global has acted as the Independent Geologist and has prepared the Independent Geologist's Report which is included in Annexure B of this Prospectus. The Company estimates it will pay CSA Global a total of $42,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, CSA Global has not provided any other services to the Company.

(g) **Investigating Accountant**

Moore Australia Corporate Finance (WA) Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Annexure A of this Prospectus. The Company estimates it will pay Moore Australia Corporate Finance (WA) Pty Ltd a total of $15,000 (excluding GST) for these services.

During the 24 months preceding lodgement of this Prospectus with ASIC, Moore Australia Corporate Finance (WA) Pty Ltd has not provided any other services to the Company.

(h) **Lead Manager**

Sanlam has acted as the Lead Manager to the Offers. Details of the payments to be made to the Lead Manager is set out in Section 6.2. The Company estimates it will pay Sanlam a minimum of $300,000 (excluding GST) if the Minimum Subscription is raised and a maximum of $420,000 (excluding GST) if the Maximum Subscription is raised and issued 3,000,000 Options in respect of services relating to the Offers (note, these fees may be passed on to participating brokers).

Other than the services noted above, during the 24 months preceding lodgement of this Prospectus with ASIC, Sanlam has not provided services to the Company.

(i) **Corporate Advisor**

Minerva has acted as the Company's corporate advisor in relation to the Offers. The Company estimates it will pay Minerva $10,000 (excluding GST) for these services. Subsequently, Minerva will provide the Company services and charge fees in accordance with the Minerva Corporate Mandate, which is summarised in Section 6.5.

During the 24 months preceding lodgement of this Prospectus with ASIC, Minerva has not provided any other services to the Company.

7.11 Consents

(a) Each of the parties referred to below:

(i) do not make the Offers;

(ii) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;

(iii) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below; and

(iv) has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.

(b) **Share Registry**

Computershare has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Share Registry of the Company in the form and context in which it is named.

(c) **Auditor**

Moore Audit Australia (WA) has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Auditor of the Company in the form and context in which it is named.

(d) **Australian Solicitors**

HWLE has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Australian solicitors to the Company in the form and context in which it is named.

(e) **Malawian Solicitors and Solicitor's Report**

Messrs. William Faulkner has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Malawian solicitors to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Solicitor's Report in the form and context in which it is included.

(f) **Independent Geologist**

CSA Global has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Independent Geologist to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Independent Geologist's Report in the form and context in which it is included.

(g) **Investigating Accountant**

Moore Australia Corporate Finance (WA) Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Investigating Accountant to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Investigating Accountant's Report in the form and context in which it is included.

(h) **Lead Manager**

Sanlam has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Lead Manager to the Offers in the form and context in which it is named.

(i) **Corporate Advisor**

Minerva has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Company's corporate advisor in relation to the Offers in the form and context in which it is named.

7.12 Expenses of Offers

The total approximate expenses of the Offers payable by the Company are:

	$	
	Minimum Subscription	**Maximum Subscription**
ASX quotation fee	80,005	86,432
ASIC lodgement fee	3,206	3,206
Legal fees	80,000	80,000
Independent Technical Assessment Report	42,000	42,000
Investigating Accountant fees	15,000	15,000
Lead Manager's fees[(1)]	300,000	420,000
Printing, postage and administration fees	15,000	15,000
Registry	3,000	3,000
Total	**$538,211**	**$664,638**

Notes:

1. Refer to Section 6.2 for a summary of the Lead Manager Mandate.

7.13 Continuous Disclosure Obligations

Following Admission, the Company will be a 'disclosing entity' (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares (unless a relevant exception to disclosure applies). Price sensitive information will be publicly released through ASX before it is otherwise disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to ASX. In addition, the Company will post this information on its website after ASX confirms that an announcement has been made, with the aim of making the information readily accessible to the widest audience.

7.14 Litigation

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company (or any other member of the Group) is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company or the Group.

7.15 Electronic Prospectus

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Shares in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company and the Lead Manager reserve the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the Electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

7.16 ASIC Relief and ASX Waivers

No ASIC relief or ASX waivers have been obtained and relied upon in relation to the Offers.

7.17 Documents available for inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company:

(a) this Prospectus;

(b) the Constitution; and

(c) the consents referred to in Section 7.11 of this Prospectus.

7.18 Statement of Directors

The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in the Investigating Accountant's Report in Annexure A, there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

8. Authorisation

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company by:

Daniel Smith
Non-Executive Chairman

Dated: 3 April 2023

9. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

$ or $A or AUD$	means Australian dollars.
Acquisition	has the meaning given in 6.1.
Admission	means admission of the Company to the Official List, following completion of the Offers.
Applicant	means a person who submits an Application Form.
Application	means a valid application for Securities pursuant to this Prospectus.
Application Form	means the application form attached to this Prospectus (including the electronic form provided by an online application facility).
Application Monies	means the amount of money submitted or made available by an Applicant in connection with an Application.
Arcadia Corporate or **Arcadia**	means Arcadia Corporate Pty Ltd.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited (ACN 008 624 691) or, where the context requires, the financial market operated by it.
ASX Settlement	means ASX Settlement Pty Limited (ACN 008 504 532).
ASX Settlement Rules	means ASX Settlement Operating Rules of ASX Settlement Pty Ltd (ABN 49 008 504 532).
Auditor	means Moore Audit Australia (WA).
Board	means the board of Directors of the Company as at the Prospectus Date.
Broker	means any ASX participating organisation selected by the Lead Manager and the Company to act as a broker to the Offers.
Broker Firm and Institutional Offer	means the offer of Shares under this Prospectus to Australian and Hong Kong resident investors and Institutional Investors in Australia and Hong Kong who have received a firm allocation of Shares from their Broker.
Capital Raising Offer	means an initial public offering of Shares, at the Offer Price, to apply for a minimum of 25,000,000 Shares and a maximum of 35,000,000, to raise a minimum of $5,000,000 and a maximum of $7,000,000 (before costs).
CHESS	means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date	means 5:00pm (WST) on the closing date as specified in the Indicative Timetable, or such other time and date as the Board determines.
Company or **DY6**	means DY6 Metals Ltd (ACN 663 592 318).
Competent Person	has the meaning given in the JORC Code.
Completion	means the date on which the Securities are issued and transferred to Applicants in accordance with the terms of the Offers.
Computershare	means Computershare Investor Services Pty Limited.
Constitution	means the constitution of the Company.
Cornerstones	has the meaning given to it in Section 6.4.
Corporations Act	means the *Corporations Act 2001* (Cth), as amended from time to time.
CSA Global	means ERM Australia Consultants Pty Ltd trading as CSA Global
Directors	means the directors of the Company as at the date of this Prospectus.
ESIP	means employee securities incentive plan.
Electronic Prospectus	means the electronic copy of this Prospectus located at the Company's website www.dy6metals.com.
Expiry Date	means 13 months after the Prospectus Date.
Exploration Results	has the meaning given in the JORC Code.
Exploration Targets	has the meaning given in the JORC Code.
Exposure Period	means the period of seven days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than seven days pursuant to section 727(3) of the Corporations Act.
Financial Information	has the meaning given in Section 4.
Firm Commitment Letters	has the meaning given in Section 6.4.
GEA	has the meaning given in Section 6.1.
GEL	has the meaning given in Section 6.1.
Group	means the Company and its Related Bodies Corporate.
GSSA	means the Geological Society of South Africa.
GST	means Goods and Services Tax.
General Public Offer	means the offer of Shares under the Offers to members of the general public with a registered address in Australia or Hong Kong.

HWLE	means HWL Ebsworth Lawyers.
Indicative Timetable	means the indicative timetable for the Offers on page ix of this Prospectus.
Institutional Investor	means investors who are: (a) persons in Australia and Hong Kong who are either "sophisticated investors" or "professional investors" under sections 708(8) and 708(11) of the Corporations Act; or (b) an institutional investor in certain other jurisdictions, as agreed between the Company and the Lead Manager, to whom offers of Shares may lawfully be made without the need for a lodged or registered prospectus or other form of disclosure document or filing, registration or qualification with, or approval by, any governmental agency (except one with which the Company is willing, in its absolute discretion, to comply).
Investigating Accountant	means Moore Australia Corporate Finance (WA) Pty Ltd.
IPO	means the Company's initial public offer made pursuant to this Prospectus.
Issue Date	means the date, as determined by the Directors, on which the Securities offered under this Prospectus are allotted, which is anticipated to be the date identified in the Indicative Timetable.
JORC Code	means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition.
Lead Manager	means Sanlam Private Wealth Pty Ltd (ABN 18 136 960 775) holder of Australian Financial Services Licence (AFSL) 337927).
Lead Manager Mandate	means the mandate entered between the Company and the Lead Manager for the provision of lead manager services and bookrunner services in respect of the Offers, as summarised in Section 6.2.
Lead Manager Offer	means the offer of 3,000,000 Options to be issued to the Lead Manager (or its nominees) in accordance with the terms of the Lead Manager Mandate.
Lead Manager Options	means the 3,000,000 Options to be issued to the Lead Manager (or its nominees) in accordance with the terms of the Lead Manager Mandate.
Listing Rules	means the listing rules of ASX.
Maximum Subscription	means the raising of $7,000,000 (before costs) pursuant to the Capital Raising Offer.
Mineral Resources	has the meaning given in the JORC Code.
Minerva or **Minerva Corporate**	Minerva Corporate Pty Ltd (ACN 162 518 372).
Mines Act	means the *Malawi Mines and Minerals Act* (No. 8 of 2019).

Minimum Subscription	means the raising of $5,000,000 (before costs) pursuant to the Capital Raising Offer.
Offers	means the Capital Raising Offer and the Lead Manager Offer.
Offer Price	means $0.20 per Share.
Official List	means the official list of ASX.
Official Quotation	means official quotation by ASX in accordance with the Listing Rules.
Opening Date	means the date specified as the opening date in the Indicative Timetable.
Option	means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.
Option Agreement	has the meaning given in Section 6.1.
Ore Reserves	has the meaning given in the JORC Code.
Performance Right	means a right to subscribe for an issued share in the capital of the Company, each convertible into a Share upon the satisfaction of one or more of the relevant performance milestones.
Plan	means the DY6 Metals Ltd Employee Securities Incentive Plan.
Projects	has the meaning given in Section 2.1.
Prospectus	means this prospectus dated 3 April 2023.
Prospectus Date	means the date on which a copy of this Prospectus was lodged with ASIC, being 3 April 2023.
Recommendations	means the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition).
Related Body Corporate	has the meaning given in the Corporations Act.
Relevant Interest	has the meaning given in the Corporations Act.
Reorganisation	has the meaning given in Section 6.1.
SACNASP	means the South African Council for Natural Scientific Professions.
Sanlam	Sanlam Private Wealth Pty Ltd (ABN 18 136 960 775) holder of Australian Financial Services Licence (AFSL) 337927).
Section	means a section of this Prospectus.
Securities	means any securities, including Shares or Options, issued or granted by the Company.
Settlement	has the meaning given in Section 6.1.

Share	means a fully paid ordinary share in the capital of the Company.
Share Registry	means Computershare.
Shareholder	means a holder of one or more Shares.
Tenement Option	has the meaning given in Section 6.1.
Tenements	has the meaning given in Section 2.2.
USD$	means American dollars, the official currency of the United States of America.
Vendors	has the meaning given in Section 6.1.
WST	means Western Standard Time, being the time in Perth, Western Australia.
Zhenshi or **Zhenshi Group**	means Zhenshi Group (HK) Heshi Composite Materials Co., Limited.
Zhung Nam	means Zhung Nam New Material Company Ltd.

Annexure A Investigating Accountant's Report

MOORE

Moore Australia

Level 15, Exchange Tower,
2 The Esplanade, Perth, WA 6000

PO Box 5785, St Georges Terrace, WA 6830

T +61 8 9225 5355
F +61 8 9225 6181

www.moore-australia.com.au

31 March 2023

The Directors
DY6 Metals Limited
Level 8, 99 St George's Terrace
PERTH WA 6000

Dear Directors

Independent Limited Assurance Report

1. Introduction

This report has been prepared at the request of the Directors of DY6 Metals Limited (the "Company" or "DY6") for inclusion in a prospectus to be issued by the Company ("Prospectus") in respect of the proposed public offering of fully paid ordinary shares in the Company ("Capital Raising" or "the Offer") and the listing of the Company on the Australian Securities Exchange Limited ("ASX").

Expressions defined in the Prospectus have the same meaning in this report.

The report does not address the rights attaching to the shares to be issued in accordance with the Offer, nor the risks associated with accepting the Offer. Moore Australia Corporate Finance (WA) Pty Ltd has not been requested to consider the prospects for DY6, nor the merits and risks associated with becoming a shareholder and accordingly has not done so, nor purports to do so.

Consequently, Moore Australia Corporate Finance (WA) Pty Ltd has not made and will not make any recommendation, through the issue of this report, to potential investors of the Company, as to the merits of the Offer and takes no responsibility for any matter or omission in the Prospectus other than responsibility for this report.

2. Scope of Report

The Directors of the Company have requested Moore Australia Corporate Finance (WA) Pty Ltd prepare an Independent Limited Assurance Report on:

Notional Historical Financial Information

The Directors have requested that Moore Australia Corporate Finance (WA) Pty Ltd review:

- The Notional Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income of DY6 for the years ended 31 December 2021 and 31 December 2022;
- The Notional Historical Consolidated Statements of Cash flows of DY6 for the years ended 31 December 2021 and 31 December 2022; and
- The Notional Historical Consolidated Statement of Financial Position of DY6 as at 31 December 2022.

which is collectively termed the "Notional Historical Financial Information".

The Notional Historical Financial Information is presented in an abbreviated form insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to financial reports in accordance with the *Corporations Act 2001*.

Although DY6 was only incorporated on 3 November 2022 and its acquisition of Green Exploration Limited is yet to complete (subject to satisfying agreed conditions), the Notional Historical Financial Information reflects the notional consolidation of DY6 and its proposed Malawi subsidiary company for the entire financial years ended 31 December 2021 and 2022, so as to demonstrate their combined financial position as at 31 December 2022 and combined results for the financial years ended 31 December 2021 and 2022.

The Notional Historical Financial Information has been extracted from the audited general purpose financial statements of DY6 for the period 3 November 2022 to 31 December 2022 and the audited general purpose financial statements of Green Exploration Limited for the years ended 31 December 2020 and 31 December 2021.

The financial reports of DY6 and Green Exploration Limited were audited by Moore Australia Audit (WA), who issued unmodified audit opinions for each of the years specified. For each of the years noted above Moore Australia Audit (WA) raised an emphasis of matter in respect of material uncertainty related to going concern in respect of Green Exploration Limited.

The Notional Historical Consolidated Statements of Profit or Loss and Other Comprehensive Income of DY6 for the years ended 31 December 2021 and 31 December 2022 are included at section 4.4 of the Prospectus and are presented without adjustment.

The Notional Historical Consolidated Statements of Cash flows of DY6 for years ended 31 December 2021 and 31 December 2022 are included at section 4.5 of the Prospectus and are presented without adjustment.

The Notional Historical Consolidated Statement of Financial Position as at 31 December 2022 of DY6 is included in section 4.6 of the Prospectus and is presented without adjustment.

Pro Forma Historical Financial Information

The Directors have requested that Moore Australia Corporate Finance (WA) Pty Ltd review:

- The Pro Forma Historical Consolidated Statement of Financial Position of DY6 as at 31 December 2022 as presented at section 4.7, adjusted to include funds to be raised pursuant to the Prospectus and the completion of certain other transactions as disclosed in section 4.8 of the Prospectus, as if those events and transactions occurred as at 31 December 2022.

which is collectively termed the “Pro Forma Historical Financial Information”.

The Pro Forma Historical Consolidated Statement of Financial Position is derived from the Historical Statement of Financial Position of the Company as at 31 December 2022, adjusted on the basis of the completion of the proposed Capital Raising and the completion of certain other transactions as disclosed in section 4.8 of the Prospectus, as if those events and transactions occurred as at 31 December 2022. The Pro Forma Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of DY6’s future financial position.

3. Scope of Review

Directors’ Responsibilities

The Directors of DY6 are responsible for the preparation and presentation of the Notional Historical and Pro Forma Historical financial information, including the determination of the pro forma transactions. The Directors are also responsible for the information contained within the Prospectus.

This responsibility includes for the operation of such internal controls as the Directors determine are necessary to enable the preparation of the Financial Information presented in the Prospectus that is free from material misstatement whether due to fraud or error.

Our Responsibilities

We have conducted our engagement in accordance with Australian Auditing Standard ASRE 2405 *Review of Historical Financial Information Other than a Financial Report*. We have also considered and complied with the requirements of ASAE 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Historical Financial Information included in a Prospectus or other Document* and ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any Historical Financial Information used to compile the Pro forma Historical Financial Information, nor have we, in the course of this engagement, performed an audit of the financial information used in compiling the Pro Forma Historical Financial Information, or the Pro Forma Historical Financial Information itself.

The purpose of the compilation of the Pro Forma Historical Financial Information is solely to illustrate the impact of the proposed Capital Raising, related transactions and accounting policies on unadjusted financial information of the Company as if the event or application of accounting policies had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed Capital Raising, related transactions and accounting policies would be as presented.

We made such inquiries and performed such procedures as we, in our professional judgement, considered reasonable in the circumstances including:

- a review of contractual arrangements;
- a review of financial statements, management accounts, work papers, accounting records and other documents, to the extent considered necessary;
- analytical procedures, to the extent considered necessary;
- a review of the audited financial statements of DY6 and Green Exploration Limited, including a review of the auditor's work papers and making enquiries of the auditor, to the extent considered necessary;
- a comparison of consistency in application of the recognition and measurement principles in Accounting Standards and other mandatory professional reporting requirements in Australia, with the accounting policies adopted by the Company;
- a review of the assumptions and pro forma adjustments used to compile the Pro Forma Historical Financial Information; and
- enquiry of Directors, management and advisors of DY6.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

These procedures have been undertaken to form a limited assurance conclusion as to whether we have become aware of any matters that indicate the Historical and Pro Forma Historical Financial Information, set out in section 4 of the Prospectus, does not present fairly, in all material respects, in accordance with Australian Accounting Standards and the accounting policies adopted by the Company. This view is consistent with our understanding of the financial position of the Company as at 31 December 2022, the pro forma financial position as at 31 December 2022, and of its financial results and cash flows for the years ended 31 December 2021 and 31 December 2022.

4. Valuation of Interests in Exploration and Evaluation Assets

The principal assets of DY6, post ASX listing, in addition to cash and cash equivalents, will be its interests in exploration and evaluation assets. The interests in exploration and evaluation assets have been included at cost of $2,285,616 in the pro forma Statement of Financial Position as at 31 December 2022, which is in accordance with the accounting policy adopted for such assets by the Company. We have not performed our own valuations of the exploration and evaluation assets and do not express a view on whether the carrying values of the exploration and evaluation assets reflect current market values. The value of the exploration and evaluation assets may rise or fall depending on future exploration results and world commodity prices.

5. Conclusions

Based on our review, which is not an audit:

- Nothing has come to our attention which causes us to believe that the Notional Historical Consolidated Statements of Profit or Loss and other comprehensive income of DY6 for the years ended 31 December 2021 and 31 December 2022, as set out in section 4.4 of the Prospectus, do not present fairly the results of the Company for the periods then ended in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company.

- Nothing has come to our attention which causes us to believe that the Notional Historical Consolidated Statements of Cash Flows of DY6 for the years ended 31 December 2021 and 31 December 2022, as set out in section 4.5 of the Prospectus, do not present fairly the cash flows of the Company for the periods then ended in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company.
- Nothing has come to our attention which causes us to believe that the Notional Historical Statement of Financial Position of the Company, as set out in section 4.6 of the Prospectus, does not present fairly the assets and liabilities of the Company as at 31 December 2022 in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company.
- Nothing has come to our attention which causes us to believe that the Pro Forma Historical Statement of Financial Position of the Company, as set out in section 4.7 of the Prospectus, does not present fairly the assets and liabilities of the Company, as at 31 December 2022 in accordance with the accounting methodologies required by Australian Accounting Standards and adopted by the Company, and on the basis of assumptions and transactions set out in section 4.8 of the Prospectus.

6. Subsequent Events

To the best of our knowledge and belief, there have been no other material items, transactions or events subsequent to 31 December 2022 not otherwise disclosed in this report or the Prospectus that have come to our attention during the course of our review which would cause the information included in this report to be misleading.

7. Other Matters

Moore Australia Corporate Finance (WA) Pty Ltd does not have any pecuniary interest that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion.

DY6 and Green Exploration Limited are audited by Moore Australia Audit (WA),an affiliated firm of Moore Australia Corporate Finance (WA) Pty Ltd.

Moore Australia Corporate Finance (WA) Pty Ltd will receive a professional fee for the preparation of this Independent Limited Assurance Report.

Moore Australia Corporate Finance (WA) Pty Ltd was not involved in the preparation of any other part of the Prospectus and accordingly makes no representations or warranties as to the completeness and accuracy of any information contained in any other part of the Prospectus.

Moore Australia Corporate Finance (WA) Pty Ltd consents to the inclusion of this report in the Prospectus in the form and context in which it is included and at the date of this report has not withdrawn this consent.

Yours faithfully

Neil Pace
Director
Moore Australia Corporate Finance (WA) Pty Ltd

MOORE AUSTRALIA CORPORATE FINANCE (WA) PTY LTD

Australian Financial Services Licence No. 240773

FINANCIAL SERVICES GUIDE

This Financial Services Guide is issued in relation to our Independent Limited Assurance Report for Oceana Lithium Limited ("Oceana"). Our report has been prepared at the request of the Directors of DY6 for inclusion in the Prospectus to be dated on or about 3 April 2023 in respect of the initial public offering of fully paid ordinary shares in DY6 and listing of DY6 on the Australian Securities Exchange Limited.

Moore Australia Corporate Finance (WA) Pty Ltd

Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") has been engaged by the directors of Oceana to prepare an Independent Limited Assurance Report in respect of the initial public offering of fully paid ordinary shares in DY6 and listing of DY6 on the Australian Securities Exchange Limited.

MACF holds an Australian Financial Services Licence – Licence No 240773.

Financial Services Guide

As a result of our report being provided to you we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). The FSG includes information on the use of general financial product advice and is issued so as to comply with our obligations as holder of an Australian Financial Services Licence.

Financial Services we are licensed to provide

MACF holds an Australian Financial Services Licence which authorises us to provide reports for the purposes of acting for and on behalf of clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate restructures or share issues, and to carry on a financial services business to provide general financial product advice for securities to retail and wholesale clients.

We provide financial product advice by virtue of an engagement to issue a report in connection with the issue of securities of a company or other entities.

Our report includes a description of the circumstances of our engagement and identifies the party who has engaged us. You have not engaged us directly but will be provided with a copy of our report as a retail client because of your connection with the matters on which our report has been issued. We do not accept instructions from retail clients and do not receive remuneration from retail clients for financial services.

Our report is provided on our own behalf as an Australian Financial Services Licensee authorised to provide the financial product advice contained in this report.

General Financial Product Advice

Our report provides general financial product advice only, and does not provide personal financial product advice, because it has been prepared without taking into account your particular personal circumstances or objectives either financial or otherwise, your financial position or your needs.

Some individuals may place a different emphasis on various aspects of potential investments.

An individual's decision in relation to the proposed transaction may be influenced by their particular circumstances and, therefore, individuals should seek independent advice.

Benefits that we may receive

We will charge fees for providing our report. The basis on which our fees will be determined has been agreed with, and will be paid by, the person who engaged us to provide the report. Our fees have been agreed on either a fixed fee or time cost basis. We estimate that our fees for the preparation of this report will be approximately $15,000 plus GST.

Remuneration or other benefits received by our employees

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of MACF or related entities but any bonuses are not directly in connection with any assignment and in particular are not directly related to the engagement for which our report was provided.

Referrals

We do not pay commissions or provide any other benefits to any parties or person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

MACF is the licensed corporate advisory arm of Moore Australia (WA) Pty Ltd, Chartered Accountants. The directors of MACF may also be partners in Moore Australia (WA) Pty Ltd Chartered, Accountants.

Moore Australia (WA) Pty Ltd, Chartered Accountants is comprised of a number of related entities that provide audit, accounting, tax, and financial advisory services to a wide range of clients.

MACF's contact details are set out on our letterhead.

Complaints resolution

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to The Complaints Officer, Moore Australia (WA) Pty Ltd, PO Box 5785, St George's Terrace, Perth WA 6830.

On receipt of a written complaint we will record the complaint, acknowledge receipt of the complaint and seek to resolve the complaint as soon as practical.

If we cannot reach a satisfactory resolution, you can raise your concerns with Australian Financial Complaints Authority Limited ("AFCA"). AFCA is an independent body established to provide advice and assistance in helping resolve complaints relating to the financial services industry. MACF is a member of AFCA. AFCA may be contacted directly via the details set out below.

Australian Financial Complaints Authority Limited
GPO Box 3
Melbourne VIC 3001
Toll free: 1800 930 678
Email: info@afca.org.au

Annexure B Independent Geologist's Report

CSA Global
Mining Industry Consultants
an ERM Group company

DY6 Metals REE and PGE Projects, Malawi, Africa

Independent Technical Assessment Report

REPORT № R160.2023
28 March 2023

Report prepared for

Client Name	DY6 Metals Ltd
Project Name/Job Code	DY6ITA01 ITAR
Contact Name	Dan Smith
Contact Title	Non-Executive Chairman
Office Address	Level 8, 99 St Georges Terrace, Perth, WA 6000

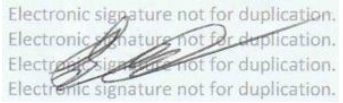
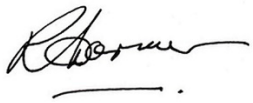
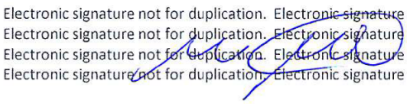
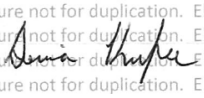
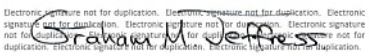
Report issued by

CSA Global Office	ERM Australia Consultants Pty Ltd trading as CSA Global Level 3, 1-5 Havelock Street West Perth WA 6005 AUSTRALIA T +61 8 9355 1677 F +61 8 9355 1977 E info@csaglobal.com
Division	Corporate

Report information

Filename	R160.2023 DY6ITA01 DY6 Metals ITAR - FINAL (28 Mar 2023).docx
Last Edited	30/03/2023 2:52:00 PM
Report Status	Final

Author and Reviewer Signatures

Author	Sifiso Siwela BSc (Hons) Geology, Pr.Sci.Nat, GDE, FGSSA, MSEG, MSAIMM, MGASA	
Contributing Author	Dr Robin Harmer PhD (Geology), Pr.Sci.Nat, FGSSA, MSEG	
Peer Reviewer	Max Nind MSc (Geology), BSc, GradDipFinInv, MAIG	
Peer Reviewer	Sonia Konopa MSc (Economic & Mining Geol), FAusIMM, MAIG	
CSA Global Authorisation	Graham Jeffress BSc (Hons) Applied Geology, RPGeo, FAIG, FAusIMM, FSEG, MGSA	

Executive Summary

ERM Australia Consultants Pty Ltd trading as CSA Global ("CSA Global") was requested by DY6 Metals Ltd ("DY6" or the "Company") to prepare an Independent Technical Assessment Report (ITAR) for use in a prospectus to be lodged with the Australian Securities and Investments Commission (ASIC) to support an initial public offering (IPO) of shares for DY6 to enable a listing on the Australian Securities Exchange (ASX). The funds raised will be used for the purpose of exploration and evaluation of the project areas.

DY6 has entered into a binding option agreement with the shareholders of Green Exploration Limited ("GEL"), a Malawian entity which holds title to three granted exploration licences: EL0529 (Machinga), EL0518 (Salambidwe), EL0510 (Ngala Hill) and one exploration licence application: APL0251 (Machinga South) (together the "Tenements") located in Malawi and prospective for rare earths and critical minerals ("Option Agreement"). Pursuant to the Option Agreement, the Company has the right (subject to the satisfaction of certain conditions) to acquire 100% of the issued shares in the capital of a newly incorporated interposed Australian entity (Green Exploration (Australia) Pty Ltd ("GEA")) free from encumbrances, and in turn, the Tenements.

The projects held by GEL include Machinga, Salambidwe and Ngala Hill (the "Projects"). The Projects collectively cover 241.7 km^2 including the three exploration licences and one exploration licence under application. The Projects are at an early greenfields stage of exploration.

CSA Global is of the opinion that results to date offer strong encouragement for further exploration for rare earth elements (REE) and intrusion style nickel-copper-platinum group elements (PGE) mineralisation.

Machinga Project

Machinga exploration was conducted based on geophysical and geochemical surveys in the 1970s. Two significant radiometric targets (including Machinga Main anomaly at 7 km and Chinduzi at 4 km strike length) were outlined in the Machinga area and tested by GEL with trenching and reverse circulation (RC) drilling. Some significant intercepts were encountered in the channel and RC samples, that were largely hosted in pegmatite veins within syenites. Lithogeochemistry indicates the proportion of heavy REE (HREE), such as terbium-lutetium+yttrium in the total rare earth oxides (TREO) basket, increases as TREO content increases. The likely minerals hosting the HREE and high field strength elements (HFSE), including zirconium and niobium, is indicative of eudialyte-hosted REE mineralisation. This increase in HREE is potentially significant as the rarer HREE generally sell for a significantly higher value than the more abundant light REE (LREE) including lanthanum-gadolinium.

The Machinga Main radiometric anomaly is continuous along a strike for approximately 7 km, indicating that potential to discover further eudialyte-hosted REE mineralisation may be significant. The Lingoni Prospect, located 10 km east of the main Machinga Project, also contains radiometric anomalies that were explored using soil sampling and RC drilling. Limited available data for the Lingoni Prospect has shown the radiometrics to provide an extremely robust tool for mapping potential mineralisation. The RC drilling results are not available for explaining the geophysical anomalies and the prospect potentially requires follow-up exploration work.

Salambidwe Project

Salambidwe is located within the Chilwa Alkaline Province of southern Malawi, straddling the Mozambique border. It is characterised by the Salambidwe ring complex, approximately 6 km in diameter, which comprises syenites and nepheline-syenites with a core of agglomeratic rocks. The Salambidwe ring complex is associated with high radiometric values, indicative of elevated levels of thorium and uranium, which are generally associated with REE mineral occurrences in similar geological settings worldwide. Historical exploration initially included rock-chip and soil sampling which highlighted REE and niobium anomalies

corresponding with syenite units. A rock chip result has been recorded as containing 2.05% TREO including 214 ppm dysprosium oxide (Dy_2O_3). Trenching has also been undertaken at Salambidwe. Ground radiometric surveying showed two zones of high radiometric values. A crater-wide soil-pit and auger sample program, in conjunction with rock-chip sampling, ground radiometric surveying and regional geological mapping, was conducted.

Ngala Hill Project

The Ngala Hill ultramafic chonolith is an arcuate-shaped intrusion, with dimensions of approximately 2.4 km by 0.7 km, and was intruded into the underlying Proterozoic Basement Complex gneisses. The Ngala Hill Project is characterised by an intrusive ultramafic suite of pyroxenites and hornblende-pyroxenites that intrude basement gneisses. The pyroxenite facies of the ultramafic complex is prospective for platinum group metals (PGMs), predominantly palladium, and associated copper.

Initial work at Ngala Hill in the late 1960s included geochemical sampling programs undertaken by the British and Malawian Geological Surveys. Phelps Dodge started an exploration program for PGMs on Ngala Hill in 1999 with approximately 600 m of trenching. Metapyroxenite and amphibolite with an PGM-gold-copper-nickel association was intersected and yielded 1.41 g/t Pt+Pd+Au and 1,430 ppm Cu over a length of 64 m in a trench. In 2000, Placer Dome confirmed further anomalies with encouraging results received from several trenches including 12 m at 3 g/t PGE+Au and 70 m at 1.12 g/t PGE+Au, including 8 m at 3.3 g/t PGE+Au.

A program of two diamond drillholes was planned, however, only one hole was drilled. Drilling did not repeat the trench values, with no significant mineralisation intersected in any of the core samples. The correlation between copper and PGM assay values noted in weathered trench samples was also not observed in the core samples. Copper and nickel values in fresh rock were also significantly lower than in the weathered trench samples. Three zones of palladium-platinum-gold-copper mineralisation were defined at Ngala Hill, including:

- Main Zone striking parallel to the main spine of Ngala Hill for approximately 2 km
- Massive Sulphide Zone comprising laminated, outcropping 10 cm thick massive sulphide band with associated quartz breccias
- Western Sill that is mineralised at a similar topographic level to the Main Zone.

The Projects require further work to demonstrate proof of concept and validate the exploration model.

CSA Global is of the opinion the results to date are encouraging and exploration completed to date is following a systematic approach to maximise the potential for discovery of REE and intrusion style nickel-copper-PGE mineralisation.

Risks

It is understood by CSA Global that historical datasets have been collated by GEL. CSA Global has not had opportunity to review the full raw data and relies on the information provided by DY6. CSA Global recommends that DY6 secures the raw data from Globe Metals and Mining Ltd and undertakes its own assessment of its useability.

A key risk, common to all exploration companies, is that the expected mineralisation may not be present or that it may be too small to warrant commercial exploitation. The Projects are at an early greenfields exploration stage. Considerable exploration is still required to determine the likelihood of discovery. If a discovery is made, significant work programs and studies are still required to test the potential of that discovery being economically mineable. Typically, such work programs are done by a stage-gate process, with the aim of each stage to incrementally increase confidence in the mineralisation, decrease uncertainty and risks towards a decision to mine. While good potential exists at the Projects for discovery, it is uncertain whether the work programs to be undertaken by DY6 will deliver positive results. The work programs planned by DY6 are designed to test the potential of the Projects for discovery, thereby reducing the uncertainty and risks of the Projects.

The interpretations and conclusions reached in this report are based on current scientific understanding and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty.

The ability of any person to achieve forward-looking production and economic targets is dependent on numerous factors that are beyond CSA Global's control and that CSA Global cannot anticipate. These factors include, but are not limited to, site-specific geological conditions, management and personnel capabilities, availability of funding to properly operate and capitalise the operation, variations in cost elements and market conditions, developing and operating the Projects in an efficient manner, unforeseen changes in legislation and new industry developments. Any of these factors may substantially alter the performance of any exploration operation.

As with most early exploration prospects, the key technical risk is that further exploration may not result in the discovery of an economic resource. The Projects are early stage, and significant exploration is still required to determine the likelihood of discovery.

Use of Funds

DY6 has provided CSA Global with its proposed exploration program on the Projects for the first two years of exploration and a copy of its planned expenditure for the Projects following listing on the ASX (Table 1). CSA Global is of the opinion that the proposed program represents a clear exploration strategy to further test the REE and intrusion-style nickel-copper-PGE mineralisation of the Projects.

All costs are in Australian dollars (A$).

Table 1: Proposed exploration expenditure summary by activity

Category	A$5 million raising		A$7 million Raising	
	Year 1 (A$)	Year 2 (A$)	Year 1 (A$)	Year 2 (A$)
Prospecting licences (PR and environmental)	25,000	25,000	25,000	25,000
Technical, safety and logistics	50,000	50,000	50,000	50,000
Historical data acquisition	25,000	0	25,000	0
Geophysics (airborne)	100,000	100,000	150,000	150,000
Sampling and trenching	100,000	100,000	150,000	200,000
RC and diamond drilling	750,000	1,000,000	750,000	1,500,000
Geochemistry and metallurgy	200,000	200,000	225,000	225,000
Permanent personnel	150,000	150,000	200,000	200,000
Total	**1,400,000**	**1,625,000**	**1,575,000**	**2,350,000**

DY6 has prepared staged exploration and evaluation programs, specific to the potential of the Projects, which are consistent with the budget allocations, and warranted by the exploration potential of the Projects. CSA Global considers that the relevant areas have sufficient technical merit to justify the proposed programs and associated expenditure. The budgeted expenditure is also considered sufficient to meet the minimum statutory expenditure on the tenements.

Contents

Figures

Tables

Appendices

1 Introduction

1.1 Context, Scope, and Terms of Reference

In preparation for listing on the Australian Securities Exchange (ASX), DY6 Metals Ltd ("DY6" or the "Company") has requested ERM Australia Consultants Pty Ltd trading as CSA Global ("CSA Global") to provide an Independent Technical Assessment Report ("ITAR" or the "Report"). As a prerequisite to this, DY6 has also requested that CSA Global completes a technical due diligence to include two site visits. CSA Global conducted one site visit in January 2023 to the Machinga and Linguini projects, however it was deemed not necessary to conduct the second site as it was determined that there would be little additional material information to be gained from conducting visits to the exploration sites due to the relatively early stage of the Projects.

DY6 has entered into a binding option agreement with the shareholders of Green Exploration Limited ("GEL"), a Malawian entity which holds title to three (3) granted exploration licences: EL0529 (Machinga), EL0518 (Salambidwe), EL0510 (Ngala Hill) and one (1) exploration licence application: APL0251 (Machinga South) (together the "Tenements") located in Malawi and prospective for rare earths and critical minerals ("Option Agreement"). Pursuant to the Option Agreement, the Company has the right (subject to the satisfaction of certain conditions) to acquire 100% of the issued shares in the capital of a newly incorporated interposed Australian entity (Green Exploration (Australia) Pty Ltd ("GEA")) free from encumbrances, and in turn, the Tenements.

The projects held by GEL include Machinga, Salambidwe and Ngala Hill in Malawi, Africa (the "Projects"). The Projects cover 241.7 km^2.

The primary focus of this Report is to summarise the historical exploration and mineral potential of the Machinga, Salambidwe and Ngala Hill Projects. For each project, CSA Global will provide comments on the geology, known mineralisation and targets, exploration history, discovery potential and use of funds for the project.

The scope of work agreed upon to be provided by CSA Global for the project was:

- Complete the Report using appropriate industry standard methods, guided by the JORC Code, VALMIN Code and their guidelines, including the inclusion of appropriate Competent Person's Statements as required.
- Take due note of the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) including ASIC Regulatory Guide 55 Statements in disclosure documents and Product Disclosure Statements: Consent to quote; Regulatory Guide 170 Prospective financial information;
    - Regulatory Guide 228 Prospectuses: Effective disclosure for retail investors; and the ASX including relevant sections of the listing rules such as Chapter 1 Admission, in particular section 1.3.2, and Chapter 5 Additional reporting on mining and oil and gas production and exploration activities.
    - Take due note of any guidance issued by such bodies as the ASIC and the ASX, including ASIC Regulatory Guide 111 – Content of Expert Reports, and ASIC Regulatory Guide 112 – Independence of Experts.
    - Reserve the right to refuse to provide an opinion or report where it is impossible or impractical to obtain sufficient accurate or reliable data or information.
    - Keep records of discussions with the Company, a list of all documents to be referred to in the Report, copies of all material source documents and due diligence notes.

The ITAR is subject to the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports 2015 ("VALMIN Code"). In preparing this ITAR, CSA Global:

- Adhered to the VALMIN Code.

- Relied on the accuracy and completeness of the data provided to it by DY6, and that DY6 made CSA Global aware of all material information in relation to the Projects.
- Relied on DY6's representation that it will hold adequate security of tenure for exploration and assessment of the Projects to proceed.
- Required that DY6 provides an indemnity to the effect that DY6 would compensate CSA Global in respect of preparing the ITAR against any and all losses, claims, damages and liabilities to which CSA Global or its Associates may become subject under any applicable law or otherwise arising from the preparation of the ITAR to the extent that such loss, claim, damage or liability is a direct result of DY6 or any of its directors or officers knowingly providing CSA Global with any false or misleading information, or DY6, or its directors or officers knowingly withholding material information.
- Required an indemnity that DY6 would compensate CSA Global for any liability relating to any consequential extension of workload through queries, questions, or public hearings arising from the Report.

1.2 Compliance with the VALMIN and JORC Codes

This ITAR has been prepared in accordance with the VALMIN Code[1], which is binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM), the JORC[2] Code and the rules and guidelines issued by such bodies as the ASIC and ASX that pertain to Independent Expert Reports.

1.3 Principal Sources of Information and Reliance on Other Experts

CSA Global has based its review of the Projects on information made available to the principal authors by DY6, along with technical reports prepared by consultants, government agencies and previous tenement holders, and other relevant published and unpublished data. CSA Global has also relied upon discussions with DY6's management for information contained within this assessment. This ITAR has been based upon information available up to and including February 2023.

CSA Global has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this ITAR is based. Unless otherwise stated, information and data contained in this ITAR, or used in its preparation, has been provided by DY6 in the form of documentation and digital data.

DY6 was provided a final draft of this ITAR and requested to identify any material errors or omissions prior to its lodgement.

DY6 has warranted to CSA Global that the information provided for preparation of this ITAR correctly represents all material information relevant to the Projects. Full details on the tenements are provided in the Independent Tenement Report elsewhere in the prospectus.

CSA Global has not independently verified the legal status or ownership of the property or any of the underlying agreements; however, all the information appears to be of sound quality. This information should be contained within the Independent Tenement Report and described therein under Summary of Material Agreements, elsewhere in the prospectus. CSA Global makes no other assessment or assertion as to the legal title of tenements and is not qualified to do so.

This ITAR contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government sources or the

[1] Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code), 2015 Edition, prepared by the VALMIN Committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. <http://www.valmin.org>

[2] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). <http://www.jorc.org>

ASX. The authors of these reports have not consented to their statements use in this ITAR, and these statements are included in accordance with ASIC Corporations (Consent and Statements) Instrument 2016/72.

1.4 Authors of the Report

The ITAR has been prepared by CSA Global, a part of the ERM Group, which is a privately owned sustainability consultancy. ERM was established in 1971 and now has more than 160 offices in over 40 countries and territories and employs more than 5,000 people around the world. For over 40 years, ERM has been helping its clients to understand and manage their environmental, sustainability, health, safety, risk, and social impacts. With the mining industry facing increasingly complex sustainability challenges, ERM is committed to providing a consistent, professional, and high-quality service to create value for clients.

This ITAR has been prepared by a team of consultants sourced principally from CSA Global's Perth, Western Australia (WA) and Johannesburg, South Africa (SA) offices. The individuals who have provided input to the ITAR have extensive experience in the mining industry and, are members in good standing of appropriate professional institutions. The Consultants preparing this ITAR are specialists in the field of geology and exploration, particularly relating to base metals and rare earth elements (REE).

The following individuals, by virtue of their education, experience, and professional association, are considered Competent Persons, as defined in the JORC Code (2012), for this Report. The Competent Persons' individual areas of responsibility are presented below:

- Principal Author – Sifiso Siwela (Manager – Africa with CSA Global in Johannesburg, SA) is responsible for the entire ITAR.
- Contributing Author – Dr. Robin Harmer (Associate Consultant with CSA Global in Johannesburg, SA) is responsible for the entire ITAR.
- Peer Reviewer – Sonia Konopa (Manager, Corporate with CSA Global in Brisbane, QLD) is responsible for the entire ITAR.
- Peer Reviewer – Max Nind (Principal Geologist, with CSA Global in Perth, WA) is responsible for the entire ITAR.
- Partner in Charge – Graham Jeffress (Partner – APAC with CSA Global in Perth, WA) is responsible for the entire ITAR.

Mr Siwela is a geologist with 17 years' experience in evaluation of mineral projects globally. His expertise includes exploration strategy design, exploration management, geological modelling, Mineral Resource estimation, Competent Persons reporting, technical reviews, and mineral asset valuation. Sifiso has global mineral project experience, particularly in Africa and the Middle East, and is a Competent/Qualified Person for various commodities and deposit styles according to respective reporting codes including nickel, copper, chrome, and vanadium. He is a Fellow and Past President of the Geological Society of South Africa (GSSA) and Vice-Chair of the SAMCODES Standards Committee. Sifiso is a is a fellow and Past President of the GSSA and member of the South African Council for Natural Scientific Professions (SACNASP), Southern African Institute of Mining and Metallurgy (SAIMM) and Society of Economic Geology (SEG).

Dr Robin Harmer is a geologist with over 30 years' experience in exploration geology involving REE and related critical metal deposits including petrogenesis and crustal evolution of carbonatite magmas; late magmatic to hydrothermal processes in carbonatites and controls on REE-phosphorous-niobium mineralisation. He is a is a fellow of the GSSA and SEG, as well as a member of the SACNASP. Dr Harmer has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code.

This ITAR was peer reviewed by CSA Global Manager, Corporate, Sonia Konopa. Sonia is a Principal Consultant with over 30 years' international experience across the entire value chain of the mining industry. Sonia has 10 years' experience in exploration and project development from discovery through to feasibility studies; over 10 years' experience in resource estimation and project evaluation including operational, corporate and

leadership roles; and has spent 10 years consulting in principal and leadership roles working with a broad range of clients, projects, and commodities.

This ITAR was also peer reviewed by Max Nind, CSA Global Principal Geologist. Max has 30 years' experience in the resources and financial sectors in exploration, mining and corporate management in Australia, New Zealand, Canada, and United States of America. He has extensive knowledge of regional exploration targeting and management; business development; project evaluations; and management of economic studies. He has led multidisciplinary study and exploration teams globally in the search for base metals, gold, bulk commodities, and cobalt.

This ITAR was authorised by CSA Global Partner – APAC, Graham Jeffress. Graham is a geologist with over 30 years' experience in exploration geology and management in Australia, Papua New Guinea and Indonesia. He is Principal Geologist with CSA Global in Perth and manages the corporate services work undertaken by CSA Global. Graham is competent in multidisciplinary exploration, and proficient at undertaking prospect evaluation and all phases of exploration. He has completed numerous independent technical reports (IGR, CPR, QPR) and valuations of mineral assets. Graham was a Federal Councillor of the AIG for 11 years and joined the Joint Ore Reserves Committee in 2014.

1.5 Independence

Neither CSA Global, nor the authors of this ITAR, has or has had previously, any material interest in DY6 or the mineral properties in which the Company has an interest. CSA Global's relationship with DY6 is solely one of professional association between client and independent consultant.

CSA Global is an independent geological consultancy. Fees are being charged to DY6 at a commercial rate for the preparation of this ITAR, the payment of which is not contingent upon the conclusions of the ITAR. The fee for the preparation of this ITAR is approximately A$42,000.

No member or employee of CSA Global is, or is intended to be, a director, officer, or other direct employee of DY6. No member or employee of CSA Global has, or has had, any shareholding in DY6.

There is no formal agreement between CSA Global and DY6 as to the Company providing further work for CSA Global.

1.6 Declarations

1.6.1 Purpose of this Document

This ITAR has been prepared by CSA Global at the request of, and for the sole benefit of DY6. Its purpose is to provide an ITAR of DY6's Malawi mineral assets.

The ITAR is to be included in its entirety or in summary form within a prospectus to be prepared by DY6, in connection with an initial public offering. It is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The statements and opinions contained in this ITAR are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of 28 February 2023 and could alter over time depending on exploration results, mineral prices, and other relevant market factors.

1.6.2 Practitioner/Competent Person's Statement

The information in this ITAR that relates to Exploration Targets and Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Sifiso Siwela, a Competent Person who is a fellow of GSSA and a professional geologist registered with SACNASP. Mr Siwela is employed by CSA Global Pty Ltd. Mr Siwela has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the

2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

1.6.3 Site Inspection

A site visit was conducted in January 2023 by Sifiso Siwela. The site visit was conducted to Machinga and Linguini licences to verify locations of the trenches and reverse circulation (RC) drilling collars, as well as collect samples, where possible. No site visit was conducted to Salambidwe due to rainy conditions and therefore difficulty in accessing. A subsequent follow-up visit to both Salambidwe and Ngala Hill was planned. However, CSA Global has determined that there would be little additional material information to be gained from conducting visits to the exploration sites due to the relatively early stage of the Projects. In CSA Global's professional judgement, sufficient information is available to its understanding of the prospectivity of the tenements.

The geology and model for mineralisation for each of the three project areas are discussed, as well as the exploration work done, and the results obtained therefrom. Maps of all the tenement areas are presented.

1.7 About this Report

This ITAR describes the prospectivity of the mineral assets to be acquired by DY6, which are located in Malawi, Africa (as illustrated in Figure 1).

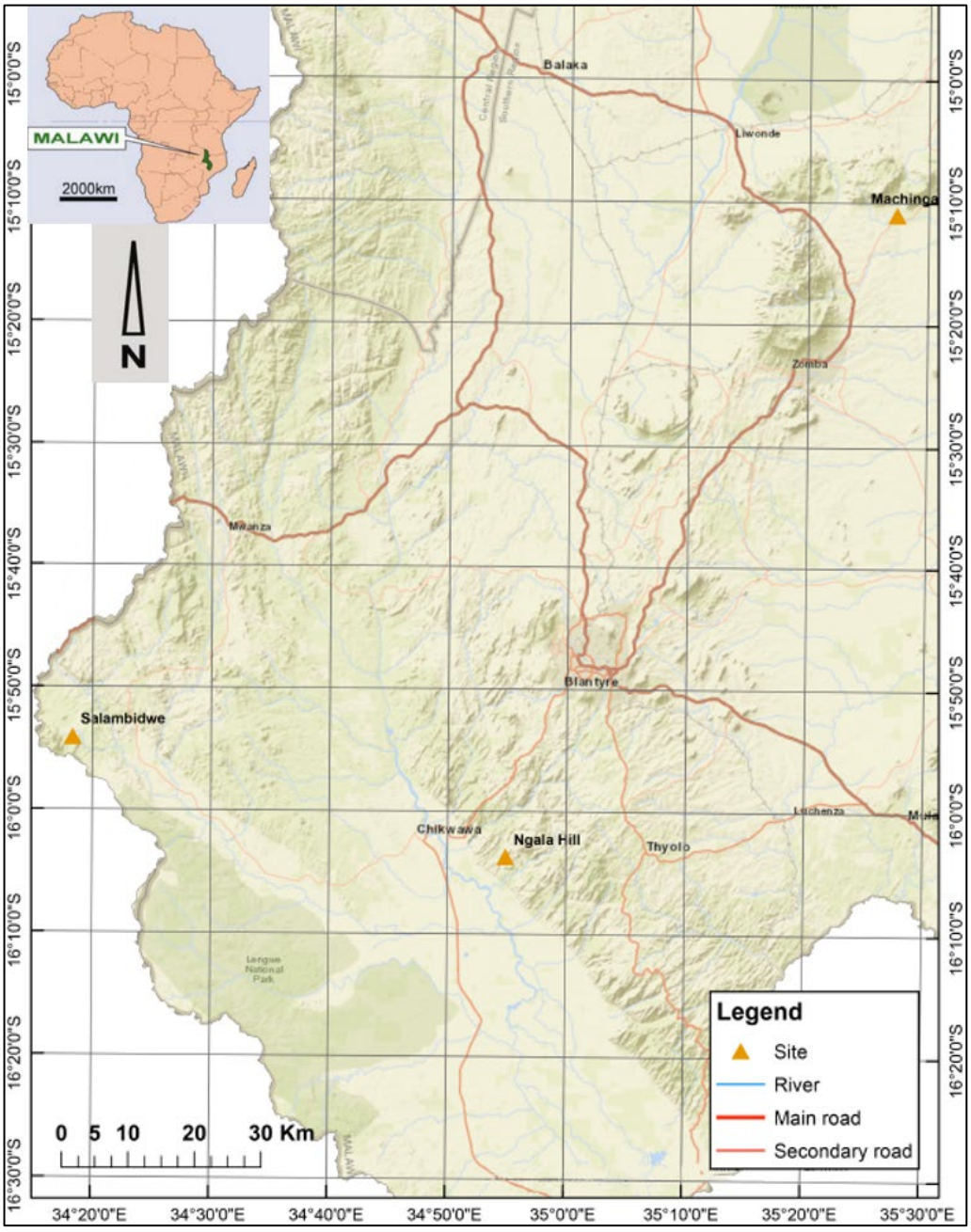


Figure 1: Projects location map in southern Malawi (datum WGS84 36S)
Source: GEL (2023)

The geology and model for mineralisation for each of the three project areas are discussed, as well as the exploration work done, and the results obtained therefrom. Maps of all the tenement areas are presented.

No valuation has been requested or completed for the Projects.

2 Location, Physiography and Access

2.1 Tenement Position

An exploration licence (EL) covering a preliminary period in accordance with the *Malawi Mines and Minerals Act (2018)* (Mines Act) is granted for a period not exceeding three years. Thereafter, two successive periods of renewal may be granted, but each must not exceed two years. This means that an EL has a potential life span of seven years. ELs that have come to the end of their term can be converted by the EL holder into a retention licence (RL) for a term of up to five years, subject to meeting certain criteria.

DY6 has entered into a binding option agreement with the shareholders of Green Exploration Limited ("GEL"), a Malawian entity which holds title to three (3) granted exploration licences: EL0529 (Machinga), EL0518 (Salambidwe), EL0510 (Ngala Hills) and one (1) exploration licence application: APL0251 (Machinga South) (together the "Tenements") located in Malawi and prospective for rare earths and critical minerals ("Option Agreement"). Pursuant to the Option Agreement, the Company has the right (subject to the satisfaction of certain conditions) to acquire 100% of the issued shares in the capital of a newly incorporated interposed Australian entity (Green Exploration (Australia) Pty Ltd ("GEA")) free from encumbrances, and in turn, the Tenements.

The Projects held by GEL include Machinga, Salambidwe and Ngala Hill in Malawi, Africa, cover 241.7 km^2 (Figure 1). Tenement details are listed in Table 2.

Table 2: Tenement information for GEL's Malawi Projects

Tenement	Name	Status	Minerals	GEL interest	Grant date	Renewal date	End date after renewal	Area (km^2)
EL0529	Machinga	Granted	HREE, Nb	100%	28 Nov 2018	27 Nov 2023	27 Nov 2025	42.9
APL0251*	Machinga South	New ELA	HREE, Nb	100%		-	-	157.5
EL0518	Salambidwe	Granted	REE	100%	28 Nov 2018	27 Nov 2023	27 Nov 2025	24.9
EL0510	Ngala	Granted	PGE, Cu, Ni	100%	18 Jun 2018	17 Jun 2023	17 Jun 2025	16.4
Total								**241.7**

**Letter of recommended grant received from Ministry of Mines and Minerals on 29 April 2022. Awaiting Department of Forestry approval.*

2.1.1 Machinga

The Machinga tenement (EL0529) was granted in November 2018 and is due for application for a renewal for a further two-year period prior to expiry of the current EL in November 2023. CSA Global is unaware of any factors that could preclude renewal of the EL. Only a small portion of this licence falls within the Malosa Forest Reserve (Figure 2). The conditions of the EL allow exploration within forestry reserves.

The Machinga South tenement (APL0251) (Figure 3) covers 157 km^2 and is currently under application with the Malawi Ministry of Mines and awaiting Department of Forestry approvals as it falls within the Zomba Forest Reserve. This application surrounds licence EL0529. The acknowledgement of GEL's application was received on 29 April 2022 from the Department of Mines. CSA Global is unaware of any factors that could preclude renewal of the EL, apart from potential reduction of the ELA in the southernmost portion that is within the Zomba Mountain Forest Reserve.

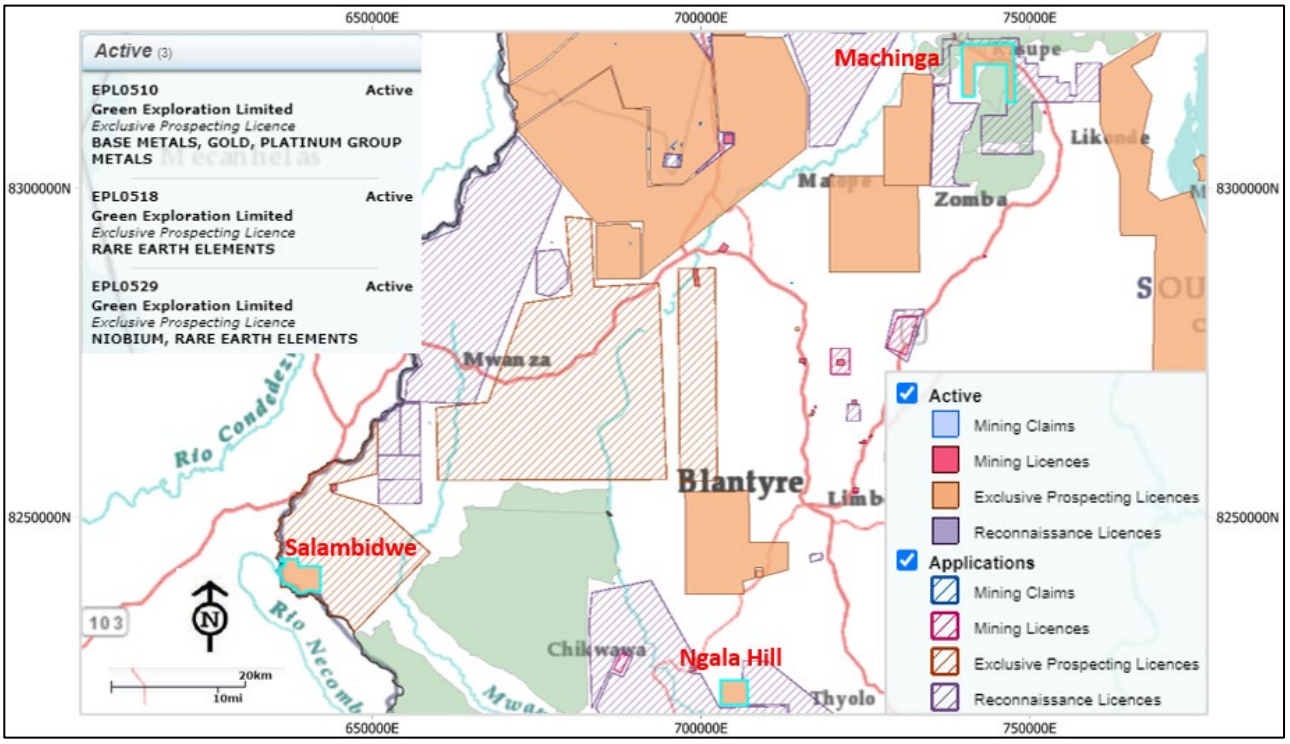


Figure 2: GEL currently active licences highlighted (blue) including Machinga, Salambidwe and Ngala Hill (datum WGS84 36S)
Source: Malawi Mining Cadastral System (2023)

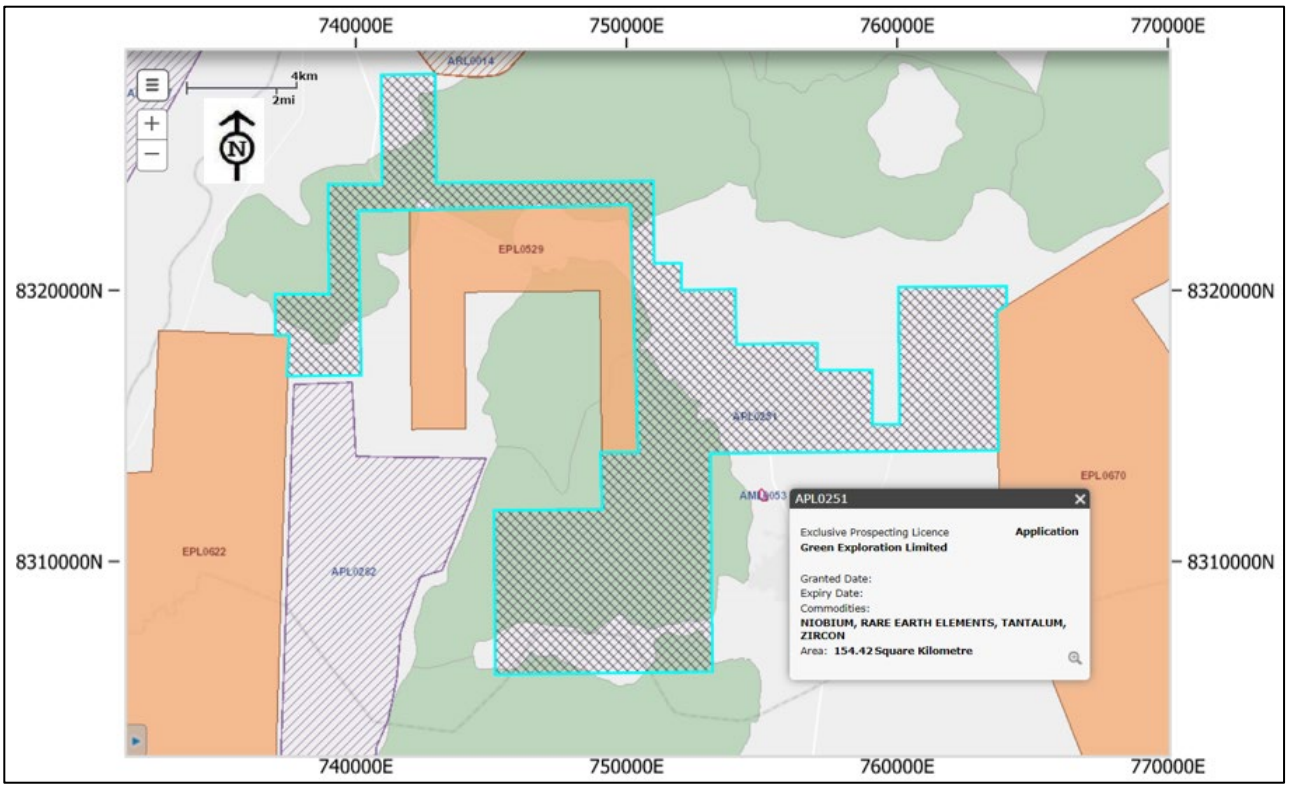


Figure 3: GEL tenement under application APL0251 relative to active licence EL0529 (datum WGS84 36S)
Source: Malawi Mining Cadastral System (2023)

2.1.2 Salambidwe

The Salambidwe EL (EL0518) is 24.9 km^2 and is situated approximately 120 km southwest of Blantyre within the Chikwawa District. It was granted in November 2018 and is due for application for a renewal for a further two-year period (till November 2025) prior to expiry of the current EL in November 2023. CSA Global is unaware of any factors that could preclude renewal of the EL.

2.1.3 Ngala Hill

The Ngala Hill EL (EL0510) is 16.4 km^2 and was granted in June 2018. GEL recently submitted a renewal application for the last renewal for a further two-year period, prior to expiry of the current EL in June 2023. CSA Global is unaware of any factors that could preclude renewal of the EL.

2.2 Tenure Agreements and Encumbrances

CSA Global is not qualified to give opinions on legal matters pertaining to tenement status or liabilities. CSA Global relies on the legal opinion of legal firms William Faulkner. DY6 has advised CSA Global that the due diligence on matters in respect of the Projects' tenure is covered by an Independent Solicitor's Report prepared by these firms that appears in the Prospectus.

2.3 Location and Access

Malawi has rail connections to export ports on the Mozambique coast by way of the Nacala Rail Corridor and port that is owned by a joint venture between Vale (Brazil) and Mitsui (Japan) and funded by the African Development Bank as well as other international multilateral institutions. Malawi also has grid power provided by interconnectors from Mozambique and domestic hydro-generation, with considerable additional renewable (wind and solar) generating capacity currently under construction, along with investments in upgrading the power grid. Malawi is a former British colony gaining independence in 1964. English is the official language, and the legal system is based on English common law.

The Projects are located near Blantyre, which is Malawi's centre of finance and commerce, and its second largest city, with around 800,000 inhabitants. Blantyre therefore provides a hub for exploration works to be conducted at Ngala Hill due to the availability of skilled labour, infrastructure, and various services, as well as a direct connection to the Nacala Rail and Port Corridor that is owned by a joint venture between Vale (Brazil) and Mitsui (Japan) and funded by the African Development Bank as well as other international multilateral institutions. Malawi has good in-country road networks.

2.3.1 Machinga

Machinga is located in southern Malawi, between the country's new and old capitals, Lilongwe and Zomba (populations 400,000 and 100,000 respectively). By road, Lilongwe lies approximately 240 km northwest of the ELs and Zomba 20 km to the south (Figure 1). The countries main north-south highway is relatively well-maintained, connecting Lilongwe with the old capital Zomba, and passes through the Project area and allows for access from the surrounding commercial hubs (Figure 4).

The Machinga Project area itself is covered by several tracks which cover the farmland areas. The forested upland areas are within forestry reserves, the Malosa Forest Reserve and Zomba Nature Reserve and are less accessible with only forestry reserve tracks (Figure 5).

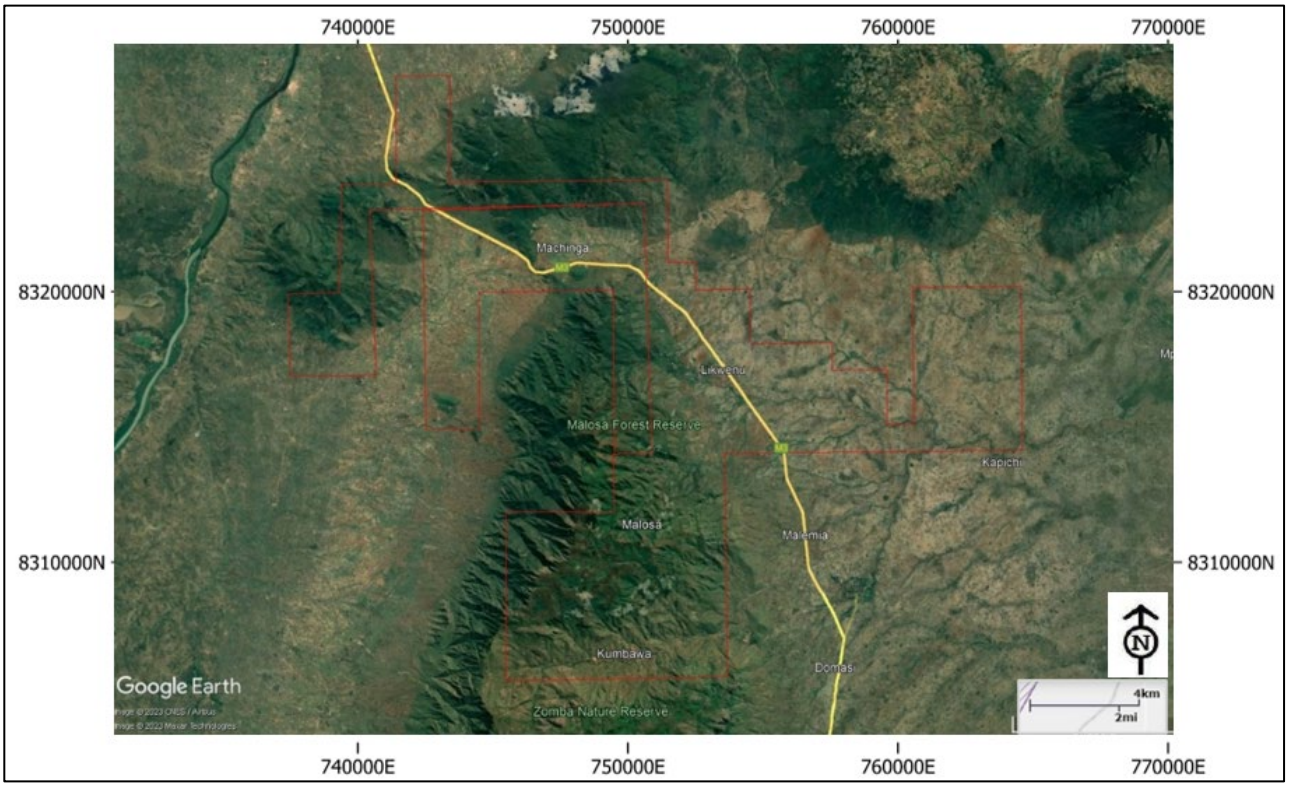


Figure 4: ELs relative to roads, villages, Malosa Forest Reserve and Zomba Nature Reserve (datum WGS84 36S)
Source: Google Earth (2023)

Figure 5: Access tracks within the Malosa Forest Reserve hills to the right
Source: CSA Global (2023)

2.3.2 Salambidwe

The Salambidwe Project area is accessed via a 40 km gravel road from the town of Mwanza in the north (Figure 1). The road is in a fair condition but gradually degenerates in the last few kilometres before Salambidwe is reached. The licence area is on the Malawi-Mozambique border (Figure 6).

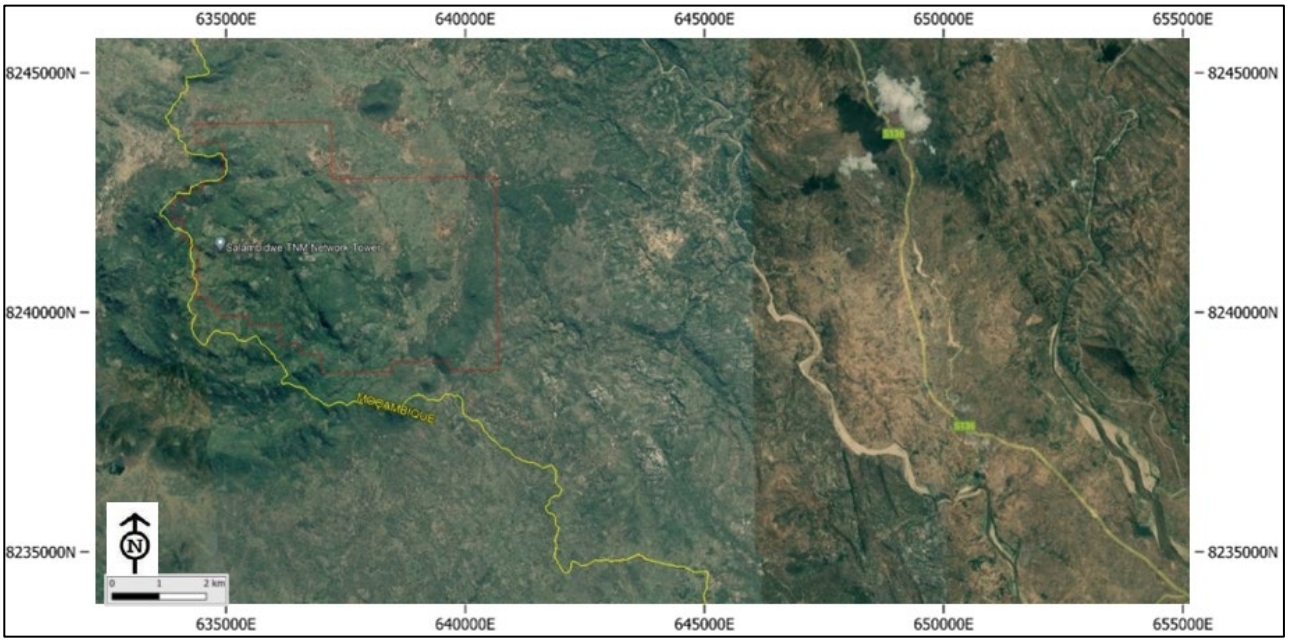


Figure 6: Salambidwe EL relative to the Salambidwe Crater and Mozambique border (datum WGS84 36S)
Source: Google Earth (2023)

2.3.3 Ngala Hill

Ngala Hill is located 35 km south-southwest of Blantyre in southern Malawi, and is accessed primarily by the S152 road, for approximately 55 km distance. Blantyre is Malawi's second largest city with around 800,000 inhabitants and the main financial and commerce centre. It is also linked to major export ports in Mozambique by the Ncala Rail Corridor and port that is owned by a joint venture between Vale (Brazil) and Mitsui (Japan) and funded by the African Development Bank, as well as other international multilateral institutions (Figure 7 and Figure 8).

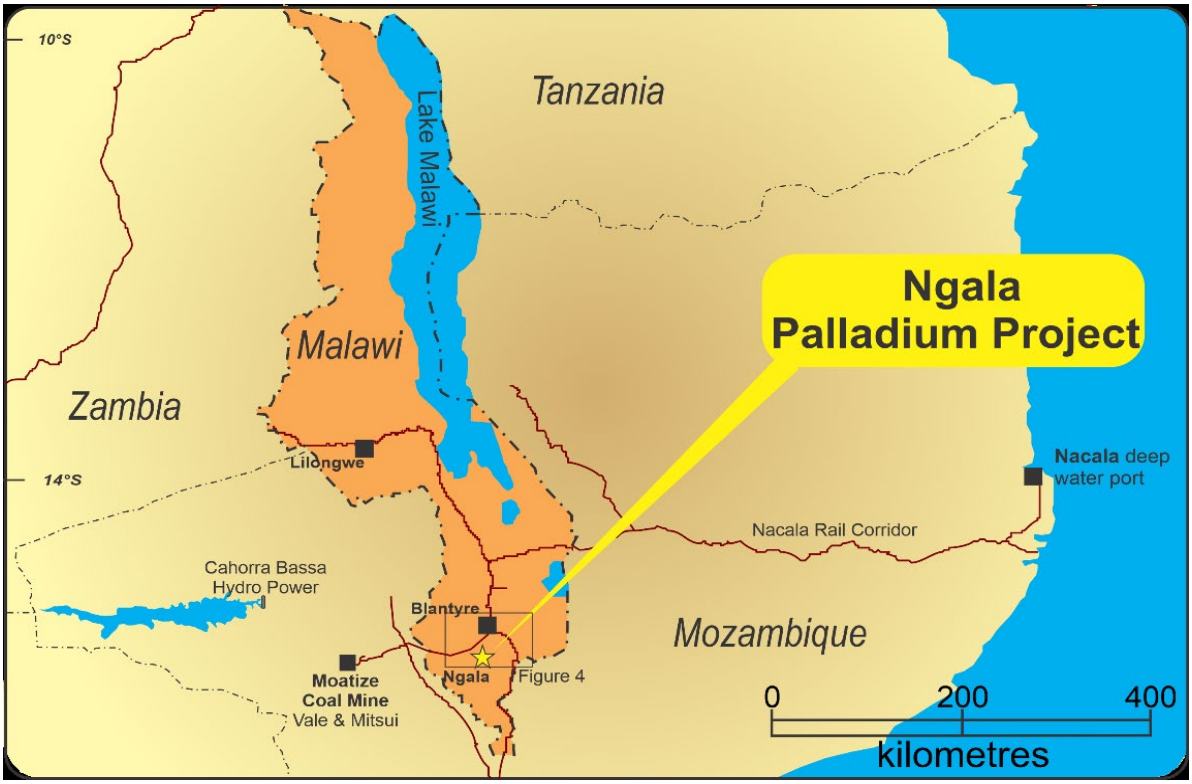


Figure 7: Location of Ngala Hill relative to countries and infrastructure (datum WGS84)
Source: Sapila Capital (2020)

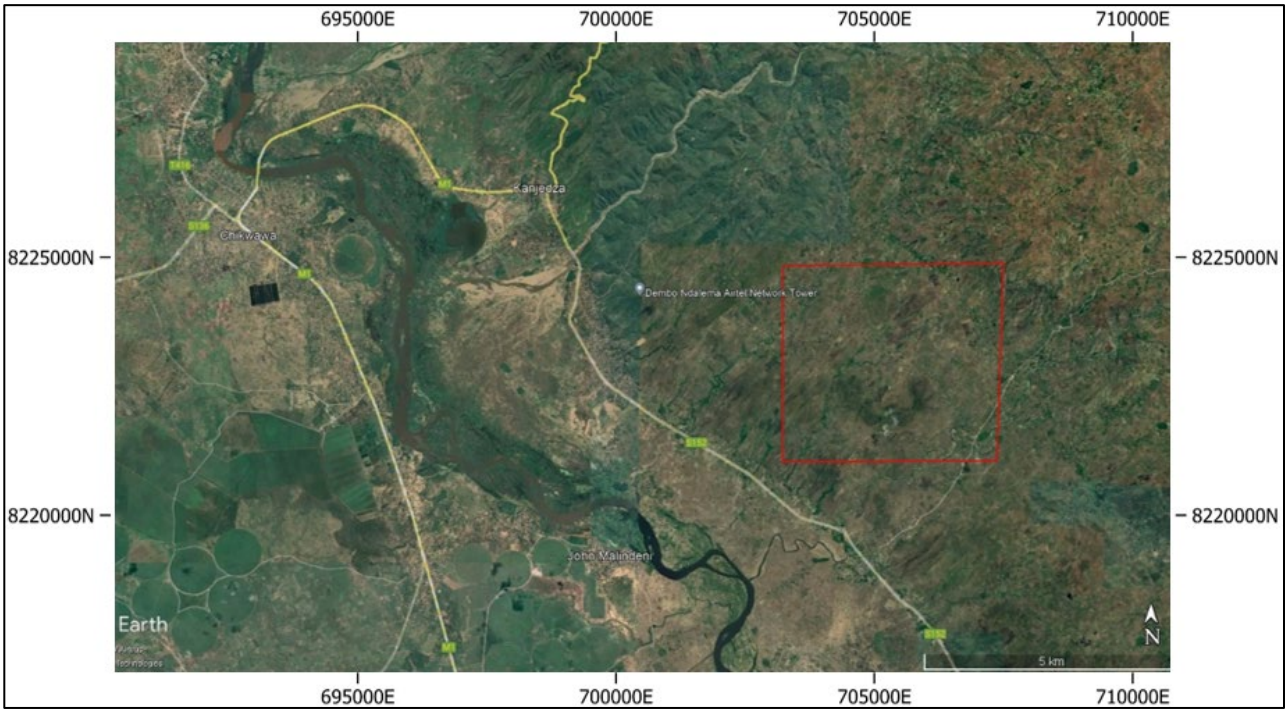


Figure 8: Ngala Hill EL relative to the roads and Chikwawa (datum WGS84 36S)
Source: Google Earth (2023)

2.4 Topography, Vegetation and Climate

Malawi is geographically dominated by the Great Rift Valley which traverses the country north to south, forming the basin in which lake Malawi sits. To the west of Lake Malawi, the geography is characterised by

high plateaus rising up to 1,220 m above sea level. Mountainous regions also make up much of the north and south of Malawi, with the Nyika Uplands in the north reaching up to 2,400 m above sea level, and the shire uplands, including the Zomba Plateau in the south reaching heights of up to 1,600 m above sea level (Figure 9). In Machinga, the intrusive complexes form forested hills that rise above the cleared farmed plains. The Machinga and Salambidwe projects are in the southern upland areas of the Shire Highlands and are characterised by the mountains of the Zomba Plateau.

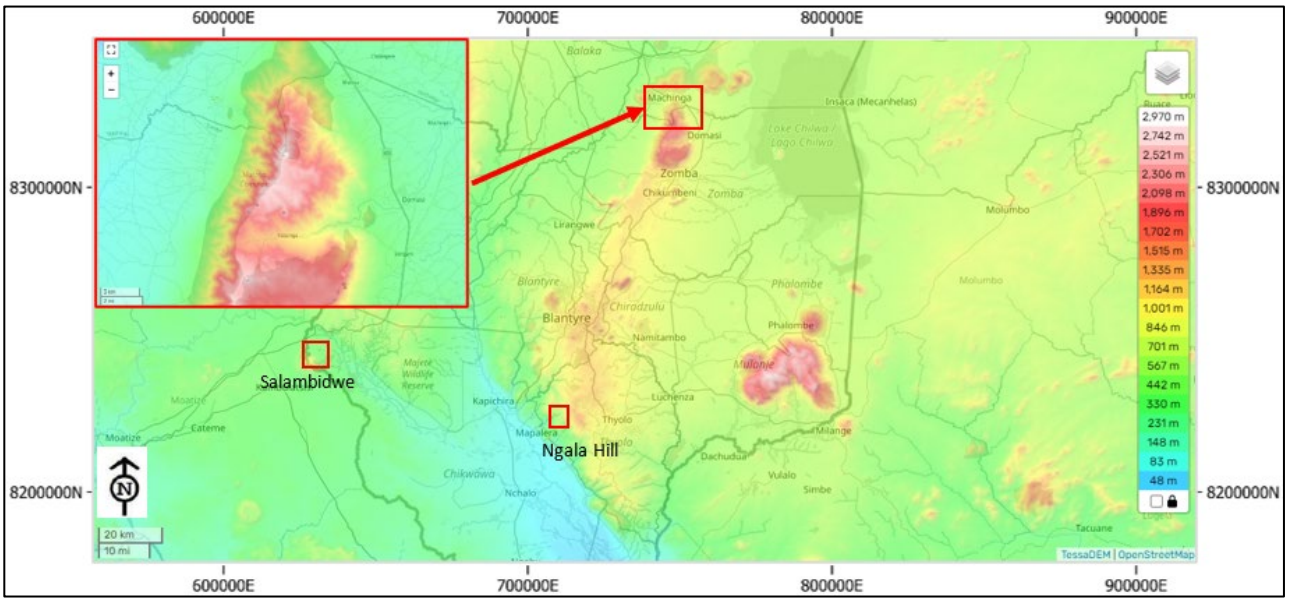


Figure 9: Topographic map of southern Malawi showing the three project areas, with Machinga inset (datum WGS84 36S)
Source: topographicmap.com (2023)

The Zomba Plateau, immediately to the south of the Machinga EL is about 1,000m above the plain (Figure 10).

Figure 10: Vegetation and topography at Machinga looking to the east
Source: CSA Global (2023)

Figure 11 and Figure 12 shows vegetation and topography for Salambidwe and Ngala Hill, respectively.

Figure 11: Vegetation and topography on the way to Salambidwe
Source: CSA Global (2023)

Figure 12: Ngala Hill topography
Source: Sapila Capital (2020)

Malawi is characterised by a sub-tropical climate, lying at the Inter-Tropical Convergence Zone, a low-pressure belt within the Congo basin caused by tropical high-pressure belts over both the Indian and Atlantic Oceans and the Congo Air Boundary. Two main seasons occur in Malawi, a cool dry season between May and October and a wet season between November and April, during which 95% of the annual precipitation takes place. Rainfall is variable and depends on altitude, in the more topographically high regions where the project area is located, rainfall can reach up to 1,600 mm per annum.

In Machinga, the wet season is muggy and mostly cloudy, the dry season is mostly clear, and it is warm year-round (Weatherspark, 2023). Over the course of the year, the temperature typically varies from 15°C to 30°C and is rarely below 13°C or above 33°C. The hot season lasts for 2.3 months, from September to December, with an average daily high temperature above 28°C. The cool season lasts for 2.4 months, from May to August, with an average daily high temperature below 24°C. The wetter season lasts 4.1 months, from November to March, with a greater than 39% chance of a given day being a wet day. The drier season lasts 7.9 months, from March to November.

In Chikwawa, close to Ngala Hill, the wet season is oppressive and mostly cloudy, the dry season is mostly clear, and it is hot year-round. Over the course of the year, the temperature typically varies from 20°C to 36°C and is rarely below 18°C or above 40°C. The hot season lasts for 2.3 months, from September to December, with an average daily high temperature above 34°C. The cool season lasts for 2.3 months, from June to August, with an average daily high temperature below 29°C. The hot season lasts for 2.3 months, from September to December, with an average daily high temperature above 34°C. The cool season lasts for 2.3 months, from June to August, with an average daily high temperature below 29°C.

In Mwanza, close to Salambidwe, the wet season is muggy and mostly cloudy, the dry season is mostly clear, and it is warm year-round. Over the course of the year, the temperature typically varies from 16°C to 32°C and is rarely below 14°C or above 36°C. The hot season lasts for 2.3 months, from September to December, with an average daily high temperature above 30°C. The cool season lasts for 2.4 months, from May to August, with an average daily high temperature below 25°C. The hot season lasts for 2.3 months, from September to December, with an average daily high temperature above 30°C. The cool season lasts for 2.4 months, from May to August, with an average daily high temperature below 25°C.

2.5 Local Infrastructure and Services

The Projects are all located within southern Malawi and are connected by road networks to the surrounding hubs of Lilongwe, Zomba and Blantyre. Malawi has rail connections to exports ports on the Mozambique coast via the Nacala Railway Corridor. The port is owned by a joint venture between Vale and Mitsui and funded by the African Development Bank. Malawi also has a reliable power grid provided by interconnectors from Mozambique and its own domestic hydro-power generation. Renewable energy sources are also beginning to contribute more to Malawi's power supply.

The Projects have been subject to few modern and comprehensive exploratory surveys and programs and therefore represent good exploration upside and opportunity for growth due to favourable geology and infrastructure.

Malawi also has grid power provided by interconnectors from Mozambique and domestic hydro-generation, with considerable additional renewable (wind and solar) generating capacity currently under construction, along with investments in upgrading the power grid. Malawi is a former British colony gaining independence in 1964. English is the official language, and the legal system is based on English common law.

3 Regional Geology

The geology of Malawi comprises early Precambrian to early Palaeozoic Basement Complex, an overlying sequence of Permo-Carboniferous to Lower Jurassic sedimentary rocks of the Karoo Supergroup and superficial Tertiary post-Karoo sediments (Ministry of Mines, 2009). Figure 13 shows the simplified geology of Malawi. The Machinga and Salambidwe are REE projects are hosted within pegmatites associated with alkaline intrusions. Ngala Hill is a platinum group elements (PGE) project associated with mafic intrusive rocks.

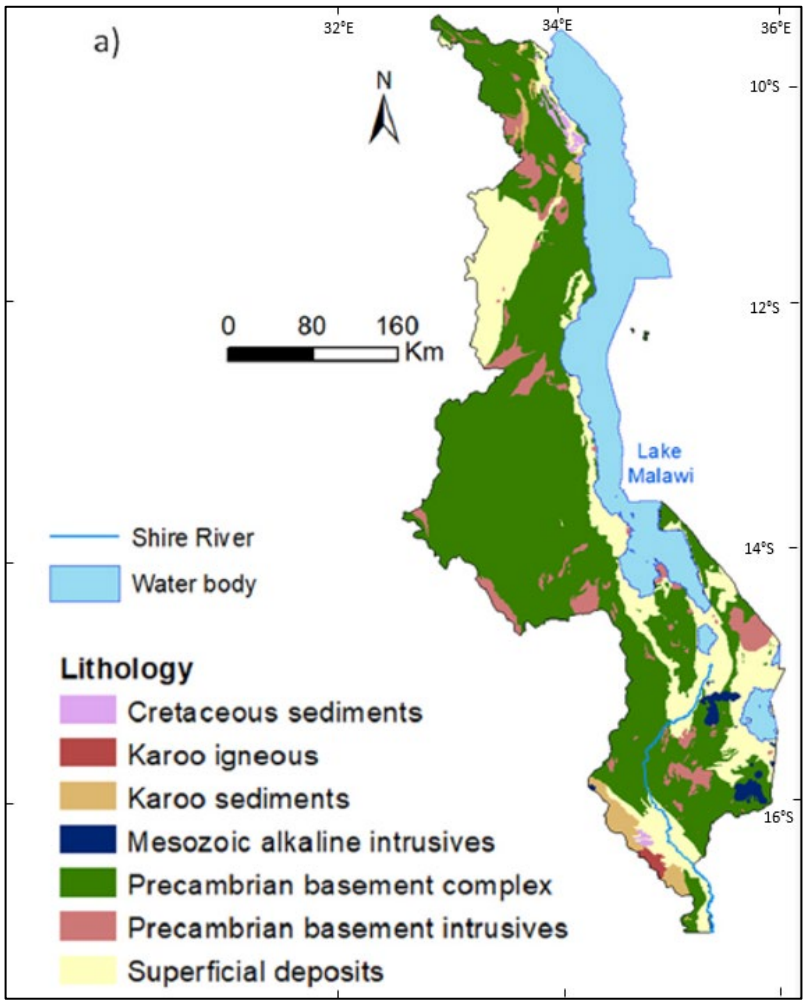


Figure 13: Geology of Malawi
Source: Rivett et al. (2018)

3.1 Regional Geology

The Machinga Project area is characterised by the regional Mesozoic Chilwa Alkaline Province (Figure 14). The Chilwa Alkaline Province is a well-renowned region for REE mineralisation and includes Lindian Resources' notable Kangankunde project. The basement complexes that are intruded by the Chilwa Alkaline Province plutons are comprised of gneisses and charnockitic granulites. The Province comprises peralkaline igneous complexes ranging from silica saturated to silica under-saturated. The complexes are composed of nepheline-syenite bodies (Chinduzi and Mongolowe) and syenites (Chaone and Chikala) that align in an east-west direction and syenite-granite bodies (Malosa and Zomba) that align in a north-south direction on the south of the nepheline-syenite bodies. They occur in a ring-like lineament across the project area and vary from 5 km to 10 km in diameter.

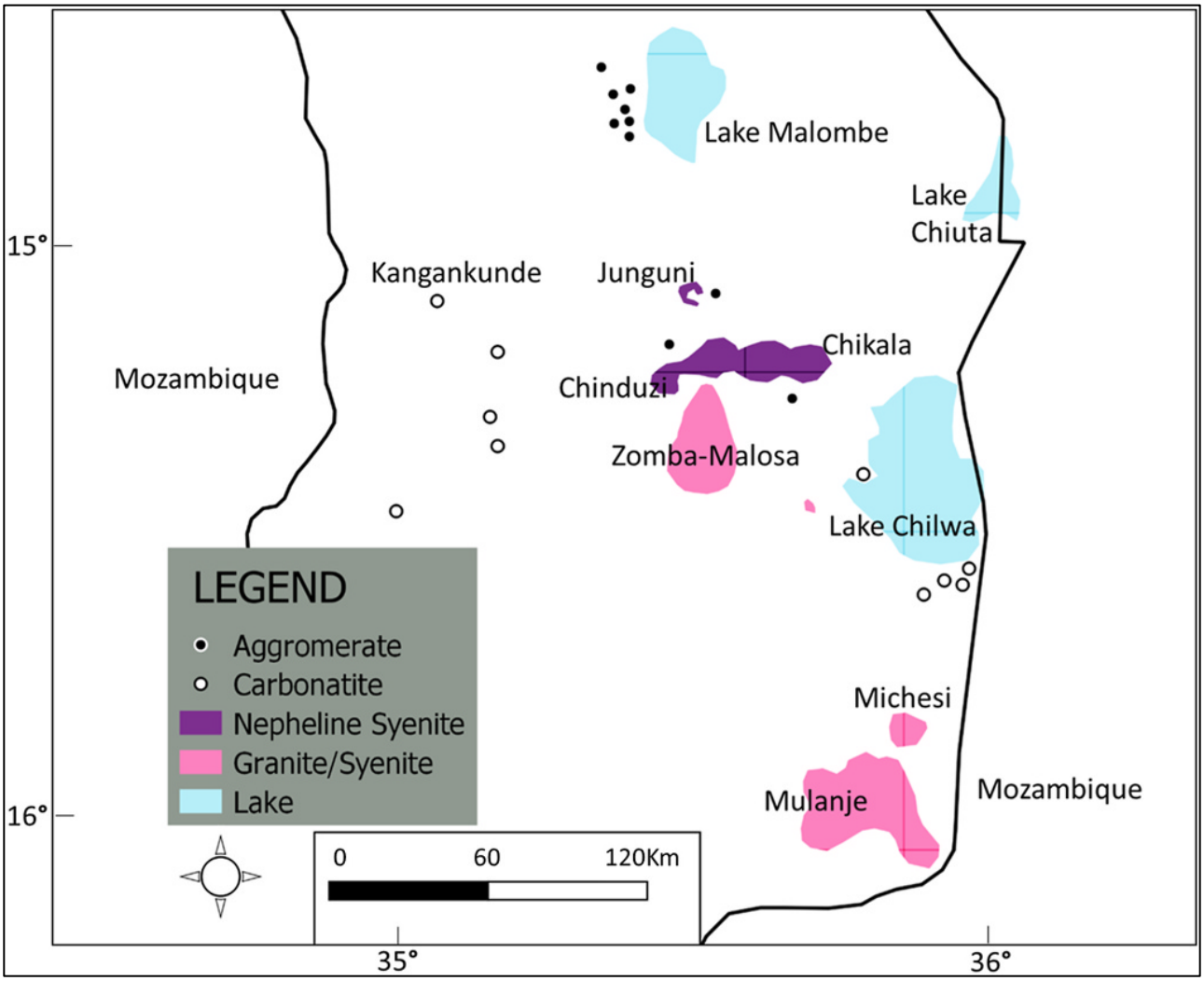


Figure 14: Regional distribution of rocks within the Chilwa Alkaline Complex
Source: Kaonga et al. (2023), after Bloomfield (1965)

The igneous activities in the province mark three major magmatic events that occurred repetitively within an interval of about 20 million years starting at 133 Ma, from strongly silica-undersatulated (carbonatitic and nephelinitic) to nepheline syenites to silica-saturated (syenitic) and oversaturated (granitic) magmas that formed the Zomba-Malosa bodies (Eby et al., 1995). Additional rock types of the basement complex include psammitic and pelitic gneisses, marble, calc-silicates, amphibolites and anorthositic gneisses. Structurally, the basement gneisses are characterised by northwest-southeast isoclinal folds which are cut by the northeast-trending Rift Valley Fault and forms the western margin of the Malosa pluton. The intrusions form the prominent mountainous geography of the region, with the larger Malosa pluton forming part of the Zomba-Malosa Massif that reaches an approximate height of 1,000 m above the surrounding plain.

Ultramafic-hosted mineralisation in the region is largely associated with rocks of the East African Nickel Belt, with all known platinum group metals (PGM) mineralisation occurring within the Mesoproterozoic rocks of the Kibaran igneous event (Figure 15). The intrusive bodies of these groups form large, layered intrusions and small, dynamic magma conduits such as chonoliths, sills and dyke swarms. The geochronology and geochemistry literature on the area implies that all the magmatism in the region occurred during one single event between 1350 Ma and 1400 Ma and originated from the same picritic parental magma that was likely contaminated in the mid to upper crust by country metasedimentary rocks. Several small intrusive bodies (1–5 km²), including the Ngala Hill intrusion, are distributed along the western edge of the Malawi Basement Complex. Their locus is probably controlled by the Thyolo Fault, a major Rift Valley parallel crustal shear zone. Three zones of palladium-platinum-gold-copper mineralisation have been defined at Ngala Hill.

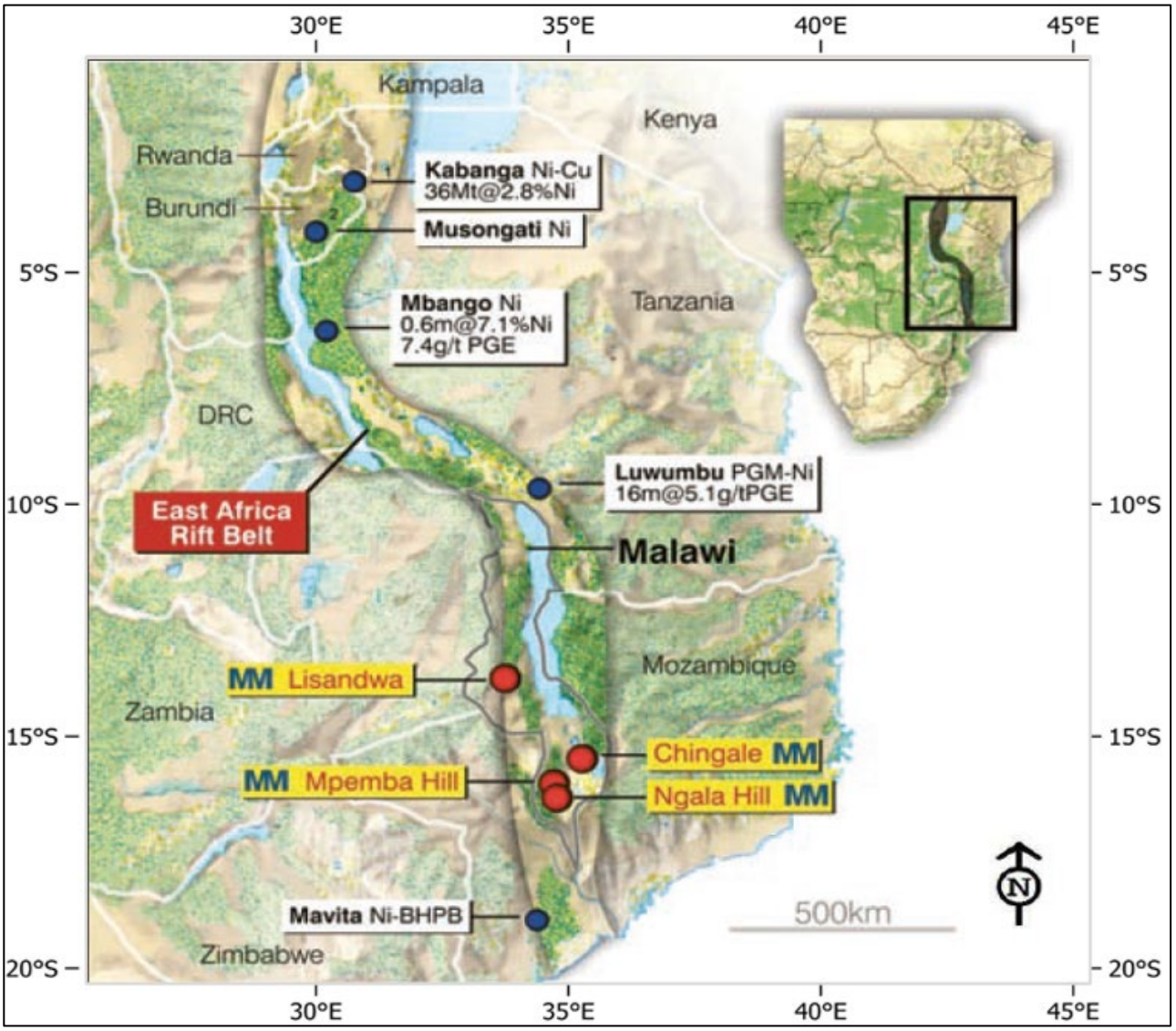


Figure 15: Distribution of nickel and magmatic sulphide deposits on the East African Nickel Belt
Source: Ministry of Energy and Mines (2009)

There are approximately 85 known mafic/ultramafic bodies of significant size with possible nickel-copper and PGM mineralisation which intrude the basement complex in Malawi. These bodies include serpentinised peridotites, pyroxenites and metapyroxenites, biotitites, olivine gabbros, gabbros, norites, anorthosites and amphibolites. Some could be parts of layered intrusions. Several bodies have been investigated by mining companies and the Geological Survey, including Ngala Hill.

4 Mineralisation Styles

4.1 Peralkaline-Rock Associated REE Deposits

There are a variety of REE deposits associated with peralkaline rocks such as Machinga and Salambidwe, which are largely classified into the deposits associated with nepheline syenites, alkaline granites, and alkaline volcanic rocks (Hoshino et al., 2016; Beard *et al.*, 2022). Volcanic and plutonic silicate rocks that have an excess of alkalies relative to aluminium ((Na + K)/Al >1) on a molar basis, are termed peralkaline and characteristically contain minerals (real or normative) minerals with a similar excess of alkalies (such as arfvedsonitic or riebeckitic amphiboles, aegirine clinopyroxene; and complex minerals such as alkali and HFSE enriched eudialyte. The presence of feldspathoid minerals warrants classification as alkaline undersaturated, whereas the term "peralkaline" is used exclusively for rocks that meet the above chemical definition.

REE-rich alkaline intrusive deposits have variable REE enrichments but are not as enriched in total REE as carbonatites and tend to have higher concentrations of heavy REE (HREE) relative to light REE (LREE) (Verplanck et al., 2014). Peralkaline igneous rocks associated with REE deposits tend to occur within stable continental tectonic settings, in areas defined as shields, cratons, and crystalline blocks. They are generally associated with intracontinental rift and fault systems (Berger et al., 2009). These igneous rocks formed from the cooling of silica-undersaturated, alkaline magmas, which were derived by small degrees of partial mantle melting. Alkaline-silicate complexes predominantly occur in continental tectonic settings and are found throughout the geologic record, from the Neoarchean to the present day (Figure 16).

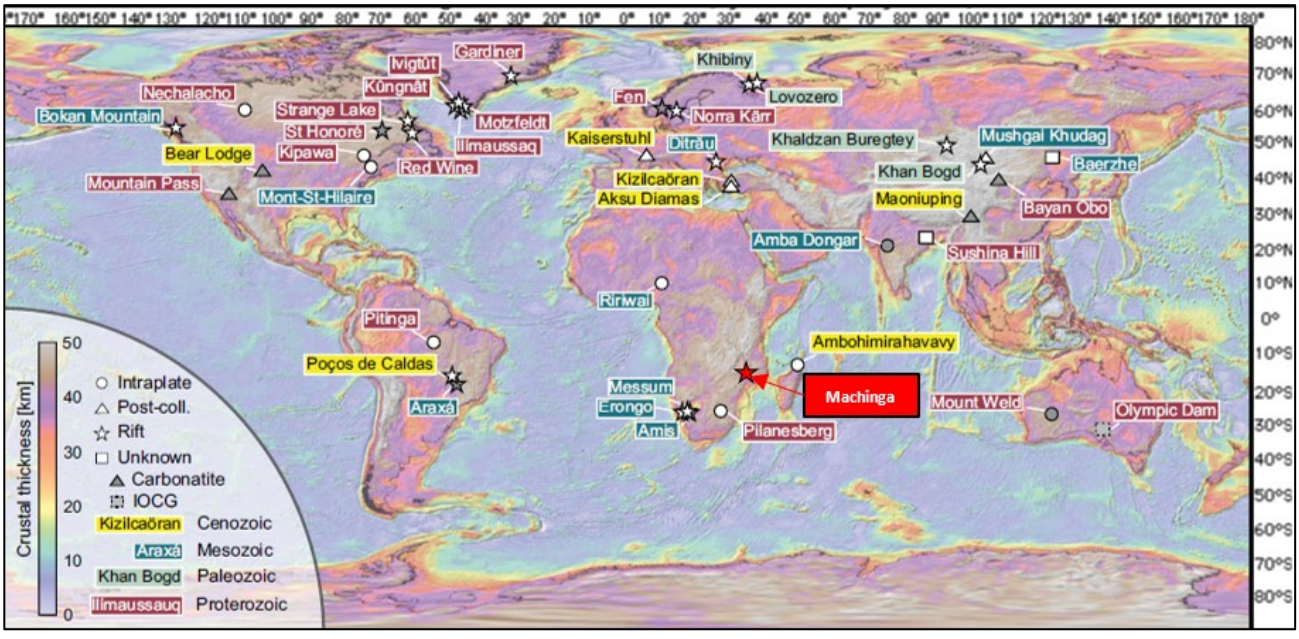


Figure 16: Global map showing REE-high field strength element deposits and alkaline-silicate complexes

Alkaline-silicate complexes with and without carbonatite are shown in white, and systems containing major carbonatite-associated REE deposits are shown in grey. The crustal basement thickness map is an inversion of satellite gravity data (Alvey et al., 2018). IOCG = iron oxide copper-gold.

Source: Beard et al. (2022)

Like carbonatites, the parental magma for alkaline intrusive complexes that host REE mineralisation is likely generated as a partial melt of metasomatised mantle material (Verplanck et al., 2014 with enhanced REE content. In general, REE deposits associated with peralkaline intrusive complexes fall into two categories:

1) Deposits in peralkaline, layered complexes; and
2) Deposits associated with chemically-evolved peralkaline intrusions as either in veins/dykes or disseminations within the intrusive body.

In both rift and post-collisional settings, experimental evidence indicates the alkali-rich, silicon-poor nature of the primary silicate melts is best explained by low-degree partial melting of mantle beneath thick continental crust (Beard et al., 2022). Such high-pressure melts would be enriched in REE, high field strength elements (HFSE), phosphorous, and CO_2 (Figure 17).

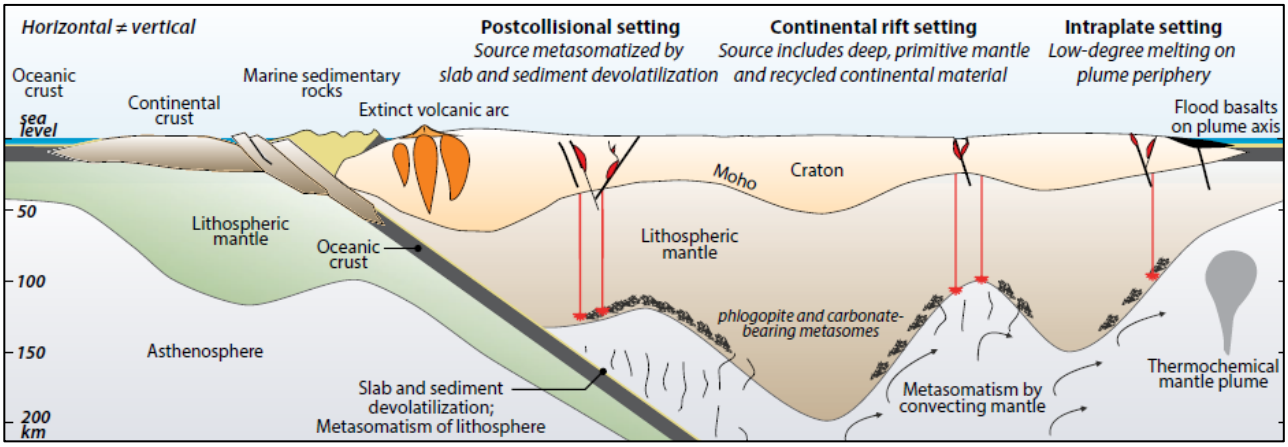


Figure 17: A schematic cross-section at continental scale showing the tectonic settings and melt sources inferred for post-collisional, continental rift, and intraplate alkaline-silicate magmatic systems
Source: Beard et al. (2022)

In most continental rift and intraplate examples, the physical trigger for melting is likely to be a combination of adiabatic decompression associated with crustal thinning and, in some cases, plume-lithosphere interaction. Adiabatic decompression associated with crustal thinning can impart a subtle yet persistent influence on the upper mantle that is compatible with five to tens of million years' duration of activity of some alkaline provinces such as the East African rift.

The xenoliths and high concentrations of incompatible elements in alkaline-silicate systems suggest they originate as low-degree partial melts of enriched sources in the lithospheric mantle. Minor CO_2 and H_2O in the mantle source strongly reduce the silica activity of the produced melts and can depress the peridotite solidus. Extensive differentiation of these primary melts is required to enrich REE + HFSE to potentially economically significant concentrations.

Because the composition and dynamics of the Earth's crust and mantle have evolved through geologic time, so has the potential for REE + HFSE mineralisation (Figure 18). The oldest known alkaline-silicate and carbonatite systems are Neoarchean complexes preserved in cratonic areas of Canada, Finland, and Greenland. From the Paleoproterozoic onward, alkaline-silicate and carbonatite magmatism is preserved on all continents and has been episodic, with peaks of activity associated with continental rifting and the existence of supercontinents. Resource tonnage data as a function of age reveal several major pulses of REE mineralisation (Figure 18). The earliest two are associated with relatively small discrete deposits.

Continental-scale features that may indicate the likelihood of alkaline-silicate associated REE-HFSE mineralisation include the following:

- A tectonic history that resulted in the metasomatic enrichment of the mantle, e.g. at suture zones between cratonic blocks.
- A trigger for low-degree mantle melting, e.g. an episode of continental rifting, a thermochemical mantle plume, or a hotspot track. Country-wide geochemical, geophysical, and geologic mapping datasets will typically provide information to guide exploration at the continental scale.

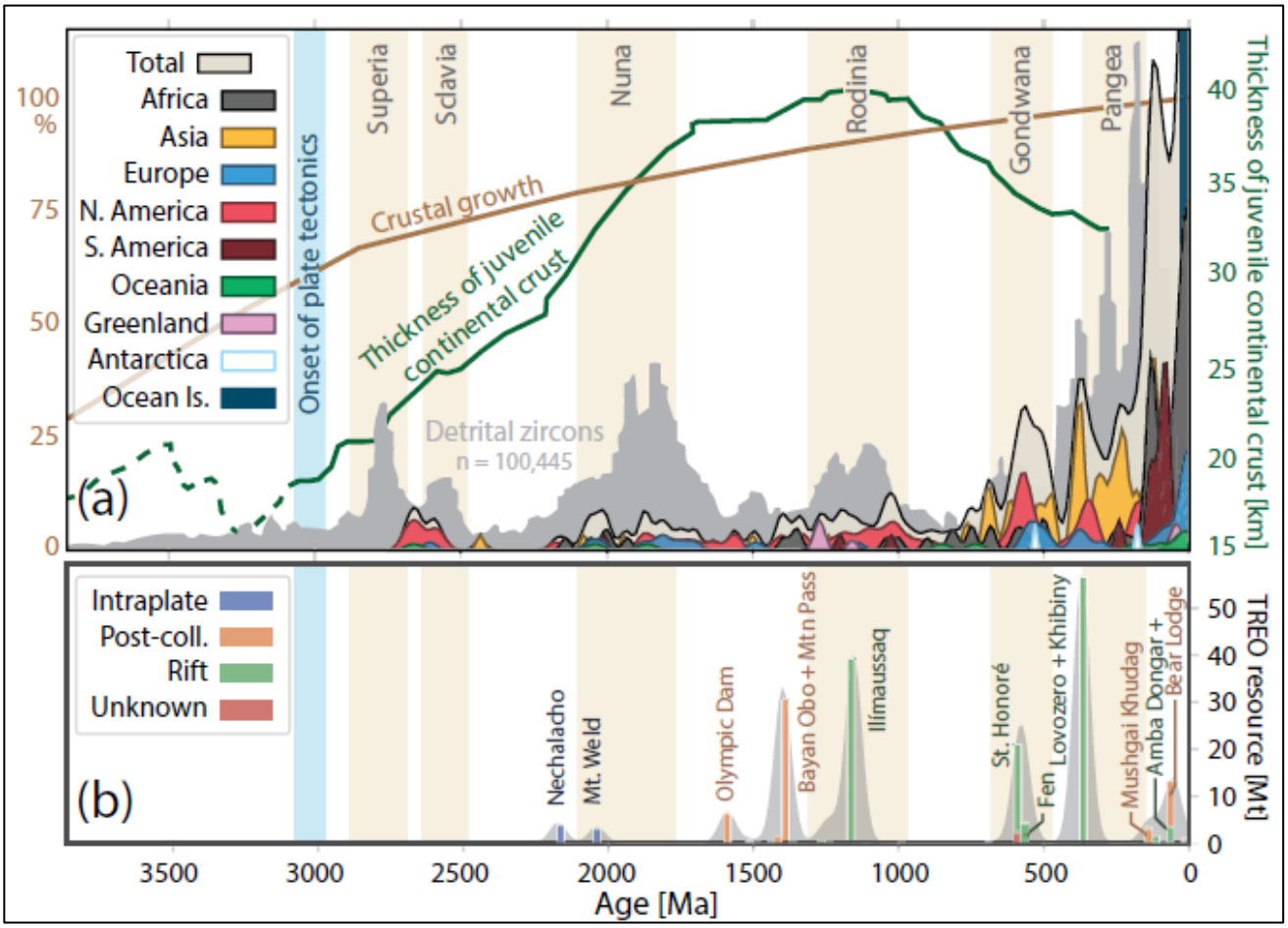


Figure 18: Age distribution diagram for alkaline-silicate and carbonatite systems.

(a) Kernel density curves for occurrences (n = 377). Vertical bars indicate the existence of supercontinents. Global detrital zircon abundances are a proxy for the rate of growth of the continental crust. Axis shows the volume percentage of continental crustal and the emergence of plate tectonics and thickness of juvenile continental crust. (b) Histogram of total rare earth oxide (TREO) resources (measured + inferred, n = 107), with bin width set at 25 million years.

Source: Beard et al. (2022)

In some alkaline-silicate REE-HFSE systems, reactivation of continental sutures may be important for mineralisation. Indeed, nearly 90% of deformed alkaline rocks and carbonatites on the African continent occur within known or inferred Proterozoic suture zones, and isotopic evidence suggests that melting of these deformed rocks may contribute to later magmatism.

A variety of REE-bearing minerals are associated with peralkaline intrusion-related REE deposits, in part because secondary processes tend to overprint the primary mineralogy. Important REE-bearing minerals include apatite, eudialyte, loparite, gittinsite, xenotime, gadolinite, monazite, bastnäsite, synchysite, iimoriite, euxenite, kainosite, mosandrite, britholite, allanite, fergusonite, and zircon.

REE deposits associated with peralkaline intrusions can have a wide variety of gangue minerals that can include many uncommon minerals (Richardson and Birkett, 1996b). Bokan Mountain is an example of peralkaline-related REE mineralisation in narrow veins or dykes radiating outward from the main intrusive body. Gangue minerals in these dykes include quartz, albite, and aegerine, with variable amounts of barite, biotite, calcite, epidote, fluorite, galena, iron oxides, magnetite, microcline, microperthite, native silver, pyrite, riebeckite, sphalerite, and zircon.

A common feature of most carbonatite and alkaline intrusive deposits is that the surrounding rocks have been hydrothermally altered by alkali metasomatism. Alteration halos surrounding peralkaline plutonic complexes are generally small. They are typically a few hundred meters wide in deeper zones to tens of metres in upper zones. However, hydrothermal fluids can play an important role in concentrating REE in these systems. In some

mineralised areas, such as at Strange Lake, late stage pegmatitic dykes intrude the country rock. Hydrothermal alteration associated with these late intrusions can extend the zone of alteration beyond the above stated widths.

Peralkaline intrusion related REE deposits have variable geometries, as structurally controlled vein systems associated with peralkaline plutonism, and disseminated deposits within a pluton.

4.2 Magmatic Nickel Sulphide Deposits

Ngala Hill Project is being explored for intrusive-hosted magmatic nickel-copper-cobalt sulphides, with possibility for significant PGM by-product credits.

The geology of magmatic nickel sulphide deposits has been reviewed extensively by Naldrett (2004, 2010), Barnes and Lightfoot (2005), Begg et al. (2010), Li and Ripley (2011), and Barnes et al. (2016). The following is a synthesis of their work.

In simplest terms, intrusive-hosted magmatic nickel sulphide deposits are formed by a process of (Figure 19):

- Forming a significant volume of mafic to ultramafic melt within the Earth's mantle, from melting of the olivine content of the mantle. Such melting processes are thought to be initiated by hot mantle plumes that rise through the mantle to the base of the crust.
- The ascendance of that melt from the mantle through/into the Earth's crust.
- The contamination of that magma by incorporating crustal rocks into the melt during the passage of the melt through the Earth's crust.
- The saturation of the magma with sulphur because of contamination by incorporation of crustal rocks, and the subsequent formation of a sulphide liquid phase within the magma.
    - The simplest means of saturating the magma with sulphur is the incorporation of sulphide-bearing wall rocks into the magma as it passes through the crust.
    - However, this is by no means critical as several significant nickel sulphide deposits globally may have sulphur saturated by other means associated with crustal contamination without addition of external sulphur into the system.
    - Sulphur saturation may occur at any depth in the system as the magma transits the crust, and the resultant sulphide phase may be entrained within the moving magma some distance (tens of kilometres) from the site of sulphur saturation to the eventual site of sulphide deposition.
- This sulphide phase scavenges and concentrates those metals within the magma that preferentially bond with sulphur such as nickel, copper, cobalt, and PGEs.
- The precipitation, and accumulation of nickel-copper-cobalt(-PGE) sulphides via various processes as the magma cools and crystallises to eventually form mineralised mafic-ultramafic intrusive rocks.

The formation of magmatic nickel sulphide deposits requires the efficient extraction of the target metals. This involves taking concentrations of nickel and copper from the tens to hundreds of parts per million in the original magma and concentrating them by several orders of magnitude into accumulations typically within the 1–10% range in the deposit. This process is dependent on a variety of factors.

The extraction and significant upgrading concentration of the metals in question requires generation and throughput of voluminous magma through the system. All significant magmatic sulphide deposits have accumulated more metal in sulphide than could possibly have been sourced from the volume of the host intrusive system as seen today. Simple mass balance necessitates additional magma to have passed through the system as a conduit and be stripped of its metal content as it passes through to account for the metal contents observed in the sulphide deposit(s) within the intrusive.

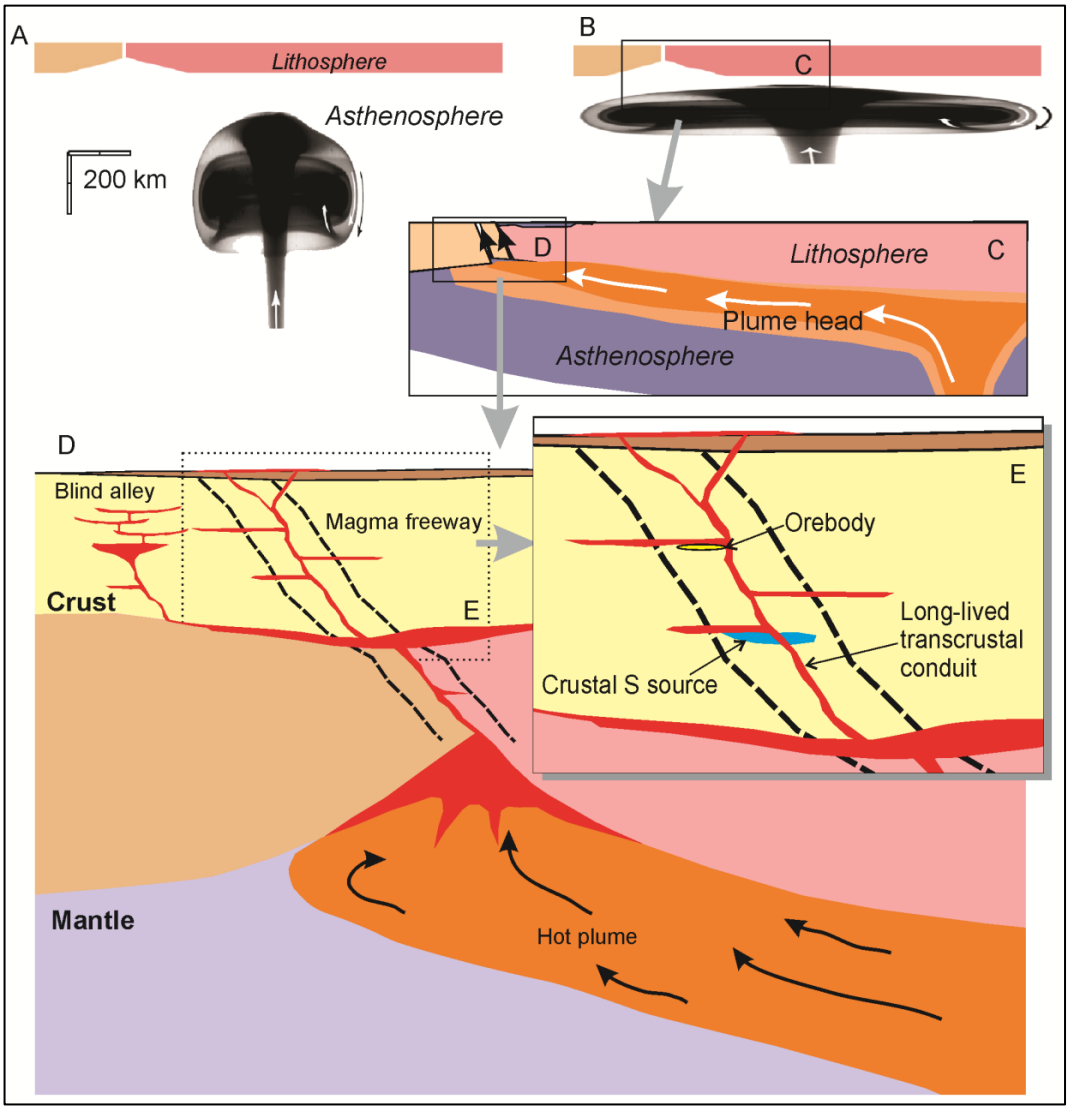


Figure 19: Stylised model for formation of magmatic nickel sulphide deposits

(A) Starting plume ascending beneath an old cratonic crustal block, within a few hundred kilometres of an original craton boundary. (B) Impingement and flattening of plume head beneath the crust. (C) Channelling of melt to thinnest crust at craton margin, generation of continental rifting cantered on original suture. (D) Development of favourable environments for mineralisation above the melting zone, showing the combination of long-lived mantle-tapping structure and high magma production giving rise to high flux "magma freeways" with potential for assimilation of crustal material, transport and deposition of magmatic sulphide ores.

Source: After Barnes et al. (2016)

The probability of finding such significant magmatic nickel sulphide deposits is observed to be greater in terranes that allows and focusses rapid and voluminous ascent of melted mantle rocks through the crust. Mafic-ultramafic Large Igneous Provinces located on the (at the time of formation) rifted margins of old, stable cratonic masses are the most favourable tectonic environments. Such structures are long-lived and have a history of multiple re-activation over time, implying they represent fundamental breaks in whole-crustal architecture. Nearly all the worlds significant magmatic nickel sulphide deposits are located in such tectonic regimes on cratonic margins.

Within the intrusive system, sulphide is typically accumulated in geometries of constricted and dynamic magma flow such as tube-like chonoliths, laterally penetrating blade dykes, and linked dyke and sill complexes (Figure 20). Such systems typically have cross-sectional dimensions in the range of tens of metres to 1–2 km at most. Rarely is any appreciable sulphide content found to be associated with large, relatively passive and layered intrusive complexes with scales in the tens to hundreds of kilometres. However, sulphide deposits are

found in smaller satellite intrusive bodies associated with such large complexes and may potentially feed as conduits into the larger bodies.

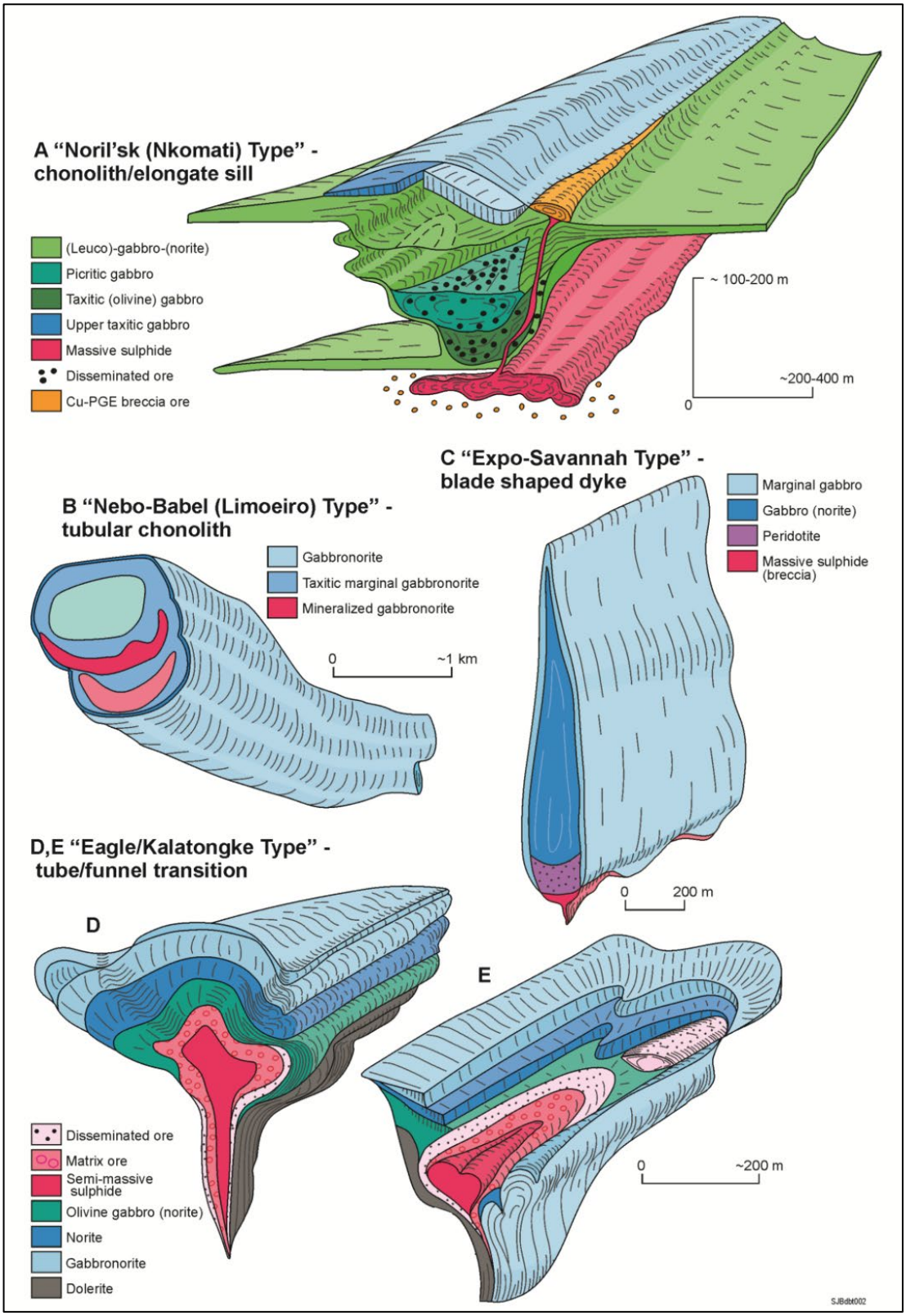


Figure 20: Schematic illustration of intrusions known to host magmatic Ni-Cu-PGE sulphide mineralisation
Depicting the spectrum of characteristic geometries of composite mafic and mafic-ultramafic intrusions. Source: After Barnes et al. (2016)

In terms of magma composition, nickel sulphide deposits are found in a range of mafic-ultramafic magma types. Any sufficiently mafic to ultramafic parental magma (except for reasons beyond the scope of this discussion, Island Arc Tholeiites and Ocean Island Basalts) can be considered fertile under the right conditions, as discussed above to form magmatic nickel sulphide deposits.

A conceptual model of localisation and possible traps of nickel±copper±PGE sulphides within mafic-ultramafic intrusions is shown in Figure 21. Ngala Hill would be classified as hydrothermally remobilised nickel±copper±gold±PGE veins.

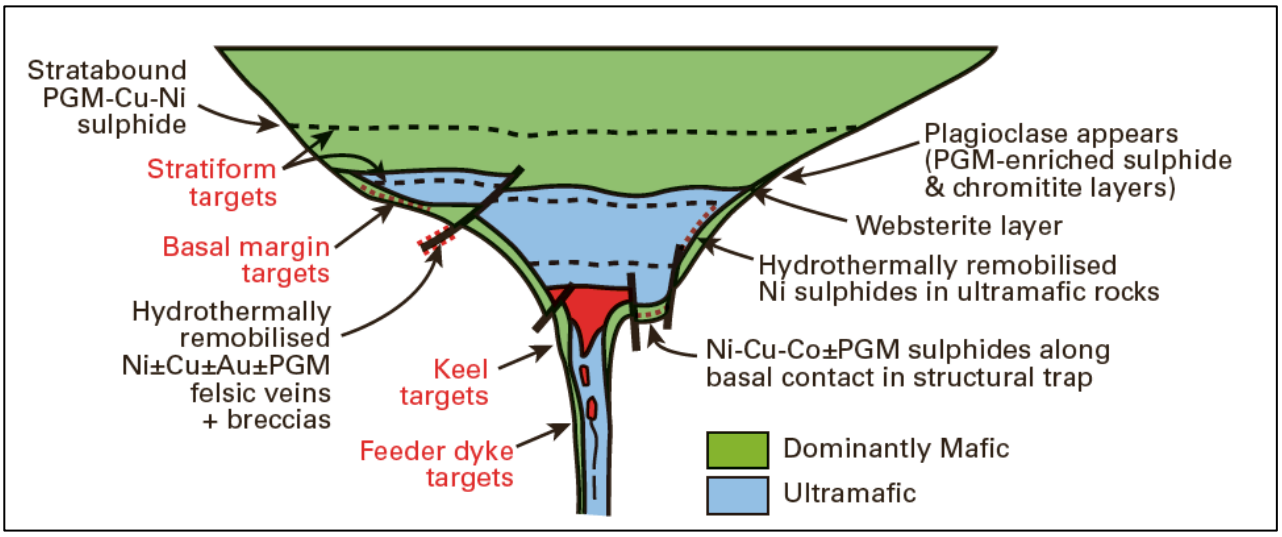


Figure 21: Conceptual model of the localisation of Ni±Cu±PGE sulphides within mafic-ultramafic intrusions
Source: Ministry of Energy and Mines (2009)

Figure 22 depicts the distribution of the principal known intrusive related nickel sulphide deposits of Sub-Saharan Africa relative to Archaean-Paleoproterozoic craton margins. This illustrates an apparent fundamental relationship between nickel deposits discovered to date in Sub-Saharan Africa and the margins of the older cratonic elements at the time of deposit formation. The location of the Nyanga Project off the western margin of the older Archaean component of the Congo Craton is shown for comparison.

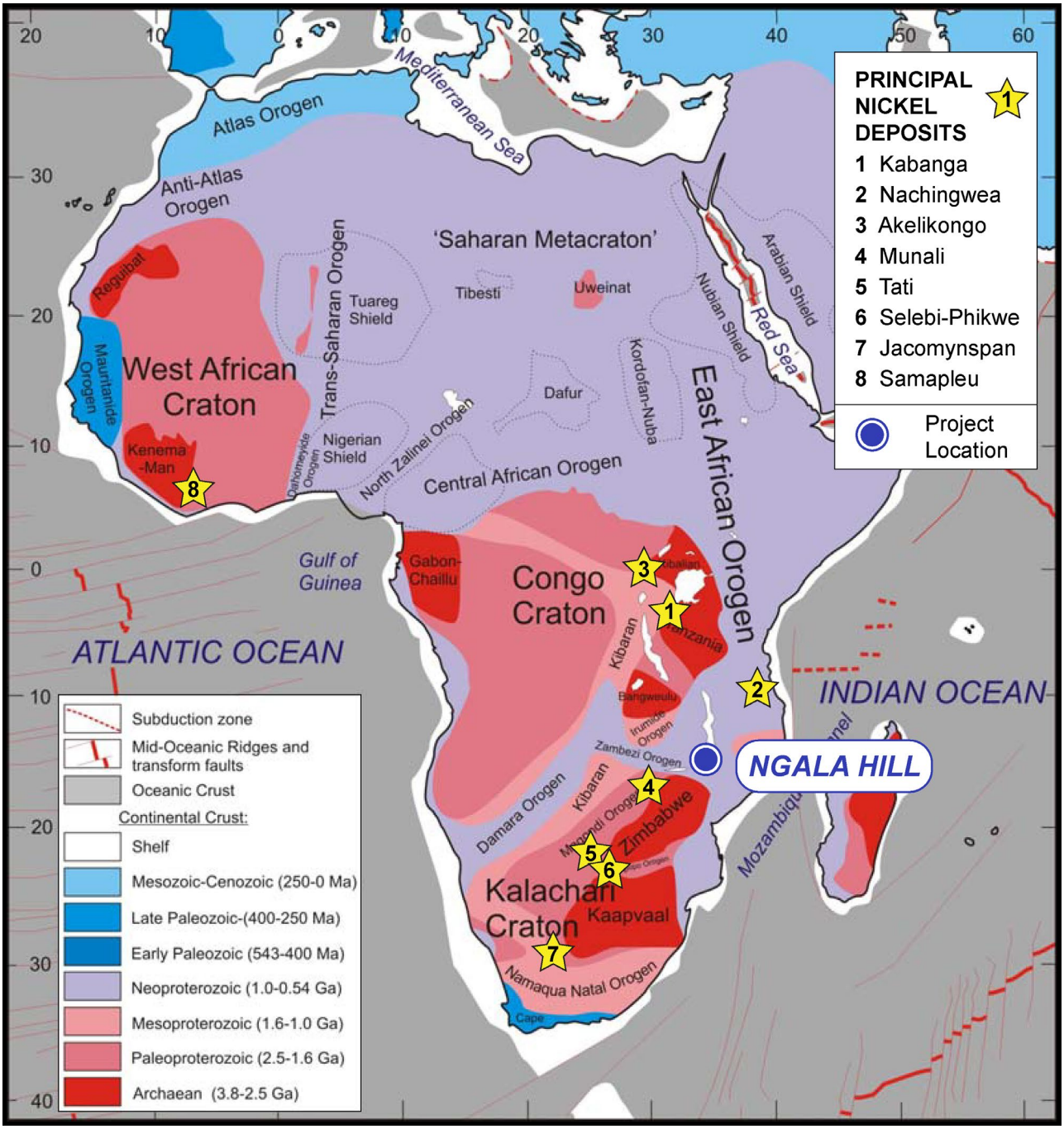


Figure 22: Schematic illustration of the distribution of principal known nickel sulphide deposits of Africa
Source: Modified after Van Hinsbergen et al. (2011)

5 Machinga Project

5.1 Local Geology and Mineralisation

The Machinga Project is contained within a large alkaline complex of the Chilwa Alkaline Province that intrudes Proterozoic basement gneisses, granulites and amphibolites (Figure 23). This complex comprises nepheline-syenites of the Mongolwe, Chaone and Chinduzi Ring complexes, the Malosa syenite pluton and minor alkaline granites. The project area is dominated by the Malosa syenite pluton, but also contains discrete and smaller-scale intrusions and pegmatites.

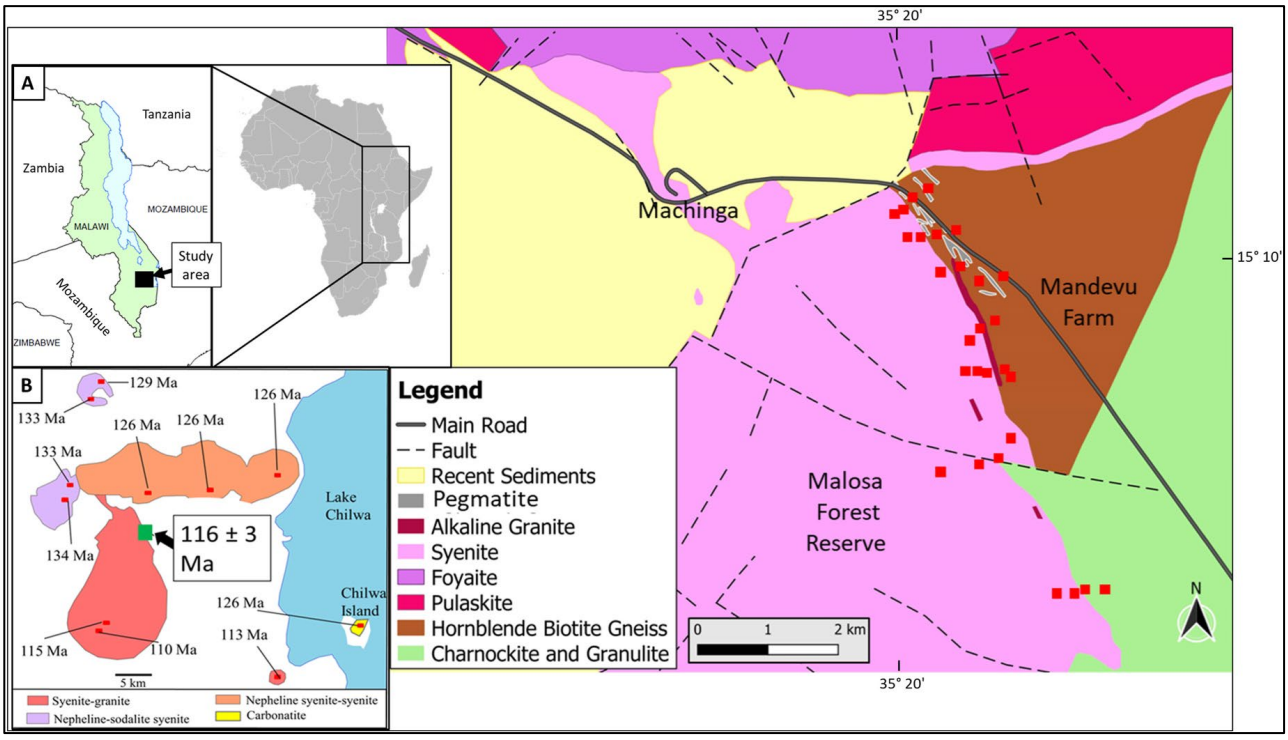


Figure 23: Geology of the Machinga Project
Source: Kaonga et al. (2023)

The Machinga Project is located along the north-eastern edge of the Zomba-Malosa pluton, which intruded the Precambrian basement gneiss. The Zomba-Malosa bodies comprise syenitic rocks of various lithologies including quartz syenite that grades into alkaline granite at the eastern margin of the pluton. Syenite of the Zomba-Malosa pluton is generally inequigranular and comprises both quartz-rich and quartz-poor parts and ranges in grain size from fine to coarse, with a cumulative texture in parts. The syenite in the Zomba-Malosa pluton is of various grain sizes and principally comprises whitish to pinkish feldspar alkali feldspar, plagioclase, interstitial with quartz and aegirine. In parts, it contains arfvedsonite and eudialyte.

A tentative lithology for each of the mineralised units within the project area was produced and includes the following five designations:

1) Quartz-rich (>75% quartz) coarse-grained, pegmatite. Occurs closest (±200 m) and possibly within the margin of the pluton. Partially mineralised at surface but could potentially grade into type 2 or 3 pegmatite down dip.
2) Quartz-feldspar (<75% quartz) coarse-grained, pegmatite. Well mineralised and contains a reddish fine-grained phase (possibly red zircon), and plebs of black, radioactive fine-grained minerals. This rock is also locally iron-rich and dense.

3) Banded pegmatite containing a significant portion of a fine-grained mineral, most likely a fine-grained red zircon, locally with coarse-grained quartz-feldspar portions. This unit can be well mineralised.
4) Syenite or quartz syenite with black radioactive clots (not technically pegmatite). Locally well mineralised (i.e. western end of trench 3 – mixed pegmatite and quartz syenite).
5) Epidote altered granitoid, likely syenite, greenish, medium grained with moderate radiometric response. Exposed in trench 6 along Malosa pluton contact.

Granitic pegmatite is more dominant than syenitic composition and occurs as east-striking dykes with variable thickness up to a few metres and comprises K-feldspar, quartz and aegirine. Granitic pegmatites occur in the granite and basement rocks near the boundary between these two lithologies, and these pegmatite veins host HFSE and REE mineralisation (Bloomfield, 1965). The pegmatite veins normally occur as irregular lenses and may include very coarse prismatic amphibole and aegirine, especially those intruding the syenitic rocks.

Mineralisation at Machinga has been defined over a strike length of over 2 km and comprises niobium, tantalum, zirconium, uranium and REE anomalies. REE mineralisation at Machinga is hosted within eudialyte, a zirconosilicate mineral which is characteristically associated with peralkaline magmatic complexes, such as the ones found within the Zomba-Malosa pluton and other complexes within the surrounding Chilwa Alkaline Province. Eudialyte is commonly enriched in zirconium and hafnium but is also an important source of neodymium and HREE (gadolinium-lutetium).

Mineralisation at Machinga is associated with the eastern margins of the Malosa pluton and in the central zones and is also associated with significant uranium and thorium anomalies. Within the Malosa pluton, mineralisation is hosted within a series of several generations of anastomosing, subcropping and outcropping coarse-grained and banded pegmatite zones which strike between northwest-southeast and north-south, and dip between 30° and 45° to the northeast and east. Pegmatite zones are made up of a number of individual pegmatites which range from 1 cm to 15 cm in width, and contain varying proportions of quartz and feldspar (>70% quartz/<75% quartz) and both contain a dark, fine-grained phase, most likely zircon, as well as zones locally enriched in iron and black radioactive minerals. Mineralisation also occurs within epidote altered granitoids exposed within the contacts of the Malosa pluton. Between individual veins there are transitional zones of altered gneiss which are also variably mineralised.

5.2 Exploration Model

The project area was initially applied for an exploration licence to cover uranium channel radiometric anomalies that were located by a country-wide airborne survey carried out in the 1980s. The Machinga radiometric anomaly is continuous along a strike of approximately 7 km, indicating that potential to discover further eudialyte-hosted REE mineralisation may be significant. The eudialyte is associated with the granitic-syenitic pegmatites, which are the target along the margins of the plutons, as well as in the central zone of Machinga.

5.3 Exploration History

Throughout the 1950s to 1970s, a series of geophysical, geochemical and (to a lesser extent) drilling campaigns were undertaken by groups from the Geological Survey of Great Britain and other government organisations in the pre-independence era. The work focused on three outcropping pegmatites located near radiometric anomalies found in the basement gneisses. The anomalies detected through the early geophysical surveys were noted to underly fine-grained epidotised rocks, their pegmatite equivalents, and an alkaline granite ring dyke. The early drillholes were analysed by geologists on behalf of the Atomic Energy Division of the Geological Society of Britain and were found to intersect radioactive granites and pegmatite veins. Much of the data and records from the early surveys of the project area are unavailable or lost and there is no record physical record of the drilling undertaken, only text in archived documents, with no evidence pertaining to collar locations.

The Machinga Project area was mapped in the 1970s and along with logging reports from the boreholes drilled in the 1960s, three rock types were classified, namely:

- Albite/riebeckite-granite
- Quartz-microcline-albite veins
- Granite pegmatites.

Between 1969 and 1970, regional geochemical drainage surveys were undertaken across the central and southern regions of Malawi, although the Machinga project area was not sampled.

During the 1980s, Canadian companies undertook airborne magnetic and radiometric surveys across half of Malawi. The survey identified numerous uranium anomalies across the Zomba region, including an anomaly in the Machinga area determined to be part of the Machinga radiometric zone, which strikes for around 6 km northeast from Machinga.

More recent exploration activities at Machinga have included detailed geological, regolith and land use mapping and rock-chip sampling of mineralised outcrop with subsequent handheld x-ray fluorescence (XRF) analysis. First pass RC drilling programs were also developed.

Historical ground-based exploration work is minimal with incomplete records, though a regional airborne magnetic and radiometric survey was completed in 1987 and key geophysical anomalies highlighted for follow up.

Recent work has been prioritised over the Machinga Main anomaly and especially the northernmost portion which equates to a historically known thorium prospect. At present, this area has the most potential to host significant concentrations of commodities, such as niobium, tantalum, uranium, zirconium and REE.

5.4 Previous Explorers

The Machinga project area was applied for to cover uranium channel radiometric anomalies that were located by a country-wide airborne survey carried out in the 1980s. The licence was covered by a coarse, 1 km line spacing, aeromagnetic and radiometric survey, interpreted by Paterson, Grant & Watson Limited in October 1987 for the United Nations Development Programme.

5.4.1 Resource Star Limited

EL0230 for Machinga was granted to Eastbourne Exploration Pty Ltd in December 2007. Eastbourne Exploration Pty Ltd is a wholly owned subsidiary of Resource Star Limited (RSL, renamed from Retail Star Limited on 14 July 2008). The EL0230/07 covered an area of 378 km² and provided exclusive rights to explore for uranium for a term of three years. RSL considered the licence area as being dominated by rocks of the Chilwa Alkaline Province. This consists of a number of granite, syenite and nepheline-syenite plutons, associated with volcanic vents infilled with carbonatite and agglomerate (Figure 24).

RSL in conjunction with consulting geophysicist, Andrew Boyd, outlined two significant radiometric targets on the Machinga licence, including the Chinduzi prospect (4 km strike length) to the northwest of the Machinga Main anomaly (7 km strike length) including definition of the following (GeoQuest Ltd, 2009):

- Over 2 km of niobium-tantalum-zirconium-uranium-REE mineralisation, hosted by bifurcating and anastomosing outcropping and subcropping pegmatite zones, within granitic gneissic basement rocks
- Mineralised “package” up to 200–500 m in width
- Peak rock-chip sampling has yielded samples containing up to individually 3% Nb_2O_5, 5.3% $ZrSiO_4$, 1,673 ppm Ta_2O_5 and 783 ppm U_3O_8 from pegmatite zones
- Highly encouraging REE mineralisation has been identified, including up to 2.64% TREO, La – Lu + Y) with peak values of up to 70% HREO;
- Individual values for the high demand HREO include 917 ppm Dy_2O_3 (dysprosium), 616 ppm Er_2O_3, 369 ppm Yb_2O_3, 5,114 ppm Y_2O_3, 969 ppm Pr_2O_3, and 703 ppm Gd_2O_3
- Initial phase of geological investigations completed, including geological and regolith mapping, rock-chip sampling and initial planning of the second phase of work comprising trenching and RC drilling.

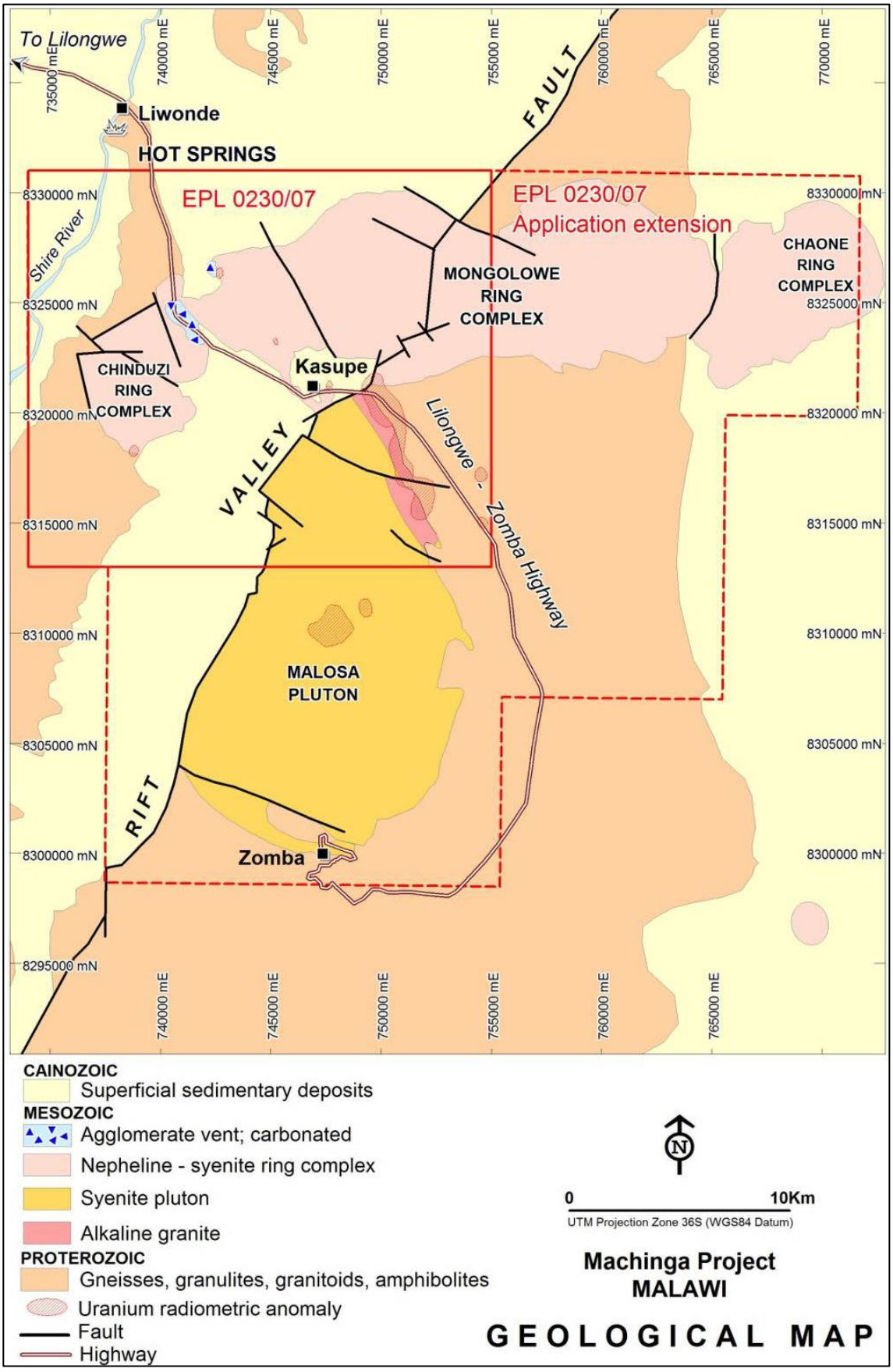


Figure 24: RSL licences on geology
Source: Globe Metals and Mining Ltd (2009)

RSL reprocessed the total count ground radiometrics on the Machinga Main anomaly. An orientation survey was completed by RSL to cover the defined outcropping rock chip anomalies to the north and south of Machinga (Figure 25).

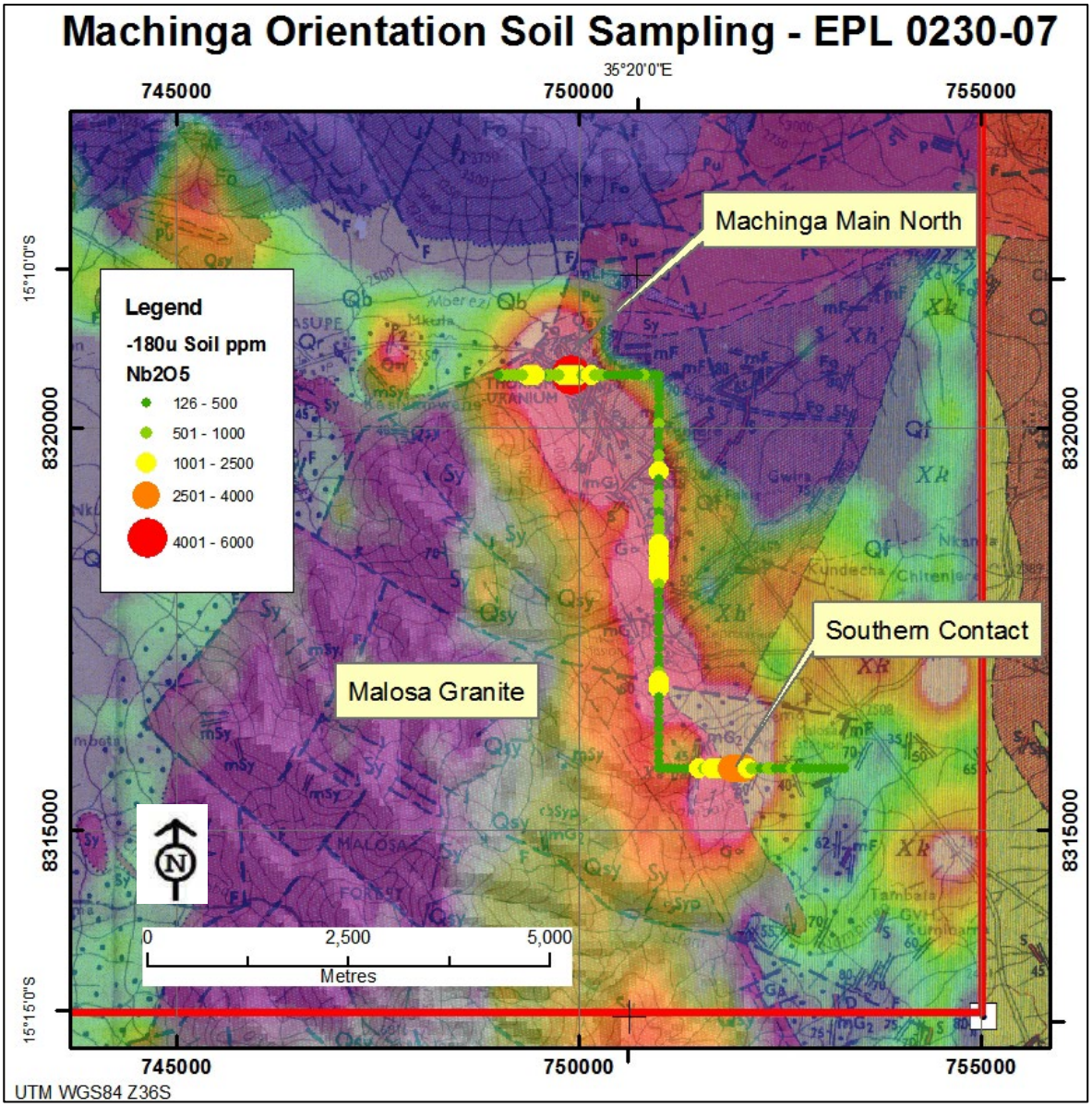


Figure 25: RSL orientation soil sampling results on regional geology and uranium airborne radiometrics
Source: RSL (2010)

On the Machinga Main Anomaly and South anomalies, the following was conducted:

- Initial geological reconnaissance of the Machinga satellite anomalies
- Completion of ground-based scintillometer surveying
- Results indicate potential for niobium-tantalum-zirconium-uranium mineralisation with REE potential
- Peak rock-chip sampling has yielded samples containing up to individually 0.43% Nb_2O_5, 6.4% $ZrSiO_4$, 286 ppm Ta_2O_5 and 129 ppm U_3O_8 from pegmatite lithologies at Machinga Main anomaly
- Peak rock-chip sampling yielded samples containing up to individually 0.59% TREO from Machinga Main and South anomalies.

RSL planned to concentrate on the further evaluation of the Machinga Main anomaly, and given the success of the orientation soil geochemistry, extend to cover the full extent of the radiometric anomaly. Systematic sampling of the Machinga Main anomaly by trenching was planned.

It was found that the reported grades from rock-chip sampling can be reviewed as highly favourable when reviewed against Globe Metals and Mining Ltd's (Globe's) Kanyika project (niobium, tantalum, uranium and zirconium) located in Central Malawi, based on a 1,500 ppm Nb_2O_5 cut-off.

Work of a "first pass" reconnaissance nature was completed along the Machinga radiometric zone. Although at an early stage, geological investigations and rock-chip sampling results to date indicate encouraging host lithologies and sample analysis.

5.4.2 Globe Metals and Mining Ltd

In December 2009, RSL entered into an exploration joint venture with Globe, an Australian mineral exploration company already active in Malawi that has particular experience in the exploration of multi-metal alkali intrusive systems. The agreement enabled Globe to earn up to 80% interest in the project through completion of exploration work programs and culminating in a resource estimate and eventually a feasibility study (Globe Metals and Mining, 2010).

Campaigns were undertaken by Globe in 2010 including a 3,000 m trenching program. First-pass RC drilling programs were also designed by Globe and consist of a 26-hole program for 2,400 m.

The Machinga work by Globe explored the pegmatite veins by trenching and delineated a 2.7 km long mineralised zone at the northeast margin of the Zomba-Malosa pluton. Globe reported REE concentrations up to 2.64 wt% in rock-chip samples with high ratio (25–28 wt%) of HREE (Figure 26).

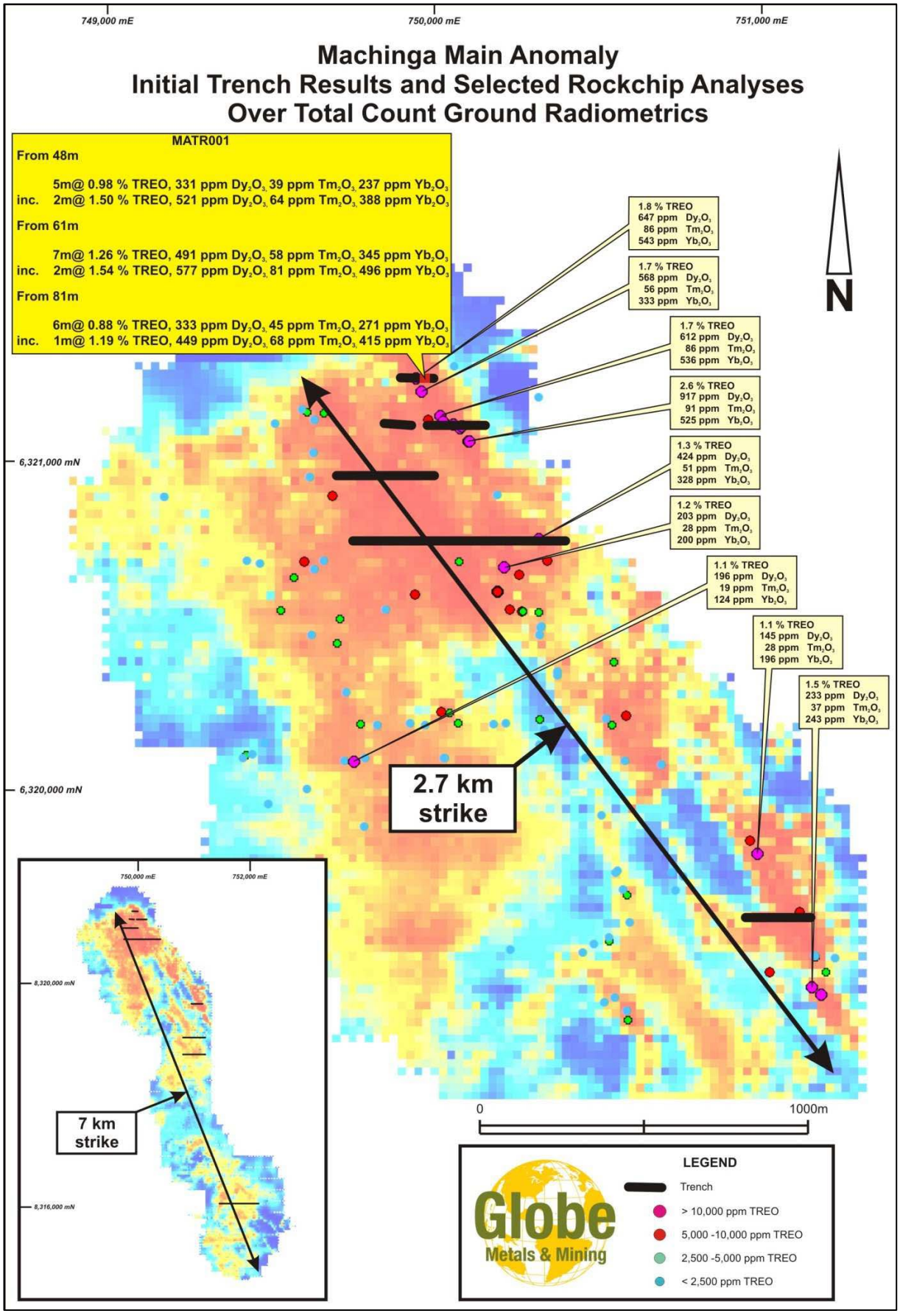

749,000 mE
750,000 mE
751,000 mE
Machinga Main Anomaly
Initial Trench Results and Selected Rockchip Analyses
Over Total Count Ground Radiometrics
MATR001
From 48m
5m@ 0.98 % TREO, 331 ppm Dy2O3, 39 ppm Tm2O3, 237 ppm Yb2O3
inc. 2m@ 1.50 % TREO, 521 ppm Dy2O3, 64 ppm Tm2O3, 388 ppm Yb2O3
From 61m
7m@ 1.26 % TREO, 491 ppm Dy2O3, 58 ppm Tm2O3, 345 ppm Yb2O3
inc. 2m@ 1.54 % TREO, 577 ppm Dy2O3, 81 ppm Tm2O3, 496 ppm Yb2O3
From 81m
6m@ 0.88 % TREO, 333 ppm Dy2O3, 45 ppm Tm2O3, 271 ppm Yb2O3
inc. 1m@ 1.19 % TREO, 449 ppm Dy2O3, 68 ppm Tm2O3, 415 ppm Yb2O3
1.8 % TREO
647 ppm Dy2O3
86 ppm Tm2O3
543 ppm Yb2O3
1.7 % TREO
568 ppm Dy2O3
56 ppm Tm2O3
333 ppm Yb2O3
1.7 % TREO
612 ppm Dy2O3
86 ppm Tm2O3
536 ppm Yb2O3
2.6 % TREO
917 ppm Dy2O3
91 ppm Tm2O3
525 ppm Yb2O3
1.3 % TREO
424 ppm Dy2O3
51 ppm Tm2O3
328 ppm Yb2O3
1.2 % TREO
203 ppm Dy2O3
28 ppm Tm2O3
200 ppm Yb2O3
1.1 % TREO
196 ppm Dy2O3
19 ppm Tm2O3
124 ppm Yb2O3
1.1 % TREO
145 ppm Dy2O3
28 ppm Tm2O3
196 ppm Yb2O3
1.5 % TREO
233 ppm Dy2O3
37 ppm Tm2O3
243 ppm Yb2O3
N
6,321,000 mN
6,320,000 mN
2.7 km strike
0
1000m
750,000 mE
752,000 mE
8,320,000 mN
8,316,000 mN
7 km strike
LEGEND
Trench
> 10,000 ppm TREO
5,000 -10,000 ppm TREO
2,500 -5,000 ppm TREO
< 2,500 ppm TREO
Globe
Metals & Mining

Figure 26: Map showing Machinga Main total count radiometric anomaly relative to trench and rock-chip samples (datum WGS84 36S)
Source: Globe Metals and Mining (2010)

5.5 Summary and Discussion

5.5.1 Geophysics

Historical geophysical data was used by Globe to guide historical exploration. More recent airborne geophysical data was acquired covering Machinga, Salambidwe and Ngala Hill, including magnetics and radiometrics.

The historical uranium anomalies show strong anomalies in Machinga Main and South anomalies, and a moderate anomaly on Lingoni, approximately 10 km east of Machinga Main anomaly (Figure 27). The recent raw uranium radiometric data shows the anomaly that was targeted by the previous drilling (Figure 28).

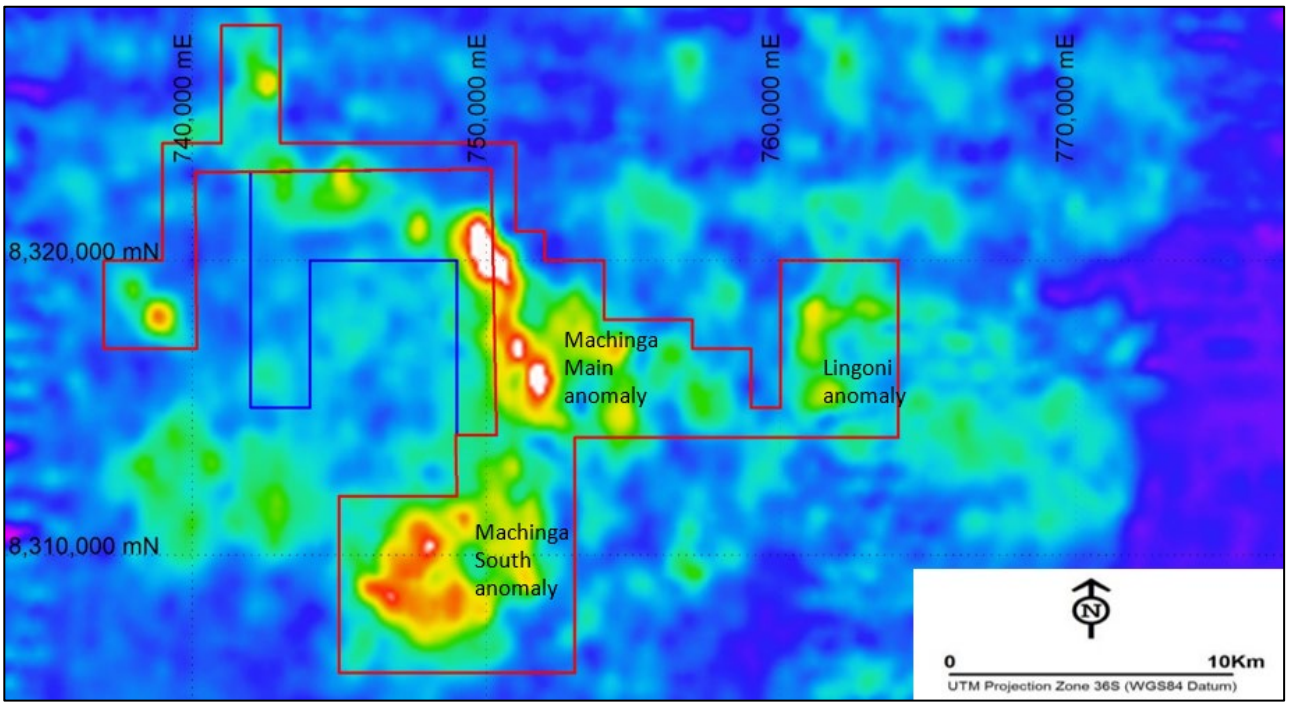


Figure 27: Historical uranium anomaly map covering Machinga and Lingoni (datum WGS84 36S)
Source: Globe (2011)

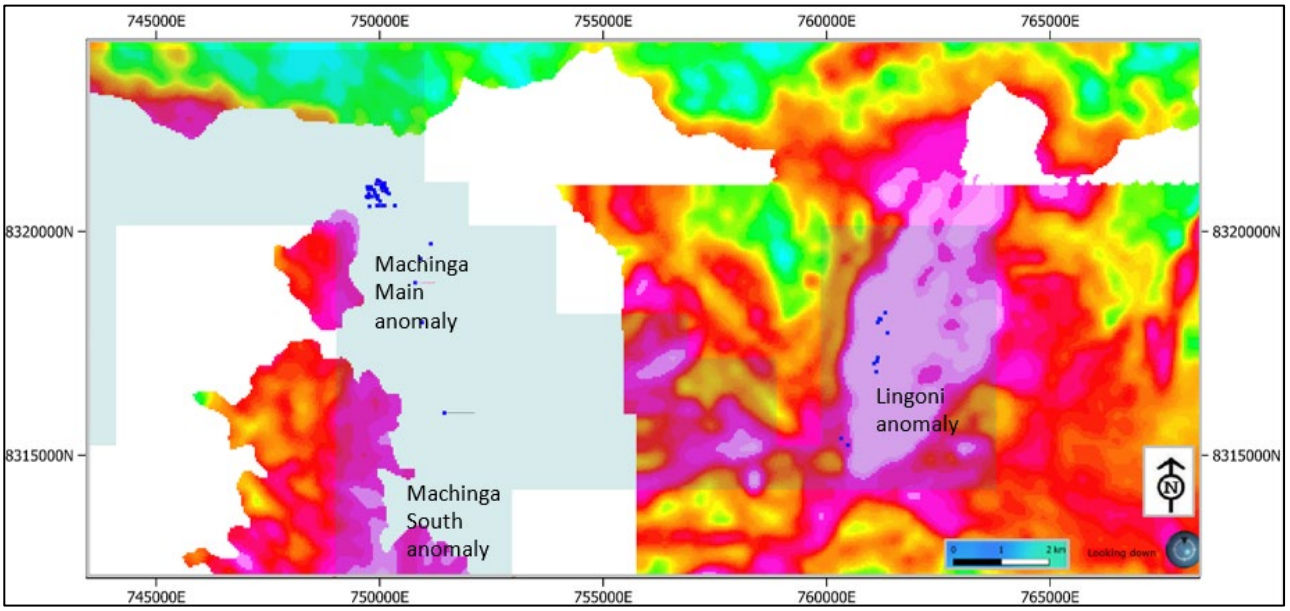


Figure 28: Recent uranium anomaly map relative to RC holes and trenches (blue), with no coverage in Machinga Project but strong signature at Lingoni Prospect (datum WGS84 36S)
Source: CSA Global (2023)

The thorium anomalies from both the historical (Figure 29) and recent (Figure 30) radiometrics survey shows the strong anomaly at Lingoni. The uranium:thorium ratio at Lingoni is therefore not as high as at Machinga, but Lingoni still requires follow-up and verification sampling, should original RC and soil sampling data not be available.

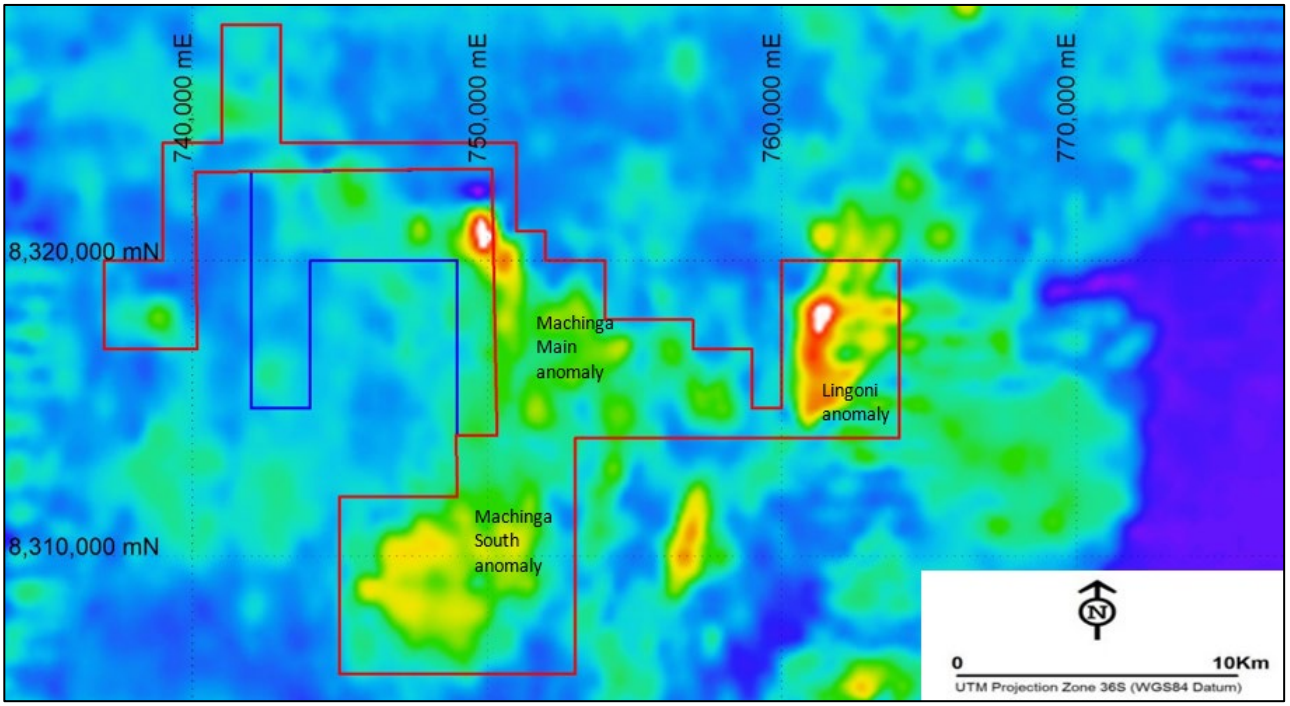


Figure 29: Thorium anomaly map from historical data showing strong signature on Machinga Main and Lingoni Prospect (datum WGS84 36S)
Source: Globe (2011)

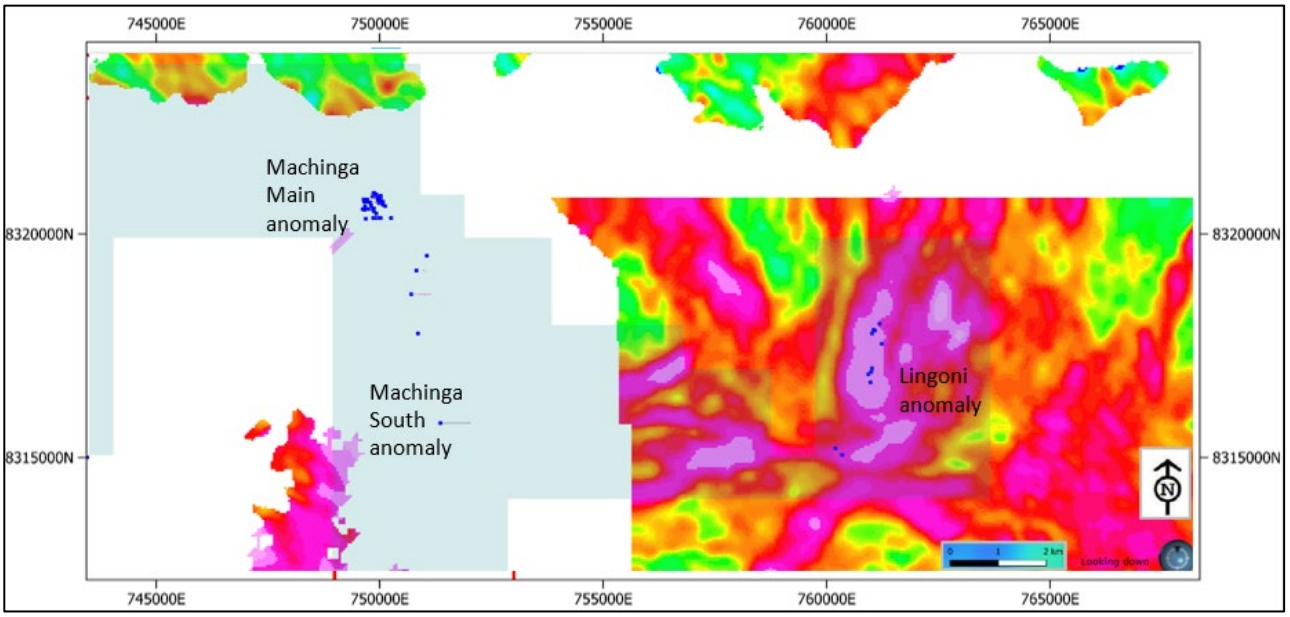


Figure 30: Recent raw thorium radiometrics showing a strong signature at Lingoni Prospect (datum WGS84 36S)
Source: CSA Global (2023)

The recent total magnetic intensity for Machinga and Lingoni is shown in Figure 31 and these anomalies are probably indicative of the geology comprising schist and granulite lithologies to the east of the syenites. They appear to have similar settings relative to geology.

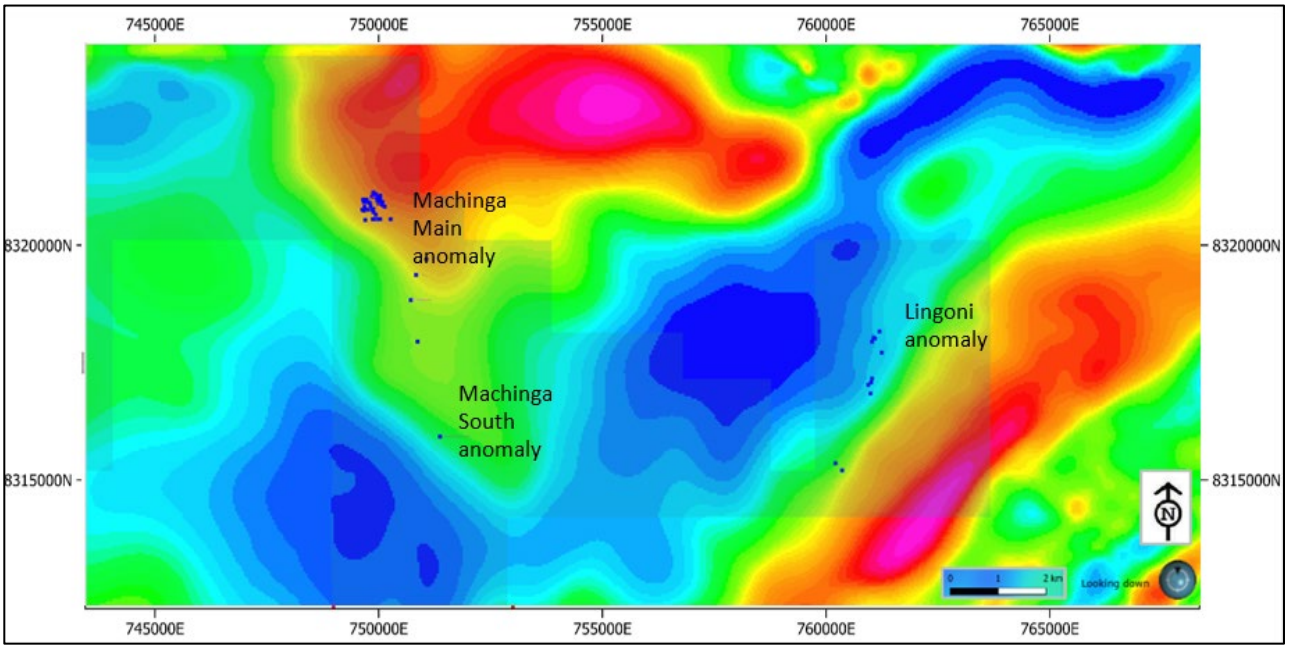


Figure 31: Machinga magnetic anomaly map from recent airborne survey data showing strong signature on Machinga Main and South, as well as on the edge of Lingoni (datum WGS84 36S)
Source: CSA Global (2023)

5.5.2 Soil Geochemistry

The historical review of the soil data at Machinga revealed that the metals correlate well with the geological interpretation. The observations indicate that soil geochemistry provides a very robust tool for geological mapping, intrusion lithology characterisation, and identification of mineralisation. This would be greatly aided should the full analytical set be acquired, as it is assumed that a wider suite of elements will be available that could result in more robust and precise mapping of all lithologies.

5.5.3 Trenching

The trenches in Machinga Main anomaly display mineralisation in the pegmatitic syenites, which was validated by spectrometer readings during the January 2023 site visit. Quartz-feldspar pegmatitic syenite samples were collected and exhibit eudialyte-type colours and textures (Figure 32 and Figure 33). These are therefore indicative of peralkaline intrusion related REE deposits. Samples from the Machinga South anomaly also contain pegmatites with mineralisation, which is visible in some instances albeit lower than Machinga Main anomaly (Figure 34).

Figure 32: Mineralised pegmatitic syenite with possible eudialyte
Source: CSA Global (2023)

Figure 33: Pegmatitic samples (left), and banded pegmatitic syenite contact with biotite gneiss (right)
Source: CSA Global (2023)

Figure 34: Pegmatitic samples from Machinga South anomaly with radioactive minerals
Source: CSA Global (2023)

5.5.4 Reverse Circulation Drilling

The complete drillhole dataset is not currently available. The available data was imported into Leapfrog and viewed in three-dimensional (3D) space. The assay data plots were spatially reviewed revealing that there are distinct chemical populations with sharp, well-defined breaks. During the site visit, there was also evidence of one drill collar, on the position of MARC016 (Figure 35).

Figure 35: Remaining cut beacon on Machinga Main (to the right), at expected position of MARC016
Source: CSA Global (2023)

5.5.5 Petrography

Three RC drilling chip samples (MARC001 from 12–14 m; MARC007 from 53–59 m and MARC008 from 28–30 m) were submitted for petrographic analysis (Grguric, 2022). No whole-rock assays were done, however, some handheld XRF analyses were performed. It was concluded that the rocks are peralkaline type, as opposed to syenites as previously thought. It also appeared that the majority of REE are hosted either in fresh REE-enriched and sodium-calcium depleted eudialyte, or where this has been decomposed by weathering, in fine-grained complex mixtures of iron-manganese-titanium oxides, secondary REE and fine-grained zircon. The secondary REE phases present as weathering products of eudialyte may possibly be readily leached, in contrast with the fresh eudialyte. This and the apparent absence of carbonate minerals may bode well for leach-extraction of REE in the oxide zone at Machinga, where eudialyte has been partially or completely decomposed by weathering.

5.5.6 Lithogeochemistry

Analysis of the lithogeochemistry plots suggests that the mineralisation is most likely related to pegmatite intrusions within the syenites. This is similar to other REE targets of this class and will influence the exploration strategy to identify and optimally drill REE targets.

The geochemical data for the trenches and RC holes at Machinga, where available, was plotted in a 3D Leapfrog workspace in order to determine the continuity of the mineralisation (Figure 36).

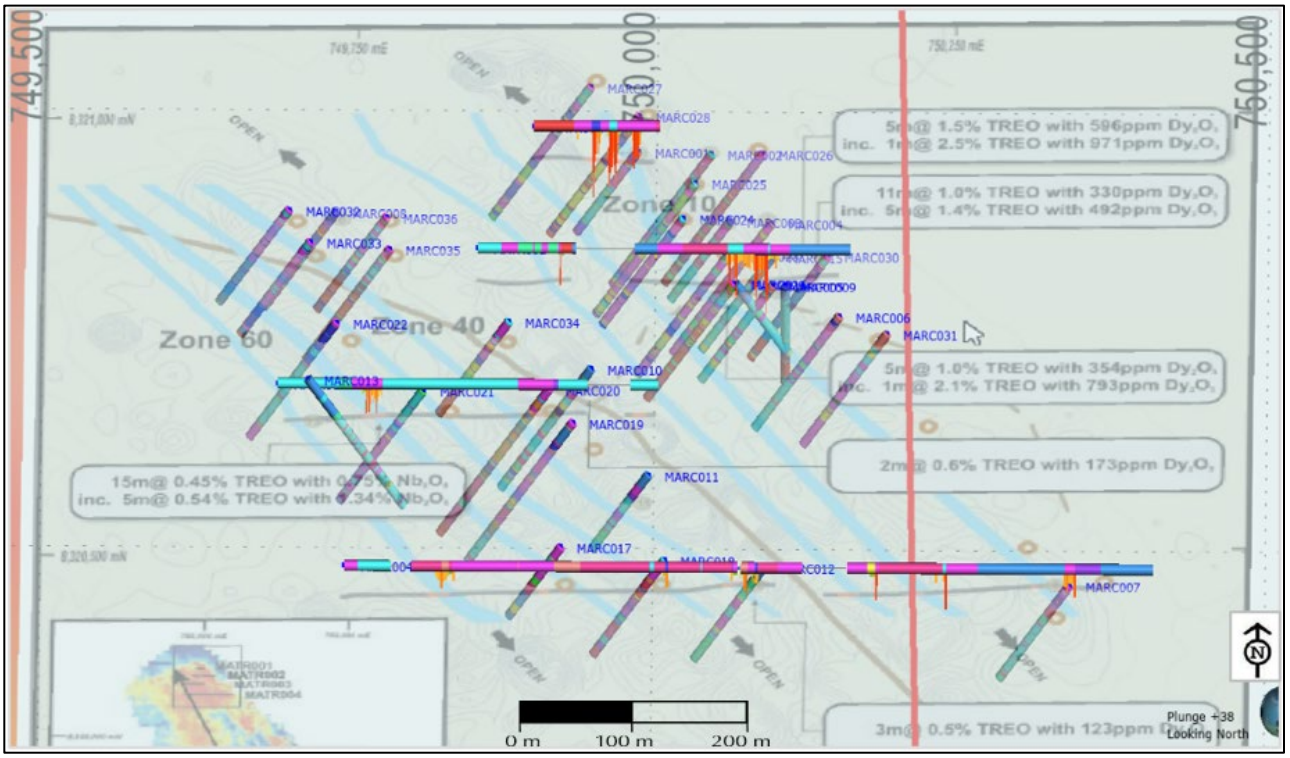


Figure 36: Isometric view showing drillhole and trench geology logs with trench assays, relative to interpreted mineralisation trends (datum WGS84 36S)
Source: CSA Global (2023)

Selected geochemical plots are shown below for the original Globe trench/pit assay data for Machinga and Salambidwe. The Machinga data is split into the North (Machinga Main), Central and Contact (Machinga South) zones.

The available assay data from the pit samples are used in the following series of plots to constrain the likely minerals hosting the REE and HFSE (zirconium, niobium) mineralisation at Machinga.

The University research data by Kaonga et al. (2023) has been compared with the previously available Globe assay data samples from seven exploration trenches when plotting various elements.

Figure 37 and Figure 38 show that REE (as total REE oxides) is strongly correlated with concentration of both zirconium and niobium, with little significant variation spatially within the deposit. The correlations suggest that the REE are not predominantly hosted in zircon but are likely to occur in complex REE-HFSE minerals such as eudialyte. This is significant in that the REE would be extremely difficult to extract from refractory zircon whereas eudialyte is more readily soluble. Available geochemical data for Machinga was restricted to samples from pits/trenches, which are potentially weathered and not representative.

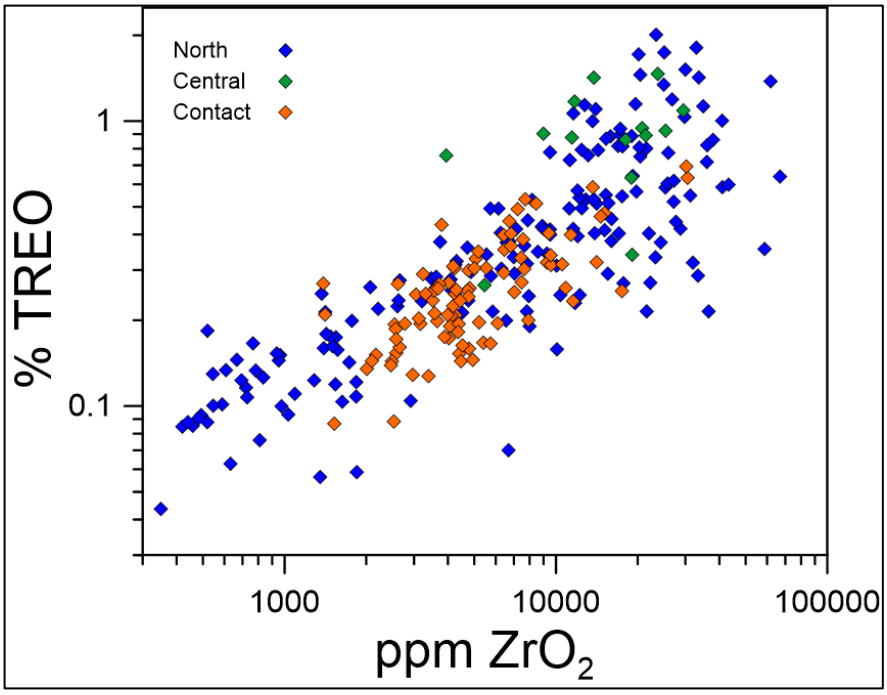


Figure 37: Plot of Zr vs total REE oxides for Machinga pit samples
Source: CSA Global (2023)

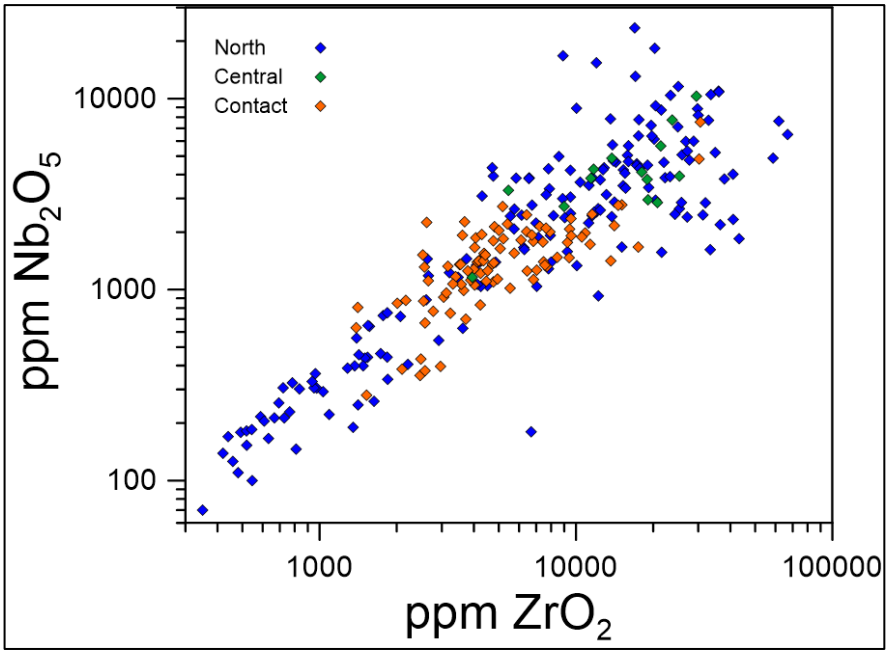


Figure 38: Plot of ZrO_2 vs total Nb_2O_5 for Machinga pit samples
Source: CSA Global (2023)

However, the close correlation between the zirconium-niobium data (Figure 39) from the (possibly altered) pit samples and with the generally fresh samples reported in the academic study of Kaonga et al. (2023) would argue that the pit assays can be considered representative of the expected mineralisation at Machinga. The broad positive trend in Figure 40 indicates the proportion of HREE (HREE = Tb-Lu+Y) in the TREO basket increases as TREO content increases.

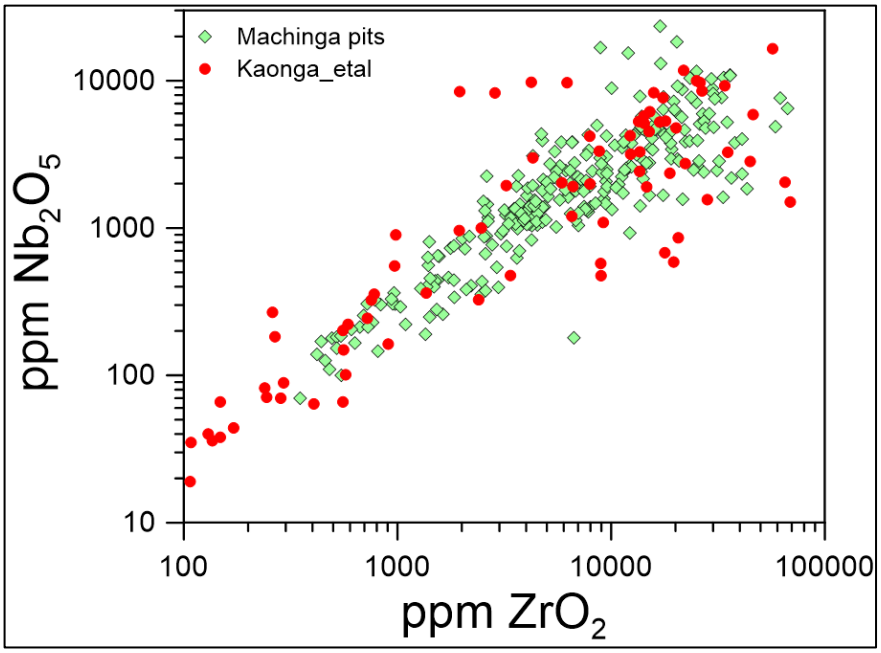


Figure 39: Comparison between the Zr-Nb compositions in the pit samples with samples reported from the study published by Kaonga et al. (2023)
Source: CSA Global (2023)

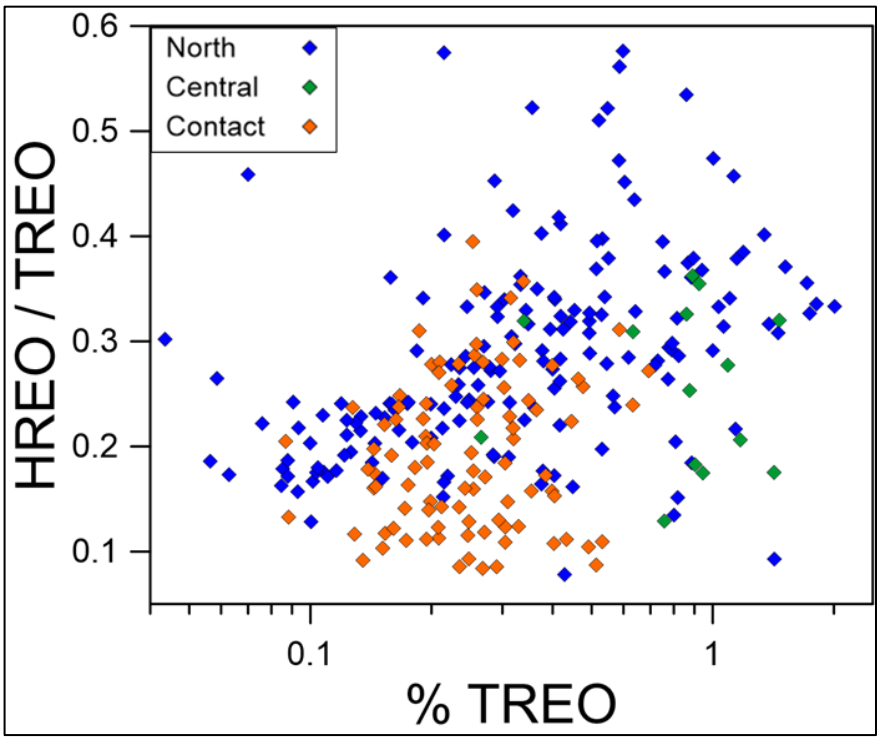


Figure 40: Plot of REE concentration (%TREO) vs relative concentration of the HREE (%HREO/%TREO)
Source: CSA Global (2023)

This increase and trend are more clearly defined in Figure 41 where the concentrations of the principal REE components in high strength neodymium, iron boron (NdFeB) magnets or "Neo magnets" neodymium+praseodymium (LREE) and dysprosium+terbium (HREE) are plotted against total REE content. Conspicuous progressive increases in dysprosium+terbium and decreases in neodymium+praseodymiumr concentrations are noted as levels of TREO exceed ~3,000–4,000 ppm. This overall trend is potentially significant as the rarer HREE generally trade for a significantly higher value than the more abundant LREE.

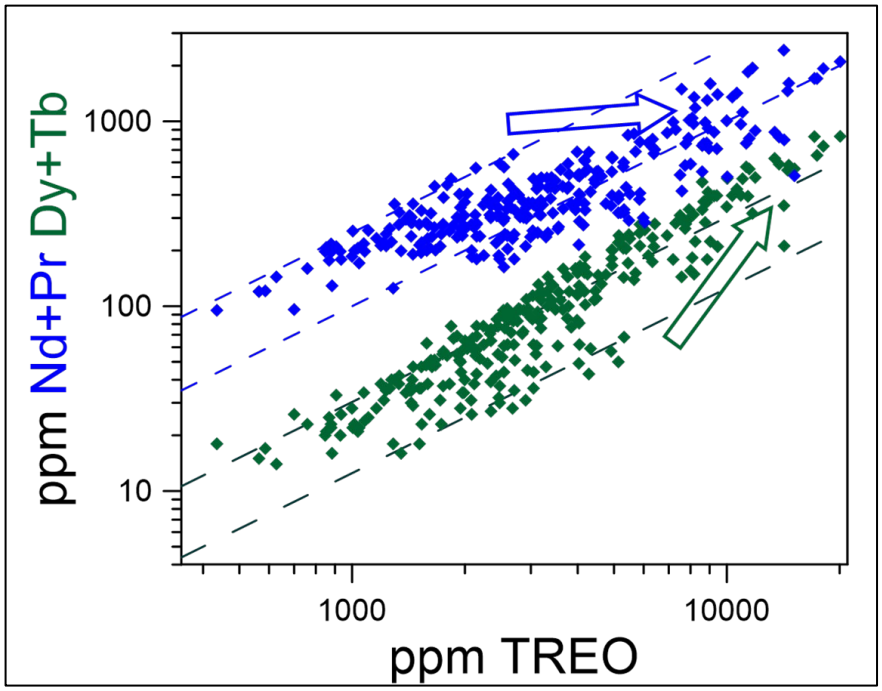


Figure 41: Plot of REE grade (ppm TREO) vs Nd+Pr and Dy+Tb concentrations
Source: CSA Global (2023)

5.6 Lingoni Prospect

The Lingoni Prospect is situated approximately 10 km to the east of Machinga within APL0251. Limited data is available of use in identifying and defining the location and morphology of potential mineralisation. Due to lack of outcrop and relatively thicker soil cover, only soil samples were collected during the site visit.

Some of the RC drill collar positions now fall within a residential village and none could be located. However, villagers proximal to the locations, acknowledged work was conducted approximately 10 years ago, which would be contemporaneous with the Globe exploration campaign. Evidence of RC chips was, however, found on a heap at the approximate database location of TBM1, and might relate to a bulk sample or another RC hole (Figure 42). Spectrometer readings from this heap and soil samples recorded relatively high thorium readings. Thorium anomalies in soils generally correlate to REE mineralisation, and thorium-dominant anomalies that may indicate mineralisation.

Figure 42: Lingoni historical sampling site TMB1 showing RC drilling and sampling cuttings
Source: CSA Global (2023)

This enables the following observations and conclusions:

- The RC drilling results are important for explaining the geophysical anomalies
- The prospect requires follow-up exploration work.

In CSA Global's opinion, results to date from Machinga and Lingoni represent grassroots exploration that have built a valid mineralisation model for testing, but still require further data to demonstrate proof of concept and validate the exploration model.

Based on the verification site visit, there was evidence of the historical work conducted as well as mineralisation potential. Figure 43 shows waypoints and samples collected during the site visit coloured by thorium readings. The Machinga Project has potential for rare-earths mineralisation, especially that of HREE (terbium+dysprosium) at higher TREO grades. The prospect demonstrates affinity with the eudialyte-bearing granite and pegmatites.

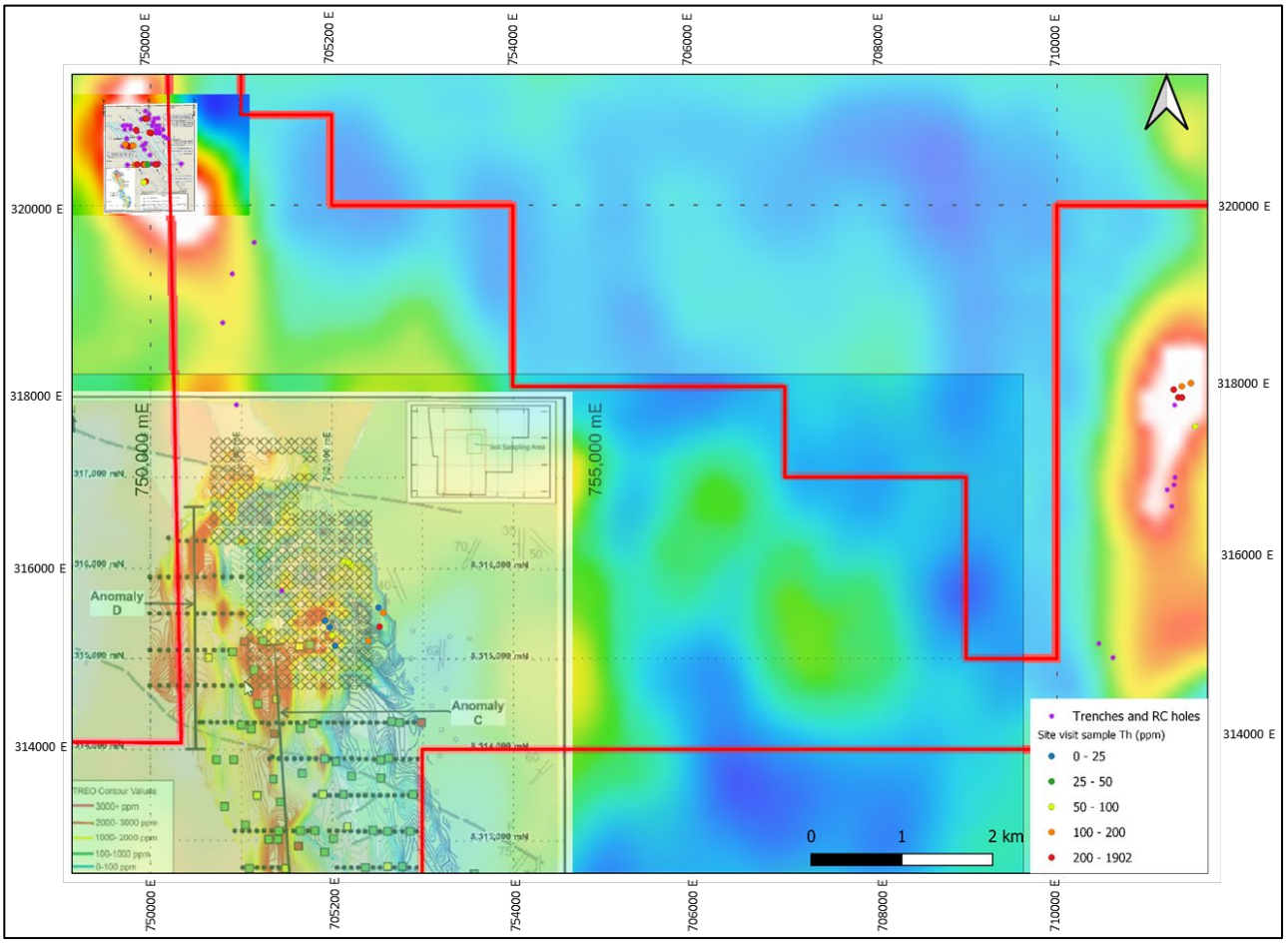


Figure 43: Plan map showing samples collected during the site visit (circles) relative to trench and RC locations (purple crosses); datum WGS84 36S
Source: CSA Global (2023)

5.7 Proposed Exploration Strategy

The complete results of the Globe trenching and drilling campaigns should be sourced and compiled and assessed for target generation and possible follow-up diamond drilling that would allow collection of mineralogical data. This would therefore further demonstrate Machinga's prospectivity and potential. Thereafter, further work can be conducted to define an Exploration Target and Mineral Resource.

Ongoing assessment of other areas can then occur based on the work at the Machinga Main anomaly, and this likely to include soil sampling, ground radiometric surveys and mapping for Machinga South and Lingoni prospects.

The diversity of minerals within alkaline-silicate deposits is much greater than that of most mined base metal or precious metal deposits. Consequently, mineralogy and metallurgy are also important considerations during REE + HFSE exploration in alkaline-silicate systems. Without more comprehensive whole rock assays and detailed geological context, it is difficult to present more detailed interpretation of the nature of the minerals hosting the REE-HFSE mineralisation. Economic beneficiation of the REE-HFSE mineralisation will be critically dependent on the nature of the hosting phases: whether they can be easily (economically) concentrated and, once concentrated, whether the REE-HFSE can be economically extracted from the concentrate. Moving forward, the proportion of extractable HFSE-REE in the ore will be critical, not total REE-HFSE grade.

6 Salambidwe Project

6.1 Local Geology and Mineralisation

The Salambidwe Project is also located within the Chilwa Alkaline Province of southern Malawi, straddling the Mozambique border. The rocks of the Project area are characterised by the Salambidwe Ring Complex which comprises suite dominate by syenites and nepheline-syenites with a core of agglomeratic rocks. The Salambidwe Ring Complex forms part of the Chilwa Alkaline Suite which also hosts notable deposits such as the Kangankunde, Songwe and Tundulu carbonate deposits. The Salambidwe Ring Complex is approximately 6 km in diameter.

The Riebeckite Syenite units are associated with high radiometric values indicative of elevated levels of thorium and uranium, which are generally associated with REE mineral occurrences in similar geological settings elsewhere.

6.2 Exploration Model

The syenite rocks at Salambidwe are associated with anomalous radiometric values due to the presence of thorium and uranium mineralisation, indicating the potential for REE occurrences. These alkaline rock suites are known hosts to a variety of different economic commodities including copper, iron, titanium, niobium, thorium, uranium, REEs, barium, fluorine, phosphorous and other rare or incompatible elements (Globe, 2010).

6.3 Exploration History

The regional geochemical drainage surveys undertaken between 1969 and 1970 across the central and southern regions of Malawi, covered the Salambidwe syenite complex and returned high zinc, molybdenum, tin values with low copper, nickel and chromium.

Salambidwe has also been subject to early radiometric surveys which highlighted radiometric anomalies associated with syenite units. Early rock-chip and soil sampling totalling 464 points also highlighted REE and niobium anomalies which corresponded with overlying syenite units. Trenching has also been undertaken at Salambidwe.

Globe undertook further rock-chip sampling in 2010, with results including 2.05% TREO, and a follow-up campaign in 2011 including trenching soil and auger surveys consisting of 393 and 59 samples, respectively. The soil pit and auger programs were on a grid of 100 m x 100 m and were designed to locate further anomalies in the area.

6.4 Previous Explorers

6.4.1 Globe Metals and Mining Ltd

Initial exploration included the following:

- A ground radiometric survey comprising 2,269 radiometric survey point data which were used to create a radiometric intensity colour map. The radiometric intensity map clearly shows two zones of high radiometric values which also appear to coincide with the syenite rock units (Figure 44).
- A total of 464 soil sampling points with results showing anomalous REE and niobium values over the syenite units.

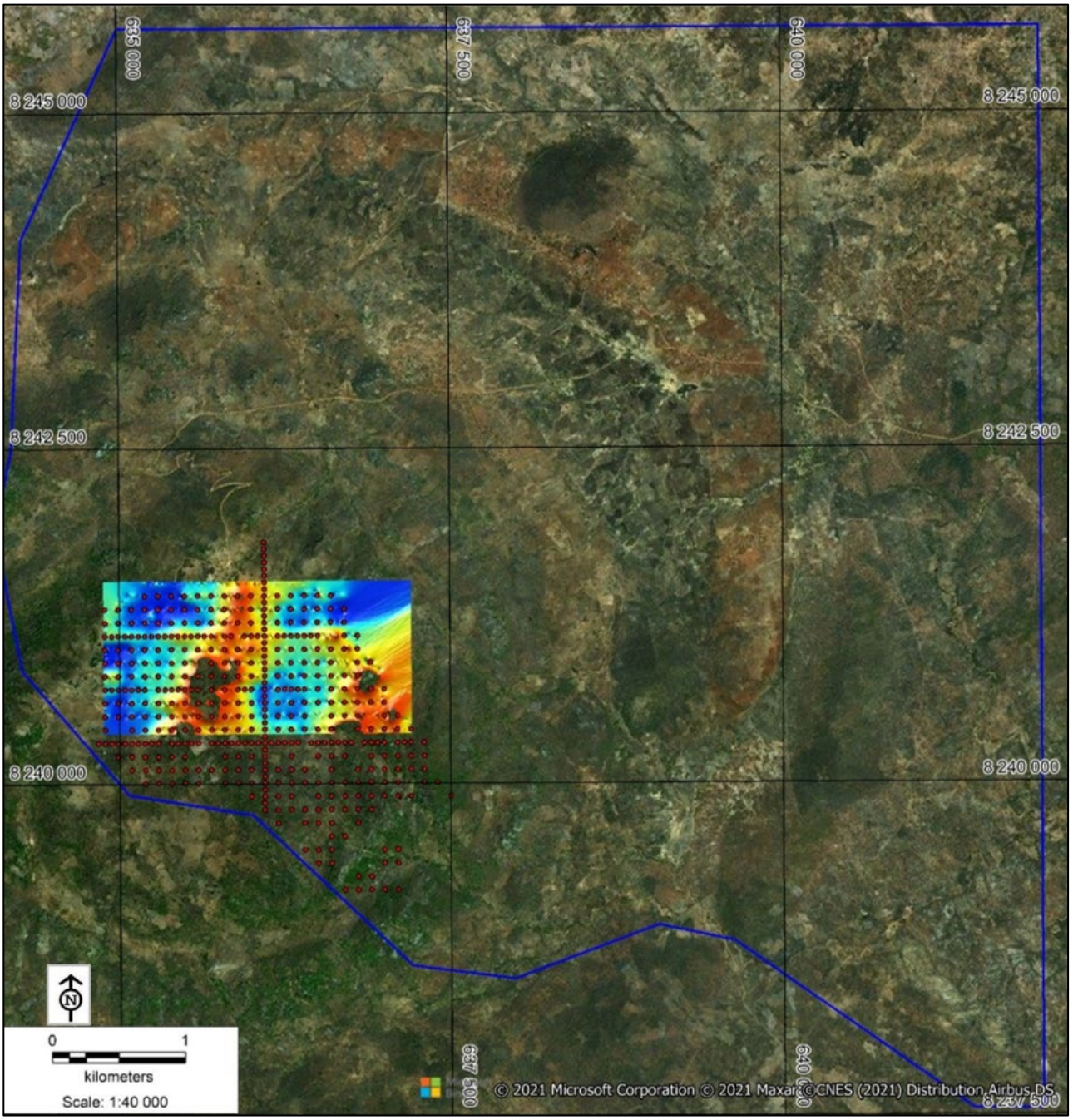


Figure 44: Google Earth image with historical radiometric intensity image and soil sampling (datum WGS84 36S)
Source: KGN Resources (2021)

Following on from the 2010 maiden exploration program, results of which included a rock-chip recording 2.05% TREO including 214 ppm Dy_2O_3, Globe conducted a crater-wide 393 soil-pit and 59 auger sample program in conjunction with rock-chip sampling, ground radiometric surveying and regional geological mapping.

In 2011, Globe conducted soil sampling across the main radiometric anomalies (Figure 45). The primary focus of the 2011 exploration campaign was to:

- Confirm the results from the 2010 rock-chip and soil sampling program
- Determine the relationship between the mineralisation and the distribution of geological units
- Locate and quantify further REE-enriched zones.

A broad 100 m x 100 m soil-pit and auger program (Figure 45) covering the entire crater was planned to examine Salambidwe's potential.

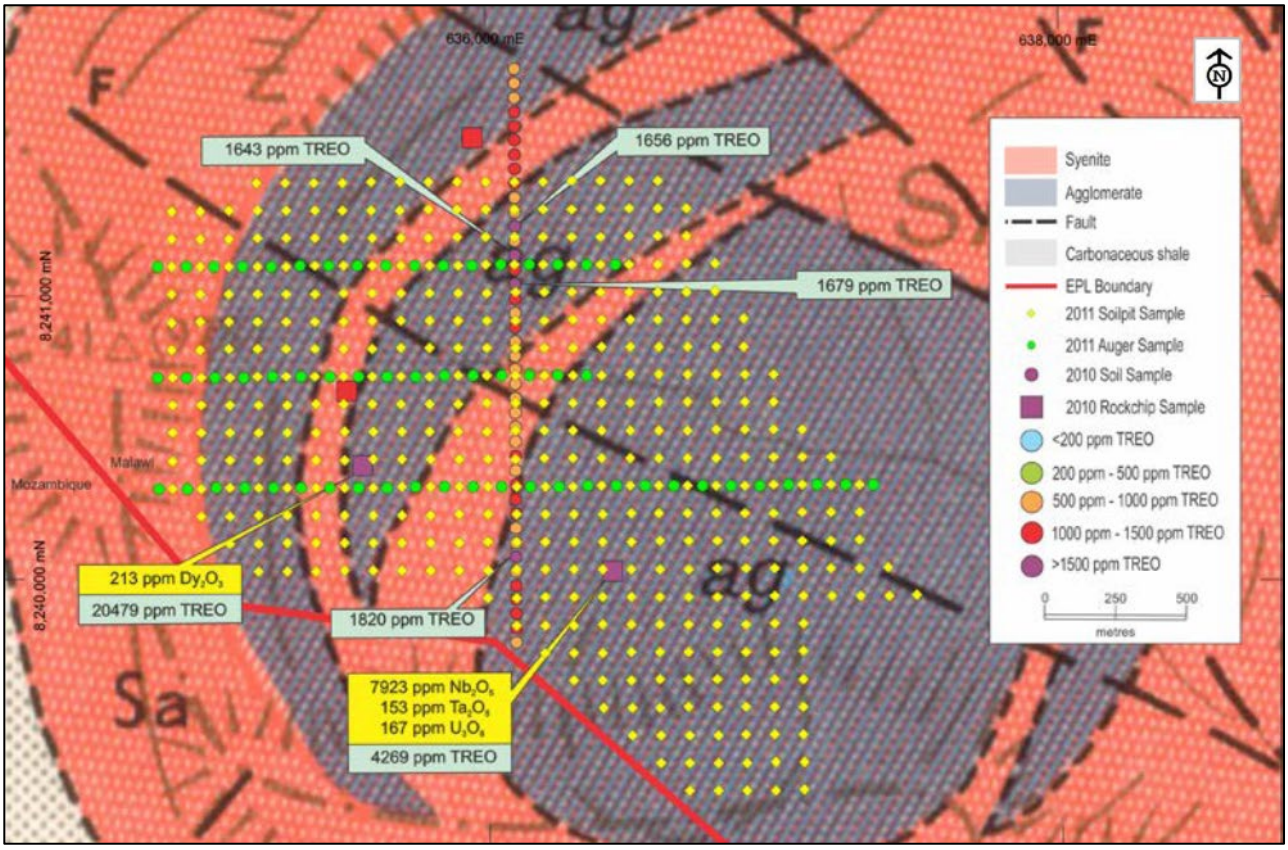


Figure 45: Map showing Salambidwe soil-pit and auger samples collected relative to geology (datum WGS84 36S)
Source: Globe Metals and Mining (2011)

6.4.2 KGN Resources

EL0518 was originally granted to KGN Resources (KGN) on 18 November 2018 for a period of three years.

No field work was done since the EL was originally granted in November 2018, due to the delay in field work is the 2019 election protests as well as the global COVID-19 pandemic.

KGN did, however, retrieve historical exploration data which was reviewed in detail and used to compile an exploration strategy and target areas.

6.5 Summary and Discussion

6.5.1 Soil Geochemistry

Visual review of the soil data at Salambidwe reveals the metals correlate well with the geological interpretation. These observations indicate that soil geochemistry provides a very robust tool for geological mapping, intrusion lithology characterisation, and identification of mineralisation. This would be greatly aided should the full analytical set be acquired, as it is assumed that a wider suite of elements will be available that could result in more robust and precise mapping of all lithologies.

6.5.2 Geophysics

There is limited historical geophysical data available for Salambidwe. Furthermore, the recent geophysical survey does not cover the Project.

6.5.3 Diamond Drilling

There is no drilling data currently available for Salambidwe.

6.5.4 Lithogeochemistry

There is a strong positive correlation between REE grade and niobium with concentrations of zirconium evident from Figure 46 and Figure 47, respectively. These demonstrate, as with Machinga Project, the REE are not dominantly hosted by refractory zircon, but rather are carried by a complex HFSE silicate such as eudialyte.

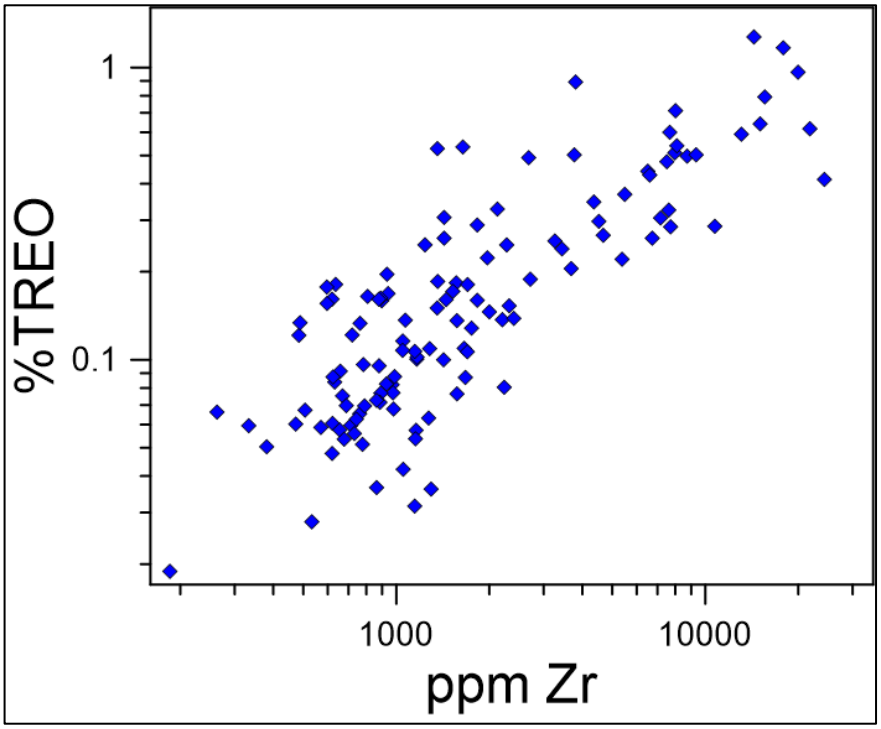


Figure 46: Plot of Zr vs total REE oxides (TREO) for Salambidwe
Source: CSA Global (2023)

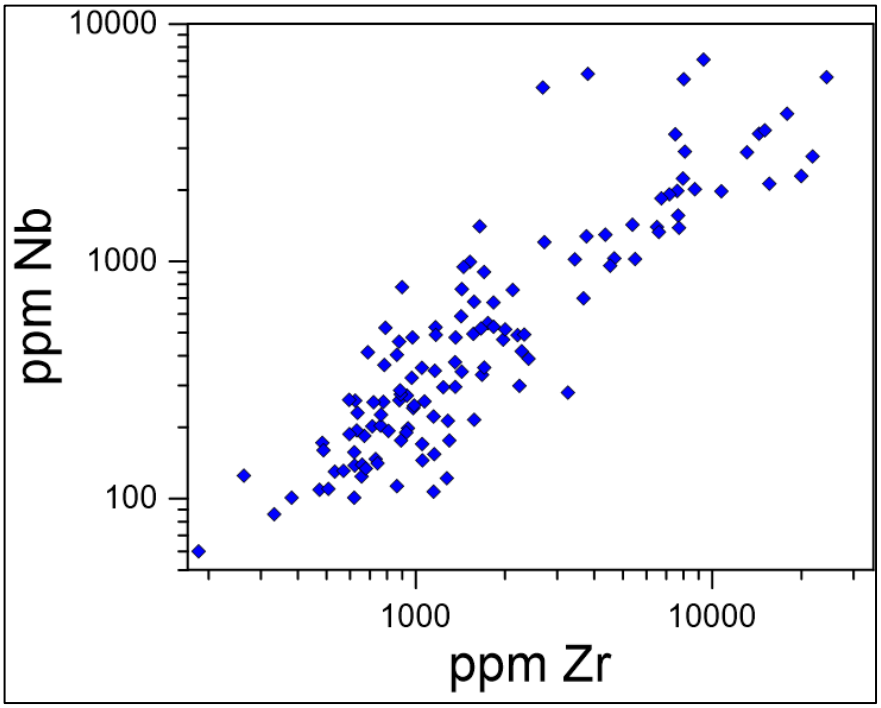


Figure 47: Plot of Zr vs Nb for Salambidwe
Source: CSA Global (2023)

Changing concentrations of the economically important LREE (praseodymium+niobium) and HREE (terbium+dysprosium) components of neo-magnets with increasing TREO grade are depicted in Figure 48. The tendency of praseodymium+neodymium to decrease while terbium+dysprosium increases with increasing REE grade is apparent but is not as conspicuous as in the Machinga samples.

Salambidwe data derived from historical sampling display comparable interelement trends for the key elements TREO, niobium and zirconium to those seen at Machinga, albeit at lower REE grades (Figure 41, Figure 48).

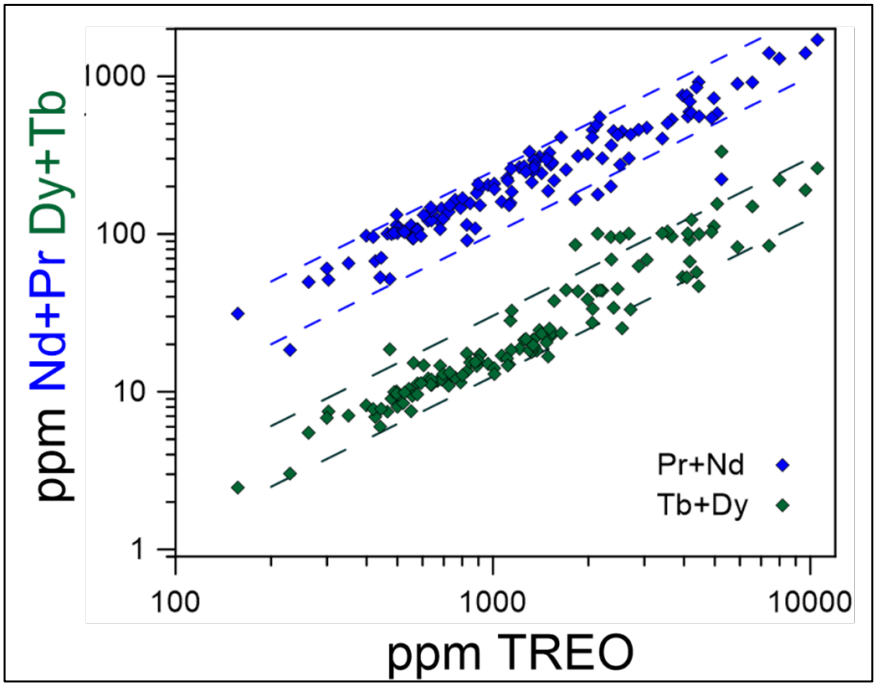


Figure 48: Plot of REE grade (as ppm total REO) vs concentration of Pr+Nd and Tb+Dy for Salambidwe samples
Source: CSA Global (2023)

Therefore, the notable similarity in HFSE–REE correlations between Machinga and Salambidwe prospects indicates the REE mineralisation at Salambidwe is of comparable style to that found at Machinga and, as such, warrants further sampling and exploration work.

CSA Global is of the opinion that the results to date represent grassroots exploration that have built a valid model for mineralisation to be tested, but requires substantial work to demonstrate proof of concept and validate the exploration model.

6.6 Proposed Exploration Strategy

Based on historical sample data, the Riebeckite Syenite could be the predominant host rock for REE and niobium mineralisation.

This strategy should focus on significant density of sampling being undertaken to determine mineralised potential and geological control. To strengthen existing knowledge and preliminary geological groundwork of the project area, the entire crater should be surveyed with ground radiometric. This method should prove effective in identifying areas with potential for REE mineralisation, in the absence of historical and recent airborne geophysics.

The 100 m x 100 m soil sampling, as previously planned by Globe, should also be conducted to define anomalies. Based on the historical rock chip and auger results, follow up is warranted in the areas to determine potential mineralisation (Figure 49). There is also a possibility of a similar model to that of Machinga where there could be eudialyte-bearing pegmatitic peralkaline rocks.

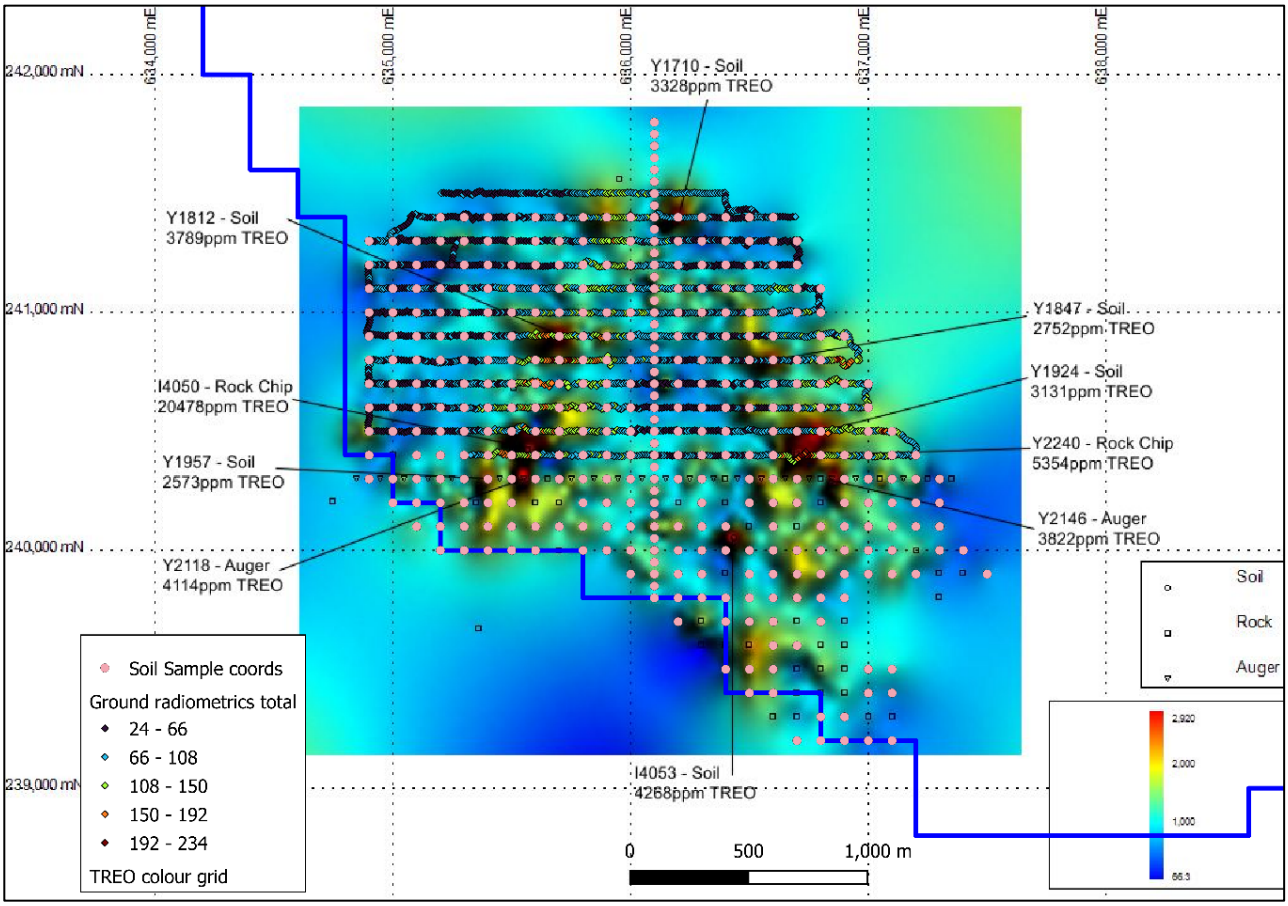


Figure 49: Plan map showing soil-pit and auger samples as well as ground radiometrics collected over Salambidwe (datum WGS84 36S)

Source: CSA Global (2023)

7 Ngala Hill Project

7.1 Local Geology and Mineralisation

The Ngala Hill ultramafic chonolith was intruded into the underlying Proterozoic Basement Complex quartz feldspar-amphibole gneisses and is cut by Karoo-age dolerite dykes. Ngala Hill lies just east of the Thyolo Fault, a rift-related normal fault which forms the eastern scarp of the Lower Shire Valley (Figure 13). The Ngala Hill Project is characterised by an intrusive ultramafic suite of pyroxenites and hornblende-pyroxenites that intrude basement gneisses.

The Ngala Hill chonolith body crops-out as an arcuate-shaped intrusion with dimensions of approximately 2.4 km x 0.7 km (Figure 50). The chonolith is characterised by a central hornblende pyroxenite which appears to be the key mineralised unit. The chonolith has been metamorphosed to pyroxenite facies, with the best developed mineralisation being associated with a central hornblende-pyroxenite unit. The pyroxenite facies of the ultramafic complex is prospective for PGM, predominantly palladium, and with associated copper.

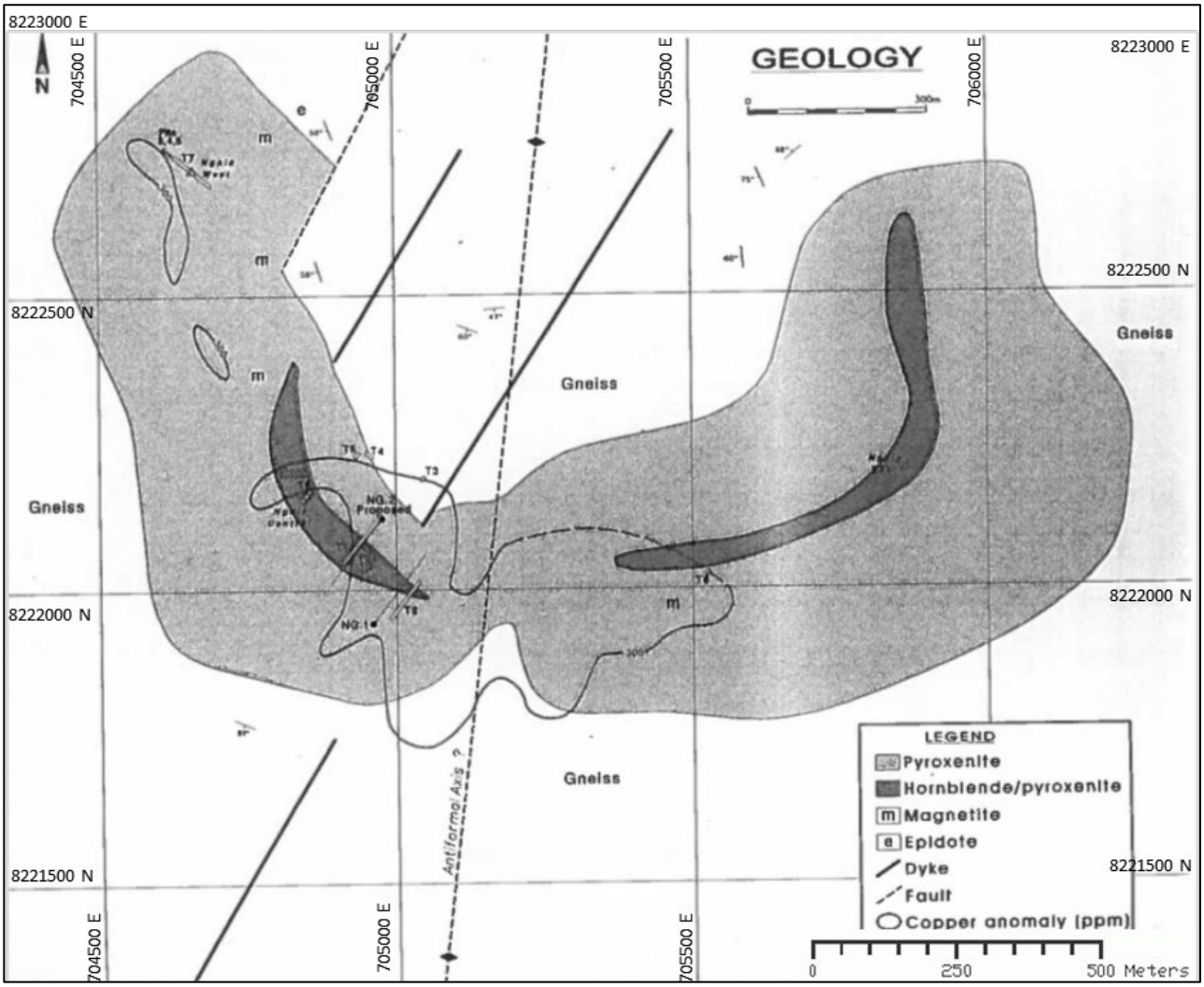


Figure 50: Plan map showing soil-pit and auger samples as well as ground radiometrics collected over Salambidwe (datum WGS84 36S)
Source: D&D GeoConsultants (2020)

The ultramafic intrusion comprises essentially of metapyroxenite with no evidence of differentiation observed. The rocks display various degrees of alteration, mainly hornblendisation, which begins with replacement of

inter-cumulus material by hornblende, followed by replacement of pyroxene by hornblende, ultimately resulting in an almost monomineralic, coarse crystalline hornblendite. The hornblende-rich lithologies form elongated lenses that often contain sub-idiomorphic, newly formed diopsidic pyroxenes and minor olivine and locally display malachite staining (Henckel and Mitchell, 2002).

During weathering, base metals were also concentrated in the saprolite and redistributed in a mushroom-shaped enrichment zone. This led to the apparent relationship between copper and PGM in the near-surface environment. Co-precipitation of PGM with chrysocolla has also been indicated. Similar saprolite-hosted PGM enrichments have also been reported from areas elsewhere that have undergone tropical weathering. Of interest is the strong hydrothermal overprint of the rocks. Several metre-wide zones of garnet-magnetite skarn were encountered. The garnets (almandine-pyrope) display retrograde reaction features forming a symplectic plagioclase-pyroxene reaction rim. Additional alteration products observed are diopside, olivine, massive phlogopite, chlorite, epidote, carbonate, quartz, and feldspar. These minerals indicate that at least aluminium, silicon and potassium have been added to the system. The alteration minerals comprise a typical skarn assemblage.

Associated with the alteration are various amounts of sulphides, largely pyrrhotite, pyrite and chalcopyrite. The sulphides occur interstitial to, and as inclusions in, secondary minerals, associated with quartz and finely dispersed in metapyroxenites. Microprobe work has shown that platinum, palladium and gold tellurides are associated with these hydrothermal sulphides. The presence of tellurides, the morphology of the sulphides, and the association with interstitial quartz point to a hydrothermal origin for the PGM mineralisation. Three zones of palladium-platinum-gold-copper mineralisation were defined at Ngala Hill.

7.2 Exploration Model

The mineralisation at Ngala Hill is interpreted as a magmatic intrusion with hydrothermal overprint. The aeromagnetic data show a significant magnetic high associated with the zone of mineralisation. The magnetic anomaly extends for several kilometres beyond the outcrop. The strong aeromagnetic anomaly associated with Ngala Hill points to an oxidised intrusive at depth as the driving force behind the skarnification process.

PGMs (especially palladium) are mobile under acidic and oxidising conditions. There are enough sulphides in the mineralised zone to create acidic regolith conditions during weathering. Once in solution, the PGE and gold are precipitated where the acidic fluids are buffered by the host rock. This is a continuous process, active during weathering and surface wasting, and is largely limited to the saprolitic portion of the weathering profile. This process leads over time to a surface near enrichment in noble metals within the saprolite. Platinum is preferentially enriched over palladium as it is less mobile, i.e. some of the palladium is transported in solution further than platinum. This can lead to a marked change in the platinum:palladium ratio in the enrichment zone relative to mineralisation hosted in fresh rock. Preferential enrichment at Ngala is indicated, with the platinum:palladium ratio in trenches being approximately double that of the ratio in core samples. During weathering base metals are also concentrated in the saprolite and redistributed in a mushroom-shaped enrichment zone. This leads to the apparent relationship between copper and PGM in the near-surface environment. Co-precipitation of PGM with chrysocolla is indicated. Similar saprolite hosted PGM enrichments have also been reported from areas elsewhere that have undergone tropical weathering. Exploration would therefore target both the intrusive at depth and possibly residual enrichment on surface (Figure 21).

7.3 Exploration History

Previous work by the Geological Survey of Nyassaland and its successor, the Geological Survey of Malawi, established that several the ultramafic intrusions are associated with base metal showings, including the Ngala Hill Project.

Initial work at Ngala Hill was carried out in the late 1960s in the form of geochemical sampling programs undertaken by the British and Malawian Geological Surveys. Later in the 2000s, rock-chip sampling, trenching and limited drilling programs were also carried out.

7.4 Previous Explorers

7.4.1 Geological Survey of Malawi

Between 1969 and 1971, the Geological Survey of Malawi conducted three phases of geochemical sampling, geological mapping and rock-chip sampling at Ngala Hill. The report, maps and tables summarising the work and results were retrieved from the archives of the Malawian Geological Survey in Zomba included the following:

- Phase 1 included 154 soil and eight rock-chip samples within the Ngala Hill area. Only 41 of the samples covered the ultramafic intrusion.
- Phase 2 was aimed at following up on anomalous areas identified during Phase 1. Phase 2 consisted of 303 soils samples taken on a 60 m x 60 m grid and 24 rock samples. The sampling program focused mainly on the western zone of the chonolith body.
- Phase 3 works included 189 soil samples taken over a limited area of high copper values on the western side of the body identified in Phase 1. The results of Phase 3 were retrieved from the Malawi Geological Survey but a base map showing the sample positions was not available. Several samples returned values of up to 0.4% Cu.
- In 1972, the Malawi Geological Survey also conducted a magnetic survey consisting of several traverse lines across the Ngala Hill ultramafic body.

7.4.2 Phelps Dodge

Following encouraging results from initial grab samples, Phelps Dodge started an exploration program for PGM on Ngala Hill in 1999. Approximately 600 m of trenching was completed. Metapyroxenite and amphibolite with (PGM)-gold-copper-nickel association was intersected and yielded 1.41 g/t Pt+Pd+Au and 1,430 ppm Cu over a length of 64 m in a trench. In 2000, Phelps Dodge confirmed further anomalies with encouraging results received from several trenches, including:

- 12 m at 3 g/t PGE+Au
- 70 m at 1.12 g/t PGE+Au, including 8 m at 3.3 g/t PGE+Au.

The average trench depth was between 1.5 m and 2.0 m and sampled material consisted of saprock or saprolite. Significant rock-chip assays from the 1999–2000 sampling program are shown in Table 3.

Table 3: Summary of significant rock chip results from Phelps Dodge exploration

Sample no.	Pd (g/t)	Pt (g/t)	Au (g/t)	3PM (Pd+Pt+Au g/t)	Cu (%)
X17	**1.4**	0.4	0.4	**2.1**	**0.8%**
X20	**1.4**	0.4	0.4	**2.2**	**0.6%**
X49	0.4	0.1	**0.6**	1.1	0.4%
Y1	**2.0**	0.5	0.4	**2.9**	**0.5%**
Y2	**2.7**	**0.7**	**0.6**	**4.0**	**0.7%**
Y3	0.7	0.2	0.2	1.1	0.4%
Y4	**1.4**	0.4	0.4	**2.2**	0.3%

A program of two diamond drillholes was planned and commenced. One hole was drilled, however, the drilling failed to reach the main mineralised zone.

Therefore, the source intrusive at depth might not have been intersected and the geometry is unknown, although an arcuate shape was anticipated. Drilling underneath the mineralisation, taking all kinds of possible dips into consideration could not repeat the trench values, with no significant mineralisation intersected in any of the core samples.

The correlation between copper and PGM assay values noted in weathered trench samples was also not observed in the core samples. Copper and nickel values in fresh rock were also significantly lower than in

saprock/saprolite samples, which might signify saprolite-hosted surface enrichment of PGE and base metals during tropical weathering, remobilisation or hydrothermal overprint or supergene enrichment. Henckel et al. (2002) interpreted the mineralisation at Ngala Hill is interpreted as a retrograde magnesian PGE-gold exoskarn and recommended no further work follow-up work for Phelps Dodge.

Three zones of palladium-platinum-gold-copper mineralisation were defined at Ngala Hill (Figure 51), namely:

1) The Main Zone strikes parallel to the main spine of Ngala Hill for approximately 2 km and returned the trench assays of 58 m at 1.4 g/t Pd-Pt-Au and 0.12% Cu (Figure 52).
2) The Massive Sulphide Zone comprises laminated, outcropping 10 cm thick massive sulphide band with associated quartz breccias which has returned rock chip assays of 4 g/t Pd-Pt-Au and 0.7% Cu. These layers, though thin, highlight that the system has been capable of forming massive sulphides.
3) The third zone is the Western Sill and is mineralised at a similar topographic level to the Main Zone and has returned historical rock chip assays of 2.1 g/t Pd-Pt-Au and 0.8% Cu.

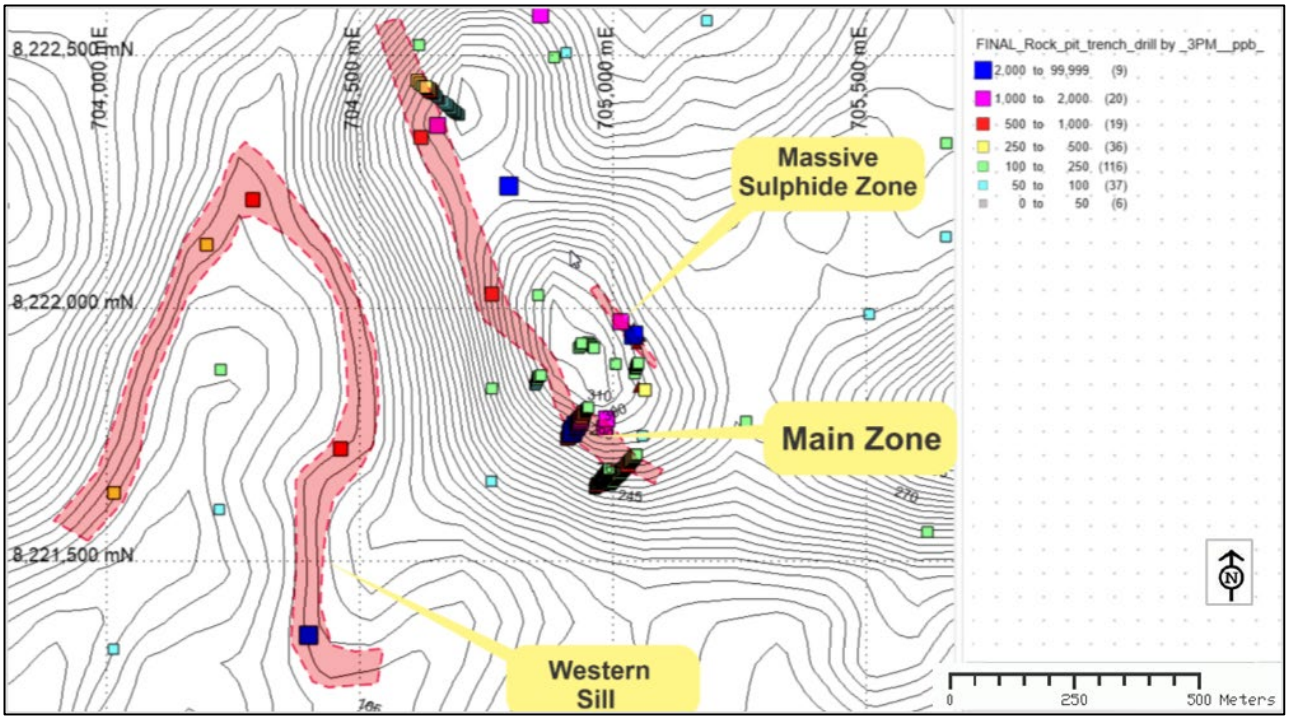


Figure 51: Map showing the three zones of mineralisation at Ngala Hill with pit, trench and drilling samples relative to topography contours (datum WGS84 36S)
Source: Sapila Capital (2020)

7.4.3 Placer Dome

In 2000, Placer Dome became involved on the project. More than 600 m of trenching was completed on the property, followed by a diamond drilling program of four holes (Placer Dome, 2001). Significant trenching and drilling intercepts are shown in Table 4 and Table 5, respectively.

Table 4: Summary of significant trench results from Phelps Dodge exploration

Trench	From	To	3PGE+Au (g/t)	Cu (ppm)	Ni (ppm)
NH1	52 m	80 m	28 m at 0.51 g/t	749	158
NH2	0 m	70 m	70 m at 1.12 g/t including 8 m at 3.3 g/t	1,237	257
NH3	0 m	42 m	42 m at 1.47 g/t including 12 m at 3.00 g/t	1,187	171
NH3 EXT	8 m	42 m	34 m at 0.41 g/t including 2 m at 1.15 g/t	301	92
NH4	No intersection > 0.3 g/t				
NH5	22 m	24 m	2 m at 0.34 g/t	268	95

Trench	From	To	3PGE+Au (g/t)	Cu (ppm)	Ni (ppm)
NH6	20 m	24 m	4 m at 0.7 g/t	843	207
NH7	22 m	26 m	4 m at 0.59 g/t	NA	NA
NH1	52 m	80 m	28 m at 0.51 g/t	749	158
NH2	0 m	70 m	70 m at 1.12 g/t including 8 m at 3.3 g/t	1,237	257
NH3	0 m	42 m	42 m at 1.47 g/t including 12 m at 3.00 g/t	1,187	171

Table 5: Summary of significant diamond drilling results from Phelps Dodge exploration

Hole	End depth (m)	Easting (m)	Northing (m)	Elevation (m)	Dip (°)	Azimuth (°)	From (m)	To (m)	3PGE+Au (g/t)	Cu (ppm)	Ni (ppm)
DDH1	242.43	705041	8221684	295	-45	337	4	5	1 m at 0.63 g/t	4,710	468
							62	74	12 m at 0.78 g/t	135	49
							148	153	5 m at 1.25 g/t	426	100
							231	232	1 m at 1.56 g/t	1,219	41
DDH2	230.00	704992	8221830	318	-55	160	128	129	1 m at 0.7 g/t	221	63
							151	152	1 m at 7.53 g/t	606	51
							161	162	1 m at 0.85 g/t	179	47
							176	178	2 m at 0.7 g/t	677	39
DDH3	251.58	704992	8221830	318	-55	200	198	199	1 m at 0.91 g/t	583	141
							18	20	2 m at 0.52 g/t	111	62
DDH4	212.68	704926	8221650	290	-55	40	144	146	2 m at 0.59 g/t	NA	NA

7.4.4 MM Mining

Geochemical soil sampling showed areas of >300 ppm Cu, >400 ppm Bi, >800 ppm Cr and >150 ppm Co (Figure 52). In 2007, a licence was granted to MM Mining (Ministry of Mining, 2009). It is reported that MM Mining undertook a drill program in October 2008, however, no results for this were found in the public domain (D&D GeoConsultants, 2020).

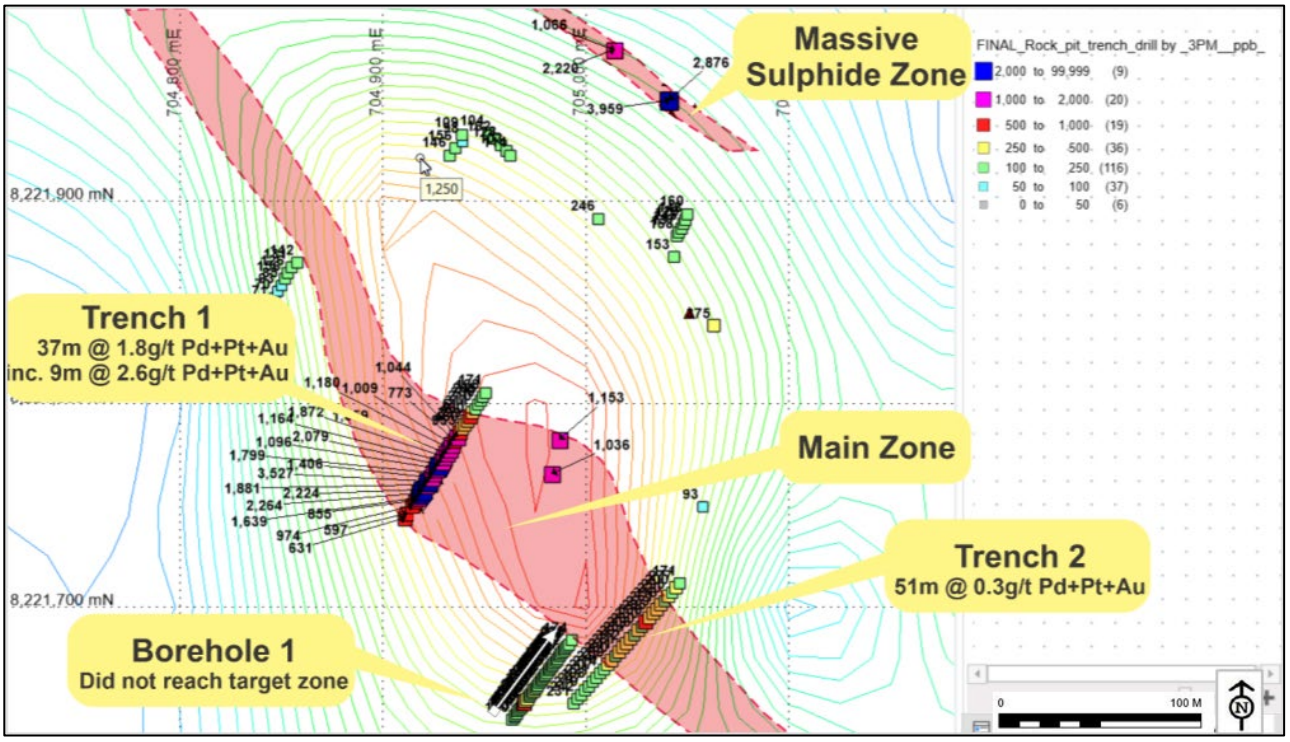


Figure 52: Map showing the Main Zone and Massive Sulphide Zone at Ngala Hill relative Cu in soil contours and pit, trench and drilling samples (datum WGS84 36S)
Source: Sapila Capital (2020)

7.4.5 Private Company

In 2016, a private company held the tenements and conducted minor work limited to a mapping and geochemical soil sampling program (Sapila Capital, 2020). A soil geochemical sampling program was carried out in three phases totalling 646 sample points. The sampling was focused on the western zone of the pyroxenite chonolith body at Ngala Hill which is purported to have returned high copper, nickel and chromium values in the first phase of sampling. A total of 32 rock-chip samples were also taken during the campaign. Samples were taken from at least 30 cm below the surface and on a grid of 60 m x 60 m.

Another soil sampling program was completed on a 100 m x 100 m grid using either a hand auger where possible or a shovel. A total of 177 samples were taken from at least 30 cm below surface and covered the entire Ngala Hill body (Figure 53).

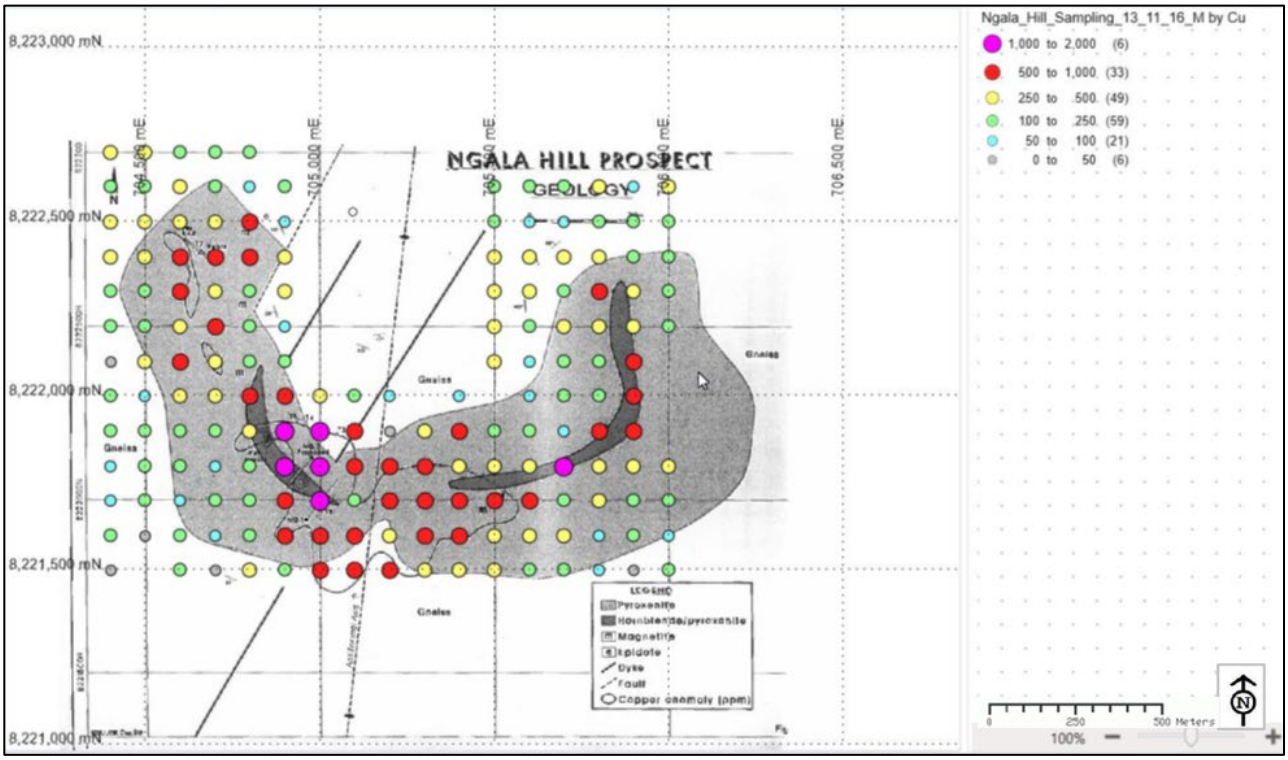


Figure 53: Plan map showing Cu (ppm) soil sampling results relative to geology (datum WGS84 36S)
Source: Sapila Capital (2020)

The samples were homogenised through milling using a ring mill and analysed with a field XRF. Results show anomalism in copper, nickel and chromium focused on a central pyroxenite rock unit with an arcuate shape and about 2 km of strike. Significant metal anomalism for the eastern section Ngala Hill that was not rock-chip sampled historically is also shown (Figure 54). It is interesting to note that although all elements show a general trend of mineralisation, there is definite zonation in terms of elemental concentrations. Copper was therefore deemed to be the best indicator to PGM mineralisation.

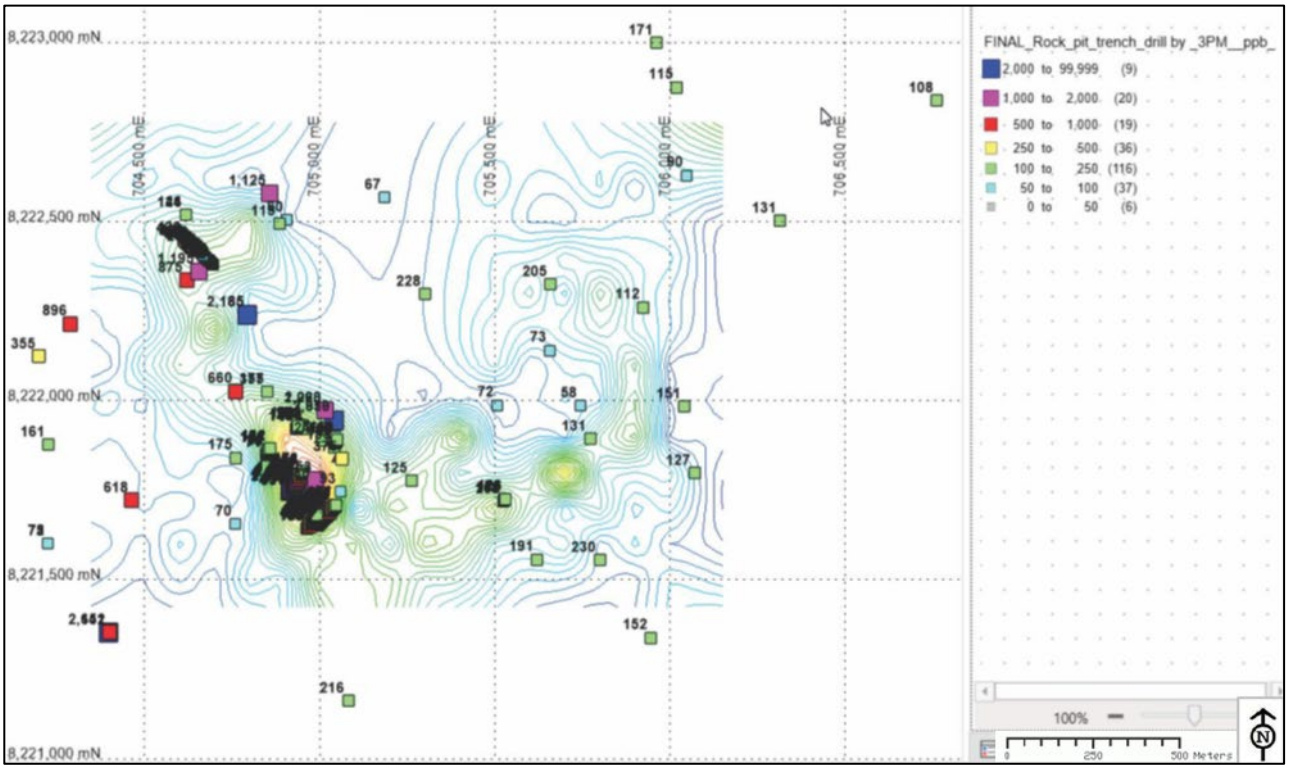


Figure 54: Plan map showing 2016 Cu (ppm) soil sampling contours relative to Phelps Dodge rock-chip, trench and drilling samples (datum WGS84 36S)
Source: Sapila Capital (2020)

7.5 Summary and Discussion

The recent Ngala Hill geophysics includes magnetics as well as radiometrics, which are potentially indicative of the underlying geology. The magnetic, potassium and thorium image relative to drilled holes and trenches is shown in Figure 55, Figure 56 and Figure 57, respectively. These anomalies possibly delineate lithological contrasts and possibly the geometry of the intrusion. The uranium geophysics does not fully cover Ngala Hill.

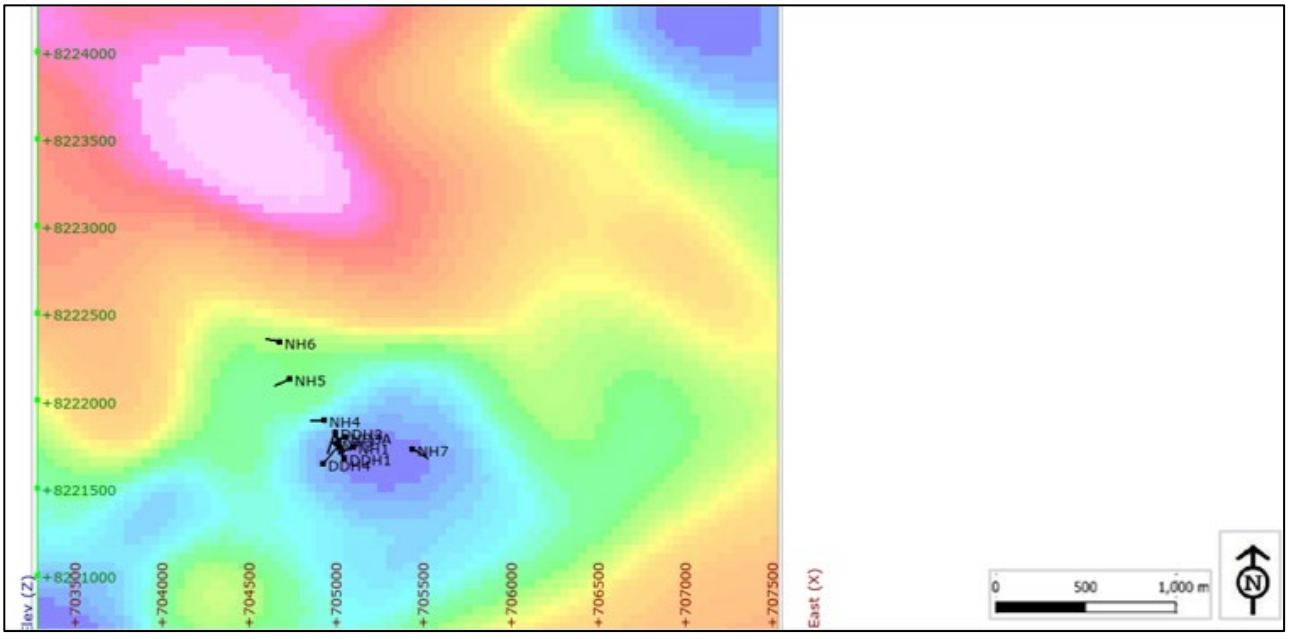


Figure 55: Drillhole and trench traces on recent raw magnetics for Ngala Hill (datum WGS84 36S)
Source: CSA Global (2023)

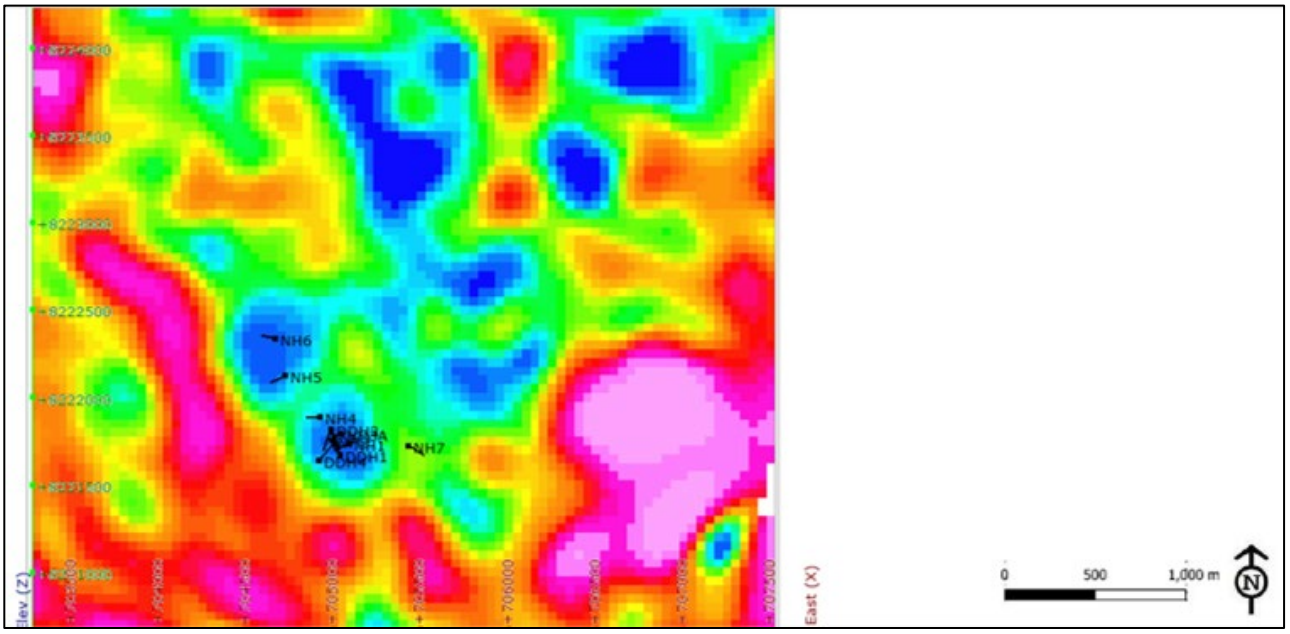


Figure 56: Drillhole and trench traces on recent potassium radiometrics for Ngala Hill (datum WGS84 36S)
Source: CSA Global (2023)

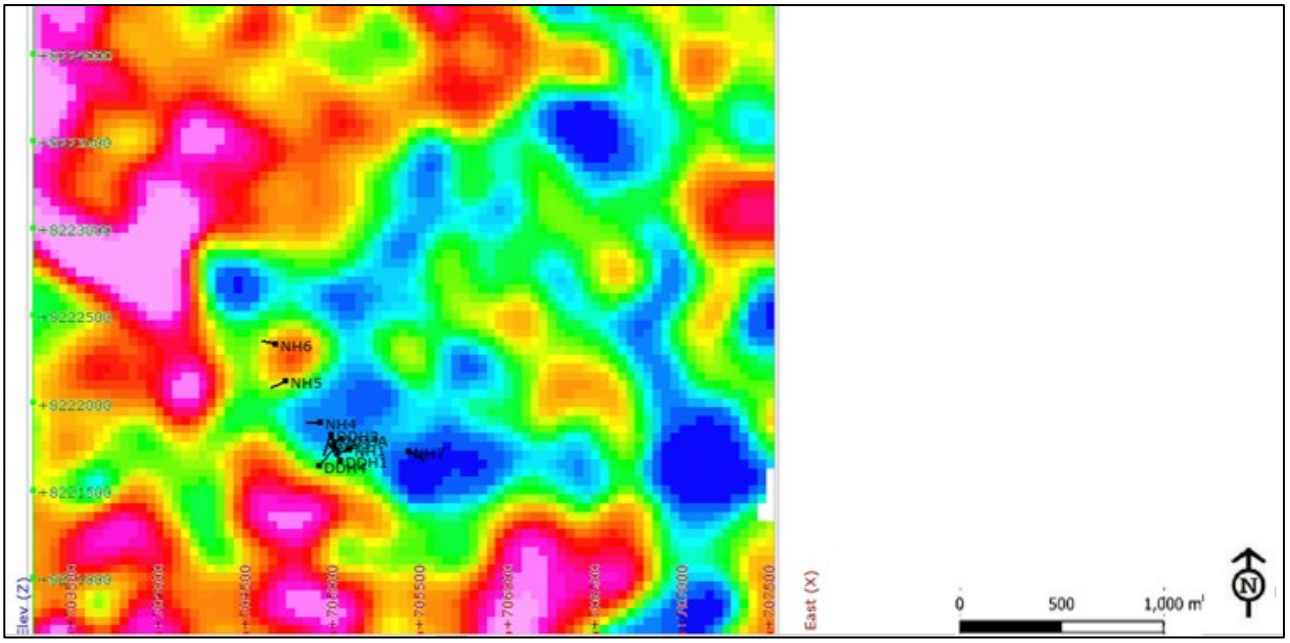


Figure 57: Drillhole and trench traces on recent thorium radiometrics for Ngala Hill (datum WGS84 36S)
Source: CSA Global (2023)

Encouraging results were received from a number of trenches, for example 12 m at 3 g/t PGE+Au and 70 m at 1.12 g/t, including 8 m at 3.3 g/t. The average trench depth was between 1.5 m and 2.0 m and sampled material consisted of saprock or saprolite.

Geochemical scatterplots from the trench and diamond drill core samples show that the correlation between copper and PGE assay values from weathered trench samples was not observed in the core samples (Figure 58 and Figure 59). Copper and nickel values in fresh rock were also significantly lower than in saprock/saprolite samples (Henckel and Mitchell, 2002).

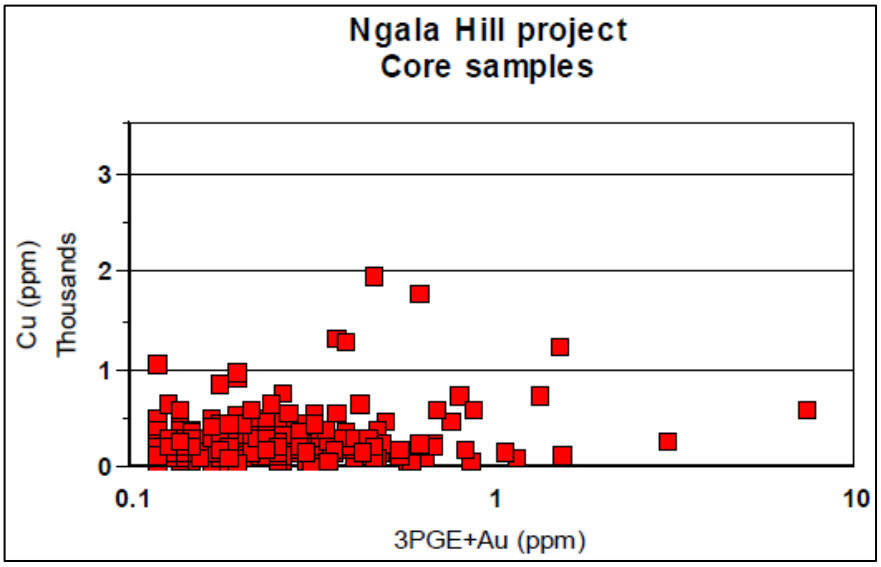


Figure 58: Scatterplots showing 3PGE+Au vs Cu in the core samples
Source: Henckel and Mitchell (2002)

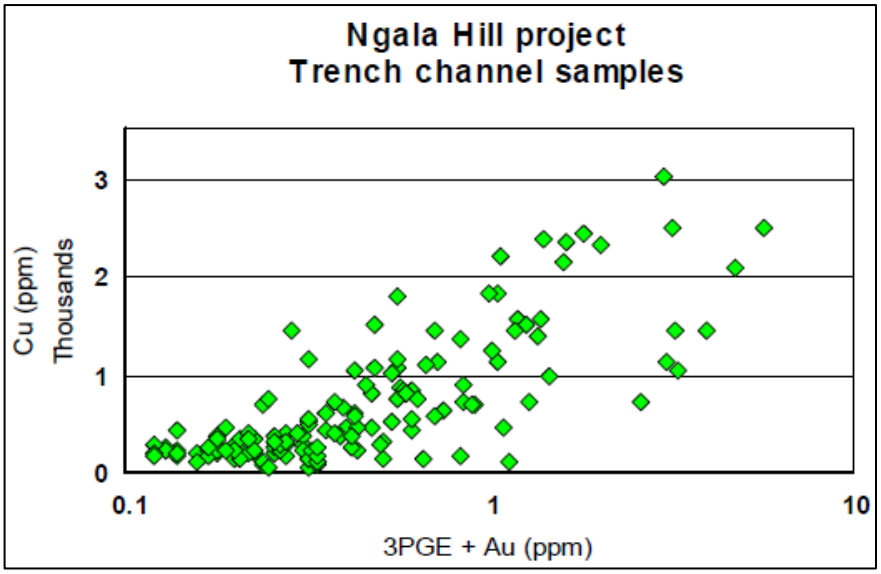


Figure 59: Scatterplots showing 3PGE+Au vs Cu in the trench samples
Source: Henckel and Mitchell (2002)

The thickness of the mineralised zone in trenches seems to be attractive at several metres, although the trench grades may not be representative (D&D GeoConsultants, 2020). The structure of the intrusion may represent a more circular, ring type alkaline-ultramafic intrusion. Further drilling is therefore required to test the mineralisation model.

CSA Global is of the opinion the results to date have not adequately tested the model for magmatic sulphide mineralisation, and therefore requires further work to demonstrate proof of concept and validate the exploration model.

7.6 Proposed Exploration Strategy

The importance of relatively small intrusions as parts of larger magmatic systems should not be overlooked as these present conduits for large volumes of magma and sites for potential sulphide accumulation, such as Voisey Bay and Noril'sk-Talnakh. Identification of structural traps and their geometry is important for evaluating magmatic mineralisation. Magmatic sulphide liquids have been demonstrated elsewhere to migrate

into and interact with basement lithologies. This deposit appears to have formed by downward migration of sulphide liquid away from the host intrusion and subsequent equilibration with the host rocks (Andersen et al., 2017).

The Ngala Hill Project is a palladium-rich, polymetallic project hosted in Mesoproterozoic pyroxenite of the East African Rift Nickel Belt. The Project has seen very little modern exploration, including a lack of electromagnetic (EM), limited rock chipping and trenching, and ineffective drilling. Three zones of palladium-platinum-gold-copper mineralisation have been defined at Ngala Hill, even though previous drilling did not yield results intersected in the trenches.

The Phelps Dodge data and report appears to never have been understood properly, especially the drilling, trenching and rock chips relative to the geology. The geometry of intrusives needs to be understood, including the styles of potential mineralisation.

An opportunity therefore still exists to effectively explore Ngala Hill using multiple techniques such as:

- Detailed geological mapping, rock chip and channel sampling program over known mineralised zones and unexplored areas of soil anomalism
- Ground moving loop EM and fixed loop EM to identify areas of heavily disseminated semi-massive or massive sulphides hosting high grade palladium+platinum+gold+copper mineralisation
- Trenching over any EM anomalies that approach surface and over any historical or new zones of soil or rock chip anomalism
- RC and diamond drilling to test conductors at depth including downhole EM surveying.

8 Opportunities and Technical Risks

Further regional opportunities exist where geologically prospective tenements are held by local Malawians in addition to some grassroots opportunities the vendor group (GEL) currently has under application.

It is understood by CSA Global that historical datasets have been collated by GEL. CSA Global has not had opportunity to review the full raw data and relies on the information provided by DY6. CSA Global recommends that DY6 secures the raw data it can gain access to from Globe.

A key risk, common to all exploration companies, is that the expected mineralisation may not be present or that it may be too small to warrant commercial exploitation. The Projects are at an early greenfields exploration stage. Considerable exploration is still required to determine the likelihood of discovery. If a discovery is made, significant work programs and studies are still required to test the potential of that discovery being economically mineable. Typically, such work programs are done by a stage-gate process, with the aim of each stage to incrementally increase confidence in the mineralisation, decrease uncertainty and risks towards a decision to mine. While good potential exists at the Projects for discovery, it is uncertain whether the work programs to be undertaken by DY6 will deliver positive results. The work programs planned by DY6 are designed to test the potential of the Projects for discovery, thereby reducing the uncertainty and risks of the Projects.

The interpretations and conclusions reached in this report are based on current scientific understanding and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty.

The ability of any person to achieve forward-looking production and economic targets is dependent on numerous factors that are beyond CSA Global's control and that CSA Global cannot anticipate. These factors include, but are not limited to, site-specific geological conditions, management and personnel capabilities, availability of funding to properly operate and capitalise the operation, variations in cost elements and market conditions, developing and operating the Projects in an efficient manner, unforeseen changes in legislation and new industry developments. Any of these factors may substantially alter the performance of any exploration operation.

As with most early exploration prospects, the key technical risk is that further exploration may not result in the discovery of an economic resource. The Projects are early stage, and significant exploration is still required to determine the likelihood of discovery.

8.1 Opportunities

Despite the limitation around access to original datasets, the previous work has developed a robust exploration toolkit based on comparative analysis of other similar deposit types. This work provides a good baseline for guiding further target development of the various prospects within the Project areas.

CSA Global recommends that DY6 secures the raw data it can gain access to from GEL.

9 Climate Change-Related Risks and Opportunities

The effects of climate change is being felt in every continent and in the oceans. However, they are not spread uniformly across the globe (Figure 60), and different parts of the world experience impacts differently, for a range of reasons. According to the IPCC, an average warming of 1.5°C across the whole globe raises the risk of heatwaves and heavy rainfall events, amongst many other potential impacts. It has been argued that limiting warming to 1.5°C rather than 2°C may help reduce these risks, but the impacts the world experiences will depend on the specific greenhouse gas emissions "pathway" taken and mitigation efforts employed.

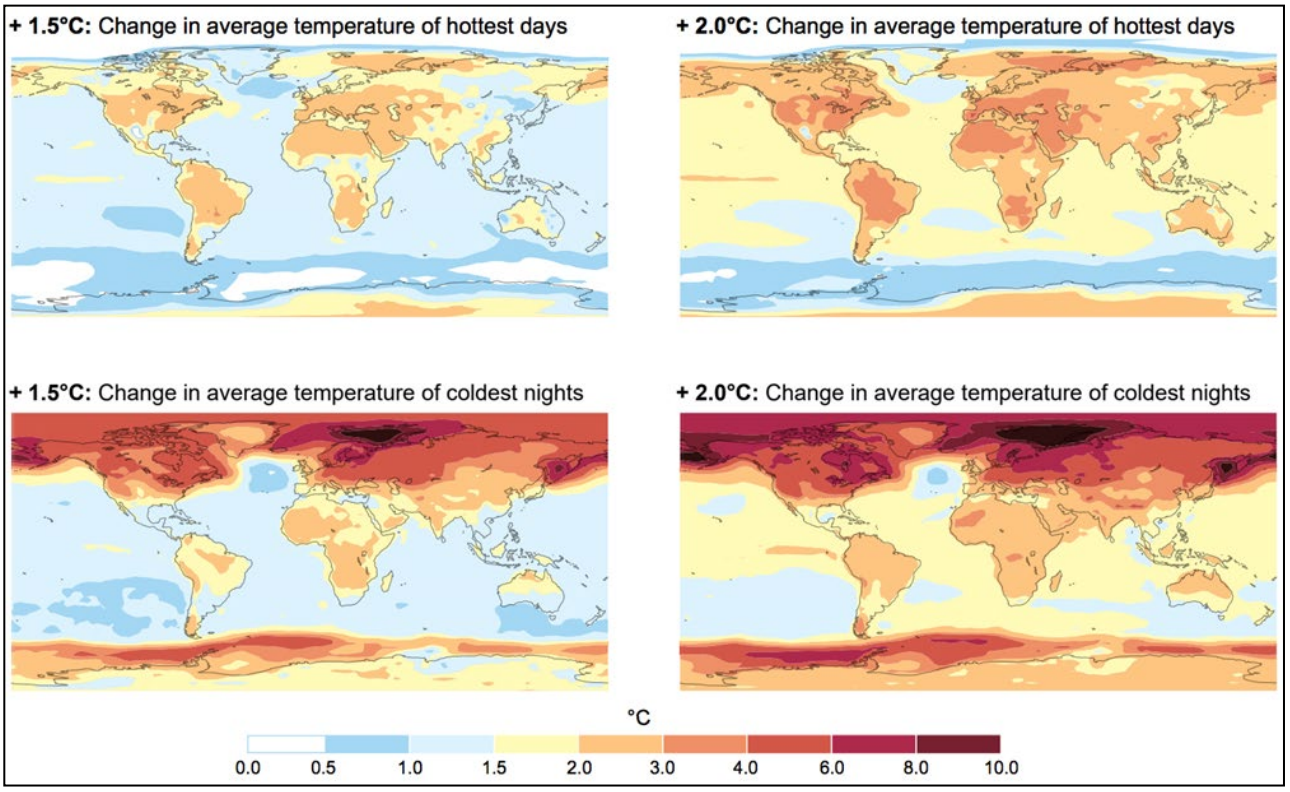


Figure 60: Impact of 1.5°C and 2.0°C global warming

Notes: Temperature change is not uniform across the globe. Projected changes are shown for the average temperature of the annual hottest day (top) and the annual coldest night (bottom) with 1.5°C of global warming (left) and 2°C of global warming (right) compared to pre-industrial levels.

Source: Hoegh-Guldberg et al., 2018

Increasingly, regulators are encouraging consideration by companies for any future potential for financial risks associated with climate change issues. The Task Force on Climate-related Financial Disclosures (TCFD) has a goal is to improve and increase reporting of climate-related financial information (Financial Stability Board, 2017). Risks associated with climate change can take the form of physical risks and transitional risks as the world economy adjusts to a low-carbon economy.

Physical climate change-related risks that may have an impact on exploration and mining activities include, for example:

- Extreme weather events (area dependent)
- Hot temperature extremes
- Heavy precipitation leading to flooding
- Increase in intensity or frequency of droughts

- Access to and availability of water

Recently, there has been a trend whereby institutional investors are being encouraged by certain stakeholders to prioritise investment in companies that can demonstrate that they have considered and made allowances for environmental, social and governance matters that can also impact a minerals project.

A company that can demonstrate that it has attempted to address these risks, may gain an advantage in terms of more favourable rates for finance, and an increased interest from certain institutional investors as scrutiny in this area increases.

10 Proposed Exploration Budget Summary

DY6 has provided CSA Global with its proposed exploration program on the Projects for the first two years of exploration and a copy of its planned expenditure for the Projects following listing on the ASX (Table 6). The table provides a summary of expenditure by activity for the Projects for the planned capital raising of A$5 million and a scaled-up total based on a A$7 million capital raising. All costs are in Australian dollars (A$).

Table 6: Proposed exploration expenditure summary by activity

Category	A$5 million raising		A$7 million raising	
	Year 1 (A$)	Year 2 (A$)	Year 1 (A$)	Year 2 (A$)
Prospecting licences (PR and environmental)	25,000	25,000	25,000	25,000
Technical, safety and logistics	50,000	50,000	50,000	50,000
Historical data acquisition	25,000	0	25,000	0
Geophysics (airborne)	100,000	100,000	150,000	150,000
Sampling and trenching	100,000	100,000	150,000	200,000
RC and diamond drilling	750,000	1,000,000	750,000	1,500,000
Geochemistry and metallurgy	200,000	200,000	225,000	225,000
Permanent personnel	150,000	150,000	200,000	200,000
Total	**1,400,000**	**1,625,000**	**1,575,000**	**2,350,000**

As with all exploration budgets, planned exploration work is progressive with the extent of work on any project over time depending on the success of the earlier work. The proposed budgets for the second year therefore are contingent on the success of the first year's exploration work and will vary accordingly.

CSA Global considers the proposed budgets are consistent with the exploration potential of the Company's Projects, with suitable funding to also refocus or accelerate exploration activity should exploration results from specific target areas merit increased funding allocation. The proposed budgets are considered adequate to cover the costs of the proposed programs. The budgeted expenditure is also sufficient to meet the minimum statutory expenditure on the tenements. CSA Global considers the type of exploration and weighting towards the program activities as appropriate.

At least half of the liquid assets held, or funds proposed to be raised by DY6, are understood to be committed to the exploration, development, and administration of the mineral properties, satisfying the requirements of ASX Listing Rules 1.3.2(b) and 1.3.3(b). CSA Global also understands that DY6 has sufficient working capital to carry out its stated objectives, satisfying the requirements of ASX Listing Rule 1.3.3(a).

The Company has prepared staged exploration and evaluation programs, specific to the potential of the Projects, which are consistent with the budget allocations, and warranted by the exploration potential of the Projects. CSA Global considers the relevant areas have sufficient technical merit to justify the proposed programs and associated expenditure, satisfying the requirements of ASX Listing Rule 1.3.3(a).

11 References

Andersen, J.C.Ø., Rollinson, G.K., McDonald, I., Tegner, C., and Lesher, C.E. 2017. *Platinum-group mineralization at the margin of the Skaergaard intrusion, East Greenland*. Mineralium Deposita 52, pages 929–942.

Barnes, S.-J. and Lightfoot, P.C. 2005. *Formation of magmatic nickel-sulfide ore deposits and processses affecting their copper and platinum-group element contents.* Economic Geology, 100th anniversary volume: 1905-2005, pages 179-213.

Barnes, S.J., Cruden, A.R., Arndt, N., and Saumur, B.M. 2016. *The mineral system approach applied to magmatic Ni–Cu–PGE sulphide deposits*. Ore Geology Reviews, Volume 76, pages 296-316,

Beard, C.D., Goodenough, K.M., Borst, A.N., Wall, F., Siegfried, P.R., Deady, E.A., Pohl, C., Hutchison, W., Finch, A.A., Walter, B.F., Elliott, H.A.L., and Brauch, K. 2023. *Alkaline-Silicate REE-HFSE Systems*. Economic Geology 2023; 118 (1): pages 177–208.

Begg, G.C., Hronsky, J.A.M., Arndt, N.T., Griffin, W.L., O'Reilly, S.Y., and Hayward, N. 2010. *Lithospheric, Cratonic, and Geodynamic Setting of Ni-Cu-PGE Sulfide Deposits.* Economic Geology 105 (6), pages 1057–1070.

Berger, V.I., Singer, D.A., and Orris, G.J. 2009. *Carbonatites of the world, explored deposits of Nb and REE; database and grade and tonnage models*: U.S. Geological Survey Open-File Report 2009-1139, 17 p.

Bloomfield, K., and Garson, M.S. 1965. *The geology of the Kirk Range-Lisungwe Valley area*. Bull. Geol. Surv. Malawi, 17.

D&D GeoConsultants (D&D). 2020. *Review of Ngala Hill palladium project, Malawi*. Internal Report to Riedel Resources Ltd. 25 p.

Eby, G. N., Woolley, A., and Collerson, K. 2004. *The Chilwa Alkaline Province, Malawi - geochemistry, isotope geology, and petrogenesis*. 32nd International Geological Congress Florence 2004 - Scientific Sessions: abstracts (part 1), p703.

Financial Stability Board, 2017. Recommendations of the Task Force on Climate-Related Financial Disclosures (TFCD); final report. 74p.

GeoQuest Ltd, 2009. *Exploration Review of fieldwork completed on the Machinga EPL 0230/2007, Zomba District, Southern Malawi for the period June to September 2008*. Internal Report to Resource Star Limited. 79 p.

Globe Metals and Mining, 2009. *Rare Earth Project Joint Venture – Malawi*. ASX/Media Announcement. 6 p.

Grguric, 2022. *Petrography of RC Drillhole Samples, Machinga REE Project, Malawi*. Internal Report to Sovereign Metals. 8 p.

Henckel, J., and Mitchell, A.A. 2002. *The Ngala Hill PGE-skarn (Southern Malawi).* In: Boudreau AE (ed) 9th Int Platinum Symp Abst. pages 179–180.

Hoegh-Guldberg, O., D. Jacob, M. Taylor, M. Bindi, S. Brown, I. Camilloni, A. Diedhiou, R. Djalante, K.L. Ebi, F. Engelbrecht, J. Guiot, Y. Hijioka, S. Mehrotra, A. Payne, S.I. Seneviratne, A. Thomas, R. Warren, and Zhou, G. 2018. *Impacts of 1.5ºC Global Warming on Natural and Human Systems*. In: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty. Pages 175-312.

Hoshino, M., Sanematsu, K., and Watanabe, Y. 2016. *Chapter 279 - REE Mineralogy and Resources*. Handbook on the Physics and Chemistry of Rare Earths, Elsevier, Volume 49, pages 129-291.

Joint Ore Reserves Committee, 2012. *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition*. [online]. Available from http://www.jorc.org (The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists, and Minerals Council of Australia).

Kaonga, H., Echigo, T., Watanabe, Y. 2023. HFSE and REE mineralization at Machinga prospect in the Chilwa alkaline province, southern Malawi. Journal African Earth Sciences, 198. *In press*

KGN Resources, 2021. *Update report – EPL0518 (Salambidwe) to 30 August 2021.* Report to Director of Mines.

Li, C., and Ripley, E.M. (eds) 2012. *Magmatic Ni–Cu and PGE deposits: geology, geochemistry, and genesis.* Economic Geology Reviews, Volume 17, Society of Economic Geologists, 370 p.

Malunga, G.W.P. 2017. *Platinum in Malawi.* Malawi's Mining & Trade Review Issue Number 48, page 10.

Ministry of Energy and Mines, 2009. *Mineral Potential of Malawi (2 Mineral deposits associated with the Basement metamorphic and igneous rocks (precious and base metals, gemstones and industrial minerals).* 8 p.

Naldrett, A.J. 2004. *Magmatic Sulphide Deposits. Geology, Geochemistry and Exploration.* Springer-Verlag Berlin 727 p.

Naldrett, A.J. 2010. *Secular Variation of Magmatic Sulfide Deposits and Their Source Magmas.* Economic Geology 105 (3), pages 669–688.

Placer Dome, 2001. *Closure Report: Ngala Hill Property, Malawi.* Internal Company Report. 13 p.

Resource Star Limited, 2010. *Quarterly Report for September – December 2009 for the Exclusive Prospecting License EPL 0230/07, Machinga, in the Republic of Malawi*. Internal Company Report. 13 p.

Richardson, D.G., and Birkett, T.C. 1996b. *Peralkaline rock-associated rare metals*. The Geology of North America. Geological Society of America: Boulder, CO, USA, 1996; Volume P-1, pages 523–540.

Rivett, M.O., Robinson, H.L., Wild, L.M., Melville, J., McGrath, L., Phiri, P., Flink, J., Wanangwa, G.J., Mleta, P., MacLeod, S.S.P., Miller, A.V.M., and Kalin, R.M. 2018. *Arsenic occurrence in Malawi groundwater*. Journal of Applied Sciences and Environmental Management (11) 1807–1816.

Sapila Capital, 2020. *Information Memorandum: Ngala Hill Palladium Project (EPL0423) – Malawi*. Confidential Report to Vendors. 13 p.

VALMIN, 2015, *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code)*, 2015 edition. [online]. Available from http://www.valmin.org (The VALMIN Committee of The Australasian Institute of Mining and Metallurgy, and The Australian Institute of Geoscientists).

Van Hinsbergen, D.J.J., Buiter, S.J.H., Torsvik, T.H., Gaina, C., and Webb, S.J. (eds). 2009. *The Formation and Evolution of Africa: A Synopsis of 3.8 Ga of Earth History*. Geological Society, London, Special Publication 357.

Verplanck, P.L., Van Gosen, B.S., Seal, R.R., and McCafferty, A.E. 2014. *A Deposit Model for Carbonatite and Alkaline Intrusion-Related Rare Earth Element Deposits*. Scientific Investigations Report 2010-5070-J; U.S. Geological Survey. 72p.

Weather Spark, 2023. https://weatherspark.com/.

12 Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Wikipedia www.wikipedia.org

agglomerate	A coarse accumulation of large blocks of volcanic material that contains at least 75% bombs. Volcanic bombs differ from volcanic blocks in that their shape records fluidal surfaces.
alkaline	Any of various rocks in which the chemical content of the alkalies (potassium oxide and sodium oxide) is great enough for alkaline minerals to form. Such minerals may be unusually sodium rich, with a relatively high ratio of alkalies to silica (SiO_2), as in the feldspathoids. Other alkaline minerals have a high ratio of alkalies to alumina (Al_2O_3), as in aegirine pyroxene and the sodic amphibole riebeckite.
amphibolite (or amphibolotic)	A metamorphic crystalline rock consisting mainly of amphiboles and some plagioclase.
amphibolite facies	The set of metamorphic mineral assemblages (facies) which is typical of regional metamorphism between 450°C and 700°C.
anorthosite (or anorthositic)	A type of intrusive igneous rock composed predominantly of calcium-rich plagioclase feldspar
apatite	Apatite is a group of phosphate minerals, usually referring to hydroxyapatite, fluorapatite and chlorapatite, with high concentrations of OH−, F− and Cl− ions, respectively, in the crystal. Formula - $Ca_{10}(PO_4)_6(OH,F,Cl)_2$.
Archean	The Archean Eon is the second of four geologic eons of Earth's history, representing the time from 4,000 to 2,500 million years ago. In this time, the Earth's crust had cooled enough for continents to form and for the earliest known life to start.
arkose	A coarse-grained sandstone which is at least 25% feldspar.
biotite	Biotite is a common group of phyllosilicate minerals within the mica group, with the approximate chemical formula $K(Mg,Fe)_3(AlSi_3O_{10})$.
calc-alkaline	The calc-alkaline magma series is one of two main subdivisions of the subalkaline magma series, the other subalkaline magma series being the tholeiitic series. A magma series is a series of compositions that describes the evolution of a mafic magma, which is high in magnesium and iron and produces basalt or gabbro, as it fractionally crystallises to become a felsic magma, which is low in magnesium and iron and produces rhyolite or granite. Calc-alkaline rocks are rich in alkaline earths (magnesia and calcium oxide) and alkali metals and make up a major part of the crust of the continents.
calc-silicate	A rock produced by metasomatic alteration of existing rocks in which calcium silicate minerals such as diopside and wollastonite are produced
carbonatite	Carbonatite is a type of intrusive or extrusive igneous rock defined by mineralogic composition consisting of greater than 50% carbonate minerals. Carbonatites usually occur as small plugs within zoned alkalic intrusive complexes, or as dykes, sills, breccias, and veins.
certified reference materials	Certified reference materials are "controls" or standards are materials of known composition and used to check the accuracy and precision of assays.
charnockite (or charnockitic)	any orthopyroxene-bearing quartz-feldspar rock formed at high temperature and pressure, commonly found in granulite facies' metamorphic regions, sensu stricto as an endmember of the charnockite series

chloritised	A metasomatic process in which the mafic (iron and magnesium-rich) minerals of rocks and sometimes also the matrix itself are replaced by chlorites. The chlorites are a group of phyllosilicate minerals rich in iron, magnesium, nickel, and manganese.
chonolith	A type of igneous rock intrusion. Igneous rock intrusions are bodies of igneous rock that are formed by the crystallization of cooled magma below the Earth's surface. These formations are termed intrusive rocks due the magma intruding rock layers but never reaching the earth's surface.
colluvial	Colluvium (also colluvial material or colluvial soil) is a general name for loose, unconsolidated sediments that have been deposited at the base of hillslopes by either rainwash, sheetwash, slow continuous downslope creep, or a variable combination of these processes.
Competent Person	A Competent Person must be a Member or Fellow of a "Recognised Professional Organisation" such as The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists. A Competent Person must have a minimum of five years' experience working with the style of mineralization or type of deposit under consideration and relevant to the activity which that person is undertaking.
craton	A craton is an old and stable part of the continental lithosphere, which consists of Earth's two topmost layers, the crust, and the uppermost mantle.
diopside	a monoclinic pyroxene mineral, calcium magnesium silicate, $CaMg(SiO_3)_2$, occurring in various colors, usually in crystals.
diamond core drilling	A core drill is a drill specifically designed to remove a cylinder of material using a diamond encrusted bit. The rock core is collected in the hollow drill rods.
Eburnean	The Eburnean orogeny, or Eburnean cycle was a series of tectonic, metamorphic and plutonic events in what is now West Africa during the Paleoproterozoic era about 2200–2000 million years ago. During this period, the Birimian domain in West Africa was established and structured.
eudialyte	A somewhat rare, nine member ring cyclosilicate mineral, which forms in alkaline igneous rocks, such as nepheline syenites. Its name alludes to its ready solubility in acid.
electromagnetic	Electromagnetic (EM) survey both airborne and ground, is one of the most commonly used methods in mineral exploration. The technique is proficient in direct detection of conductive sulfide deposits, in which large conductivity contrasts exist between the orebodies and country/host rocks or thin overburden cover.
eluvial	Eluvium or eluvial deposits are those geological deposits and soils that are derived by in situ weathering or weathering plus gravitational movement or accumulation.
epidote	Epidote is a silicate mineral ($Ca_2(Al_2,Fe)(SiO_4)(Si_2O_7)O(OH)$) that is commonly found in regionally metamorphosed rocks of low-to-moderate grade. In these rocks, epidote is often associated with amphiboles, feldspars, quartz, and chlorite. It occurs as replacements of mineral grains that have been altered by metamorphism.
facies	A facies is a body of rock with specified characteristics that can used to distinguish them from other rocks.
fault	A fault is a planar fracture or discontinuity in a volume of rock across which there has been significant displacement as a result of rock-mass movements.
ferroniobium	Ferroniobium is an important iron-niobium alloy, with a niobium content of 60–70%. It is the main source for niobium alloying of high strength, high alloy steel and covers more than 80% of the worldwide niobium production.

float	Loose pieces of rock that are not connected to an outcrop and may have been transported from its original location.
fractional crystallisation	Fractional crystallisation is the removal and segregation from a melt of mineral precipitates. The removal of the crystals changes the composition of the magma. In essence, fractional crystallisation is the removal of early formed crystals from an originally homogeneous magma (e.g. by gravity settling) so that these crystals are prevented from further reaction with the residual melt. The composition of the remaining melt becomes relatively depleted in some components and enriched in others, resulting in the precipitation of a sequence of different minerals. It is an important ore forming process.
gabbro	A coarse-grained, dark-colored, intrusive igneous rock. It is usually black or dark green in color and composed mainly of the minerals plagioclase and augite.
gangue	The commercially valueless material in which ore is found.
garnet	A group of alumino silicate minerals commonly found in metamorphic and to a lesser extent, igneous rocks.
geochemical	The science concerned with all geological studies involving chemical change. It includes the study of the distribution of elements in minerals, rocks, and soils along with the interaction between these earth materials.
Geological Society of South Africa	(or GSSA) A learned society for geological science that was founded in 1895. It is a member of the Australian Securities Exchange Recognised Overseas Professional Organisation (ROPO) list.
geophysics/geophysical survey	Geophysics is a subject of natural science concerned with the physical processes and physical properties of the Earth and its surrounding space environment, and the use of quantitative methods for their analysis.
global positioning system	(or GPS) A handheld device that provides geolocation and time information to a GPS receiver anywhere on or near the Earth where there is an unobstructed line of sight to four or more GPS satellites.
gneiss	Gneiss is a common and widely distributed type of metamorphic rock. Gneiss is formed by high-temperature and high-pressure metamorphic processes acting on formations composed of igneous or sedimentary rocks. Orthogneiss is gneiss derived from igneous rock. Paragneiss is gneiss derived from sedimentary rock.
grab sample	A grab sample is any individual sample collected without compositing or adding other samples. Equivalent to a snapshot and often selective in nature taken with the intention to confirm the presence of mineralisation.
granite (or granitoid)	A coarse-grained igneous rock composed mostly of quartz, alkali feldspar, and plagioclase. It forms from magma with a high content of silica and alkali metal oxides that slowly solidifies underground.
granodiorite	Granodiorite is an intrusive igneous rock similar to granite but containing more plagioclase feldspar than orthoclase feldspar. It has greater than 20% quartz by volume, and between 65% and 90% of the feldspar is plagioclase.
granulite	A class of high-grade metamorphic rocks of the granulite facies that have experienced high-temperature and moderate-pressure metamorphism.
greenstone	A field term applied to any compact, dark green, altered or metamorphosed basic igneous rock (e.g. spilite, basalt, gabbro, diabase) that owes its colour to the presence of chlorite, actinolite, or epidote.

greenstone belt	Greenstone belts are zones of variably metamorphosed mafic to ultramafic volcanic sequences with associated sedimentary rocks that occur within Archaean and Proterozoic cratons between granite and gneiss bodies.
heavy rare earth elements	(or HREE) a subset of rare earth elements found in relatively lower concentrations in the Earth's crust.
hectorite	Hectorite is a rare soft, greasy, white clay mineral with a chemical formula of $Na0.3(Mg,Li)3Si4O10(OH)2$. It is the primary lithium-bearing mineral in lithium clay deposits.
hornblende	Hornblende is a complex inosilicate series of minerals. It is not a recognised mineral in its own right, but the name is used as a general or field term, to refer to a dark amphibole.
hydrothermal	Hydrothermal relates to or denoting the action of heated water in the Earth's crust.
idiomorphic	A mineral constituent having its own characteristic outward crystalline form unaltered by the other constituents of the rock.
igneous rock	Igneous rock is formed through the cooling and solidification of magma or lava. The magma can be derived from partial melts of existing rocks in either a planet's mantle or crust.
island/volcanic arc environment	An island arc is a chain or group of islands that forms from volcanic activity along a subduction zone.
JORC Code (2012)	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("the JORC Code") is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves. The JORC Code provides a mandatory system for the classification of minerals Exploration Results, Mineral Resources and Ore Reserves according to the levels of confidence in geological knowledge and technical and economic considerations in Public Reports. The JORC Code is produced by the Australasian Joint Ore Reserves Committee ("the JORC Committee"). The latest edition was released in 2012.
Jurassic	A geologic period and stratigraphic system that spanned from the end of the Triassic Period 201.4 million years ago (Mya) to the beginning of the Cretaceous Period, approximately 145 Mya. The Jurassic constitutes the middle period of the Mesozoic Era
K-feldspar	Alkali potassium-bearing feldspar either microcline or orthoclase. Formula - $KAlSi3O8$.
Kibaran	A term that has been used for a series of orogenic events, in what is now Africa, that began in the Mesoproterozoic, around 1400 Ma and continued until around 1000 Ma when the supercontinent Rodinia was assembled. T
kyanite	Kyanite is a typically blue aluminosilicate mineral, found in aluminium-rich metamorphic pegmatites and/or sedimentary rock. Kyanite in metamorphic rocks generally indicates pressures higher than four kilobars (>10–12 km depth).
laterite	Laterite is both a soil and a rock type rich in iron and aluminium and is commonly considered to have formed in hot and wet tropical areas. Nearly all laterites are of rusty-red coloration, because of high iron oxide content. They develop by intensive and prolonged weathering of the underlying parent rock.
leucoxene	Leucoxene is a fine granular alteration product of titanium minerals. It varies in colour from yellow to brown. It consists mainly TiO_2 as rutile or anatase. It is observed in some igneous rocks and iron ore deposits as the result of the alteration of ilmenite ($FeTiO_3$), perovskite ($CaTiO_3$), or titanite ($CaTiSiO_5$).
light rare earth elements	(or LREE) a subset of the lanthanide series of the rare earth elements, which are themselves a special set of transition metals.

lithium brine	Lithium brine deposits are accumulations of saline groundwater that are enriched in dissolved lithium. Lithium concentrations are typically measured in parts per million (ppm), milligrams per litre (mg/L) and weight percentage. Brine is pumped up from the ground from boreholes and placed into man-made evaporation ponds, where the lithium is concentrated via evaporation.
lithology (plural lithologies)	A description of a rock's physical characteristics visible at outcrop, in hand or core samples, or with low magnification microscopy. Physical characteristics include colour, texture, grain size, and composition.
lithostratigraphic	The study of strata or rock layers focusing on geochronology, comparative geology, and petrology.
mafic	A rock enriched in iron, magnesium, and calcium and typically dark in colour. Common rock-forming mafic minerals include olivine, pyroxene, amphibole, biotite mica, and the plagioclase feldspars.
magnetic (or aeromagnetic) data	A common type of geophysical survey carried out using a magnetometer either land based or aboard or towed behind an aircraft. The magnetometer measures and records the total intensity of the magnetic field at the sensor, which is a combination of the magnetic field generated in the Earth (as well as tiny variations due to the temporal effects of the constantly varying solar wind and the magnetic field of the survey aircraft). It allows much larger areas of the Earth's surface to be covered quickly for regional reconnaissance. The aircraft typically flies in a grid-like pattern with height and line spacing determining the resolution of the data (and cost of the survey per unit area).
Mesoproterozoic	A geologic era that occurred from 1,600 to 1,000 million years ago. The Mesoproterozoic was the first era of Earth's history for which a fairly definitive geological record survives.
metasedimentary	A metamorphosed sedimentary rock.
metasomatic	The chemical alteration of a rock by hydrothermal and other fluids. It is the replacement of one rock by another of different mineralogical and chemical composition. The minerals which compose the rocks are dissolved and new mineral formations are deposited in their place
migmatite (migmatitic)	A migmatite is a metamorphic rock formed by anatexis that is generally heterogeneous and preserves evidence of partial melting at the microscopic to macroscopic scale. The name means mixed rock.
monomineralic	A rock made of only one mineral. Examples include rock salt (mineral: halite), limestone (mineral: calcite), quartzite (mineral: quartz), etc.
multi-gravity separator	The multi-gravity separator (MGS) is a piece of equipment that makes use of centrifugal forces to enhance the separation of fine and ultra-fine particles.
Neoarchean	The Neoarchean is the last geologic era in the Archean Eon that spans from 2800 to 2500 million years ago—the period being defined chronometrically and not referencing a specific level in a rock section on Earth. The era is marked by major developments in complex life and continental formation.
nepheline	A rock-forming mineral in the feldspathoid group – a silica-undersaturated aluminosilicate, $Na_3KAl_4Si_4O_{16}$, that occurs in intrusive and volcanic rocks with low silica, and in their associated pegmatites
orogeny	An orogeny is an event that leads to both structural deformation and compositional differentiation of the Earth's lithosphere at convergent plate margins.

Paleoproterozoic	(also Palaeoproterozoic), spanning the time period from 2,500 to 1,600 million years ago (2.5–1.6 Ga), is the first of the three sub-divisions (eras) of the Proterozoic Eon. The Paleoproterozoic is also the longest era of the Earth's geological history.
Palaeozoic	(also Paleozoic) a major interval of geologic time that began 541 million years ago with the Cambrian explosion, an extraordinary diversification of marine animals, and ended about 252 million years ago with the end-Permian extinction, the greatest extinction event in Earth history.
paragneiss	A gneiss derived from sedimentary rock.
pegmatite	An essentially igneous rock, commonly of granitic composition, that is distinguished from other igneous rocks by its extremely coarse but variable grain size or by an abundance of crystals with skeletal, graphic, or other strongly directional growth habits. Pegmatites occur as sharply bounded homogenous to zoned bodies within igneous or metamorphic host rocks.
pelite (or metapelite or pelitic)	A metamorphosed fine-grained sedimentary rock, i.e. mudstone or siltstone
peralkaline	Peralkaline rocks include those igneous rocks which have a deficiency of aluminium such that sodium and potassium are in excess of that needed for feldspar. The presence of aegerine (sodium pyroxene) and riebeckite (sodium amphibole) are indicative of peralkaline conditions.
peridotite	A dense, coarse-grained igneous rock consisting mostly of the silicate minerals olivine and pyroxene. Peridotite is ultramafic, as the rock contains less than 45% silica. It is high in magnesium, reflecting the high proportions of magnesium-rich olivine, with appreciable iron.
picrite	Intrusive igneous rock of ultramafic (very silica-poor) composition that is composed largely of olivine and augite and is somewhat similar to peridotite.
placer deposit	A placer deposit or placer is an accumulation of potentially economic minerals formed by gravity separation from a specific source rock during sedimentary processes.
plagioclase	Plagioclase is a series of tectosilicate (framework silicate) minerals within the feldspar group. Rather than referring to a particular mineral with a specific chemical composition, plagioclase is a continuous solid solution series, more properly known as the plagioclase feldspar series. The series ranges from albite to anorthite endmembers (with respective compositions $NaAlSi_3O_8$ to $CaAl_2Si_2O_8$).
pluton	Any large igneous body that has congealed from magma underground.
porphyritic	An adjective used in geology, specifically for igneous rocks, for a rock that has a distinct difference in the size of the crystals, with at least one group of crystals obviously larger than another group.
Precambrian	The earliest part of Earth's history, set before the current Phanerozoic Eon. The Precambrian is so named because it preceded the Cambrian, the first period of the Phanerozoic Eon
Professional Natural Scientist	(also PrSciNat) Professional Natural Scientist registered with the South African Council for Natural Scientific Professionals (SACNASP). SACNASP is the legislated regulatory body for natural science practitioners in South Africa, and a Recognised Overseas Professional Organisation (ROPO) recognised association along with Australasian Institute of Mining and Metallurgy, and the Canadian Institute of Mining, Metallurgy and Petroleum.

Proterozoic	The Proterozoic Eon extended from 2500 to 541 million years ago. It is the longest eon of the Earth's geologic time scale and it is subdivided into three geologic eras (from oldest to youngest): the Paleoproterozoic, Mesoproterozoic, and Neoproterozoic.
psammite (or psammitic)	A metamorphosed sedimentary rock with a dominantly sandstone source.
quality assurance/quality control	(or QAQC) QAQC procedure covers everything from sample handling at all levels of exploration and processing as well as defined protocols for insertion of standards/blanks and duplicates. Quality control samples inserted into the sample stream include blanks, refence materials and duplicate samples and used to monitor contamination, accuracy and precision of the assay laboratory.
quartz	Quartz is a chemical compound consisting of silicon dioxide (SiO_2). It is the most abundant mineral found at Earth's surface.
radiometric	The measurement of geologic time by means of the rate of disintegration of radioactive elements. radiometrically
rare-earth elements	The rare-earth elements, also called the rare-earth metals are a set of 17 nearly indistinguishable lustrous silvery-white soft heavy metals. These include the 15 lanthanides (lanthanum, cerium, praseodymium, neodymium, promethium, samarium, europium, gadolinium, terbium, dysprosium, holmium, erbium, thulium, ytterbium, lutetium) on the periodic table plus scandium and yttrium. The rare earths have diverse applications in electrical and electronic components, lasers, glass, magnetic materials, and industrial processes.
refractory	A material that is resistant to decomposition by heat, pressure, or chemical attack, and retains strength and form at high temperatures. Refractories are polycrystalline, polyphase, inorganic, non-metallic, porous, and heterogeneous.
S-type granite	S-type granite contains muscovite and biotite and is depleted in sodium but enriched in aluminium. They are considered to have formed by partial melting of sedimentary rocks.
saprolite	(or saprock) A chemically weathered rock. More intense weathering results in a continuous transition from saprolite to laterite. Saprolites form in the lower zones of soil horizons and represent deep weathering of the bedrock surface.
schist	A medium-grade metamorphic rock formed from mudstone or shale. Schist has medium to large, flat, sheet-like grains in a preferred orientation. It is defined by having more than 50% platy and elongated minerals, often finely interleaved with quartz and feldspar.
sedimentary basin	Sedimentary basins form as a result of long-term subsidence creates accommodation space for accumulation of sediments. As the sediments are buried, they are subject to increasing pressure and begin the processes of compaction and lithification that transform them into sedimentary rock.
serpentinite	A metamorphic rock composed of one or more of the serpentine group minerals (antigorite, lizardite, and chrysotile).
shear zone	A shear zone is a tabular to sheetlike, planar or curviplanar zone composed of rocks that are more highly strained than rocks adjacent to the zone. Typically, this is a type of fault, but it may be difficult to place a distinct fault plane into the shear zone. Shear zones may form zones of much more intense foliation, deformation, and folding. En echelon veins or fractures may be observed within shear zones. Many shear zones host ore deposits as they are a focus for hydrothermal flow through orogenic belts. They may often show some form of retrograde metamorphism from a peak metamorphic assemblage and are commonly metasomatised.

skarn	A metamorphic zone developed in the contact area around igneous rock intrusions when carbonate sedimentary rocks are invaded by large amounts of silicon, aluminum, iron, and magnesium.
sulphides	(or sulfides) An inorganic anion of sulfur with the chemical formula S^{2-} or a compound containing one or more S^{2-} ions. Solutions of sulfide salts are corrosive. Sulfide also refers to chemical compounds large families of inorganic and organic compounds.
supergene mineralization	Mineralisation that has formed as a result of supergene processes or enrichment are those that occur relatively near the surface as opposed to deep hypogene processes. Supergene processes include the predominance of meteoric water circulation with concomitant oxidation and chemical weathering.
supracrustal rocks	Supracrustal rocks are rocks (sedimentary or volcanic rock) that were deposited on the existing basement rocks of the crust. They may be further metamorphosed.
symplectite	A material texture: a micrometre-scale or submicrometre-scale intergrowth of two or more crystals. Symplectites form from the breakdown of unstable phases, and may be composed of minerals, ceramics, or metals.
tellurides	A mineral that has the telluride anion as a main component. Tellurides are similar to sulfides and are grouped with them in both the Dana and Strunz mineral classification systems.
terrane	In geology, a terrane is a fragment of crustal material formed on, or broken off from, one tectonic plate and accreted or “sutured” to crust lying on another plate. The crustal block or fragment preserves its own distinctive geologic history, which is different from that of the surrounding areas.
terrane	In geology, a terrane is a fragment of crustal material formed on, or broken off from, one tectonic plate and accreted or “sutured” to crust lying on another plate. The crustal block or fragment preserves its own distinctive geologic history, which is different from that of the surrounding areas.
Tertiary	Informal division of geologic time spanning the interval between about 65.5 and 2.6 million years ago
topaz	Topaz is a silicate mineral of aluminium and fluorine with the chemical formula $Al_2SiO_4(F,OH)_2$. Often forms in pegmatites rich in fluorine.
tourmaline	A crystalline boron silicate mineral compounded with elements such as aluminium, iron, magnesium, sodium, lithium, or potassium.
x-ray fluorescence	(or XRF) A non-destructive analytical technique used to determine the elemental composition of materials. XRF analysers determine the chemistry of a sample by measuring the fluorescent (or secondary) X-ray emitted from a sample when it is excited by a primary X-ray source.

13 Abbreviations and Units of Measurement

%	percent
°	degrees
°C	degree Celsius
3D	three-dimensional
A$	Australian dollars
AIG	Australian Institute of Geoscientists
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Au	gold
AusIMM	Australasian Institute of Mining and Metallurgy
Bi	bismuth
cm	centimetres
Co	cobalt
Cr	chromium
CSA Global	ERM Australia Consultants Pty Ltd trading as CSA Global
Cu	copper
Dy	dysprosium
Dy_2O_3	dysprosium oxide
EL	exploration licence
ELA	exploration licence application
EM	electromagnetic(s)
g/t	grams per tonne
Gd	gadolinium
GEL	Green Exploration Limited
Globe	Globe Metals and Mining Ltd
GSSA	Geological Society of South Africa
HFSE	high field strength element(s)
HREE	heavy rare earth element(s)
ITAR	Independent Technical Assessment Report
JORC	Joint Ore Reserves Committee
KGN	KGN Resources
km	kilometres
km^2	square kilometres
kt	thousand tonnes
La	lanthanum
LREE	light rare earth element(s)
Lu	lutetium
m	metres
M	million(s)
Ma	million years ago
mm	millimetres
Nb	niobium

Nd	neodymium
Ni	nickel
Pd	palladium
PGE	platinum group element(s)
PGM	platinum group metal(s)
ppm	parts per million
Pr	praseodymium
Pt	platinum
RC	reserve circulation
REE	rare earth element(s)
REO	rare earth oxide(s)
RL	retention licence
RSL	Resource Star Limited
SA	South Africa
SACNASP	South African Council for Natural Scientific Professions
SAIMM	Southern African Institute of Mining and Metallurgy
SEG	Society of Economic Geology
Ta	tantalum
Tb	terbium
Th	thorium
Ti	titanium
TREO	total rare earth oxide(s)
VALMIN	Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets
VTEM	versatile time-domain electromagnetic
WA	Western Australia
wt%	weight percent
XRF	x-ray fluorescence
Y	yttrium
Zn	zinc
Zr	zirconium

Appendix A JORC Code, 2012 Edition, Table 1 – Machinga REE-Niobium-Tantalum Project

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	Ground radiometric surveys were conducted using a handheld ThermoScientific Radeye brand scintillometer integrated with a global positioning system (GPS) (Garmin GPSMAP78s). Soil sampling was carried out in a grid pattern with approximately 2 kg samples collected at each point. Rock chip samples were collected where outcropping rock occurs. Trenches were dug to the bedrock, or 1.5 m and 2 kg samples taken over a 1 m length. Careful bagging of samples in individual plastic bags and accurate numbering and labelling of samples was completed in the field. Quality assurance/quality control (QAQC)procedures such as field duplicates, were carried out to ensure sample representivity. Re-sampling was carried out where necessary. Handheld ThermoScientific Radeye brand scintillometer is regularly calibrated. Reverse circulation (RC) drilling at Machinga was to test mineralisation identified in trenching. This drilling was sampled at 1 m intervals, from which a 2–4 kg subsample was collected for laboratory multi-element analysis including: Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Ce, Cr, Cs, Cu, Dy, Er, Eu, Fe, Ga, Gd, Hf, Ho, In, K, La, Li, Lu, Mg, Mn, Nb, Nd, P, Pb, Pr, Rb, Re, S, Sb, Sc, Si, Sm, Sn, Sr, Ta, Tb, Te, Th, Ti, Tl, Tm, U, V, W, Y, Yb, Zn, Zr.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	A total of 4,991 m of RC drilling has been completed at Machinga in 2010, with a maximum hole depth of 156 m. Specific details of the truck-mounted rig were not recorded.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Sample recoveries were monitored by the geologist in the field during logging and sampling. If poor recoveries were encountered, the geologist and driller endeavour to rectify the problem to ensure maximum sample recovery. Visual assessments are made for recovery, moisture, and possible contamination. Samples were riffle split to obtain a representative sample, which was inspected and cleaned as required. Insufficient data exists to determine whether a relationship exists between grade and recovery. This will be assessed when sufficient statistical data is available.

Criteria	JORC Code explanation	Commentary
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* *The total length and percentage of the relevant intersections logged.*	Trenching and RC drill samples were geologically logged over 1 m length intervals to an appropriate level of detail to correlate specifically with sampling. Geological logging of trenching drilling was quantitative in nature. All RC drillholes were logged in full.
Subsampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all subsampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	The RC drill ~20 kg samples were riffle split in the field to obtain a representative subsample of 2–4 kg for each sampled which was weighed. Samples were mostly dry. The field sample size of approximately 2 kg or greater is appropriate to the grain size of material sampled. Appropriate industry standard quality control procedures were adopted at each stage of subsampling to maximise representivity of samples, with reference standards inserted during drilling. Field duplicates were inserted at frequency of 1 in 20 routine samples and analysed to ensure representivity of in-situ material.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	The Competent Person considers that the assaying and laboratory employed are to industry standard and appropriate for the stage of exploration and the geological setting. **<u>Assaying and laboratory procedures</u>** **Soil and rock chip samples** *ICP analysis* In 2009 Resource Star Limited submitted 149 soil and rock chip samples (including 23 QAQC samples) to ALS Chemex Laboratories for analysis by initially using aqua regia digest, then 4 Acid digest, followed by lithium borate fusion with ICP finish using methods ME-MS41u, ME-MS61u, ME-MS81u and ME-XRF10 for a comprehensive suite of elements. Elements were: Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Dy, Er, Eu, Fe, Ga, Gd, Ge, Hf, Ho, In, K, La, Lu, Mg, Mn, Mo, Na, Nb, Nd, Ni, P, Pb, Pr, Rb, Re, S, Sb, Sc, Sm, Sn, Sr, Ta, Tb, Th, Ti, Tl, Tm U, V, W, Y, Yb, Zn, Zr. **RC drilling samples** *ICP analysis* Global Metals and Mining Ltd RC drilling and trenching samples were submitted to Genalysis Laboratory Services in South Africa for sample preparation prior to export to Perth, Western Australia for analysis sodium peroxide fusion (DX) with hydrochloric acid digest inductively couple plasma (ICP)/optical emission spectroscopy (OES) or mass spectrometry (MS) finish as appropriate.

Criteria	JORC Code explanation	Commentary
		At Genalysis samples were dried, then crushed to either -2 mm or -10 mm as appropriate. Large samples were riffle split and the excess stored. Samples were pulverised in an enclosed unit to 85% -75 µm. A 120–150 g analytical split was taken for export to Australia and the pulp residue was retained and stored. Element suite included: Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Ce, Cr, Cs, Cu, Dy, Er, Eu, Fe, Ga, Gd, Hf, Ho, In, K, La, Li, Lu, Mg, Mn, Nb, Nd, P, Pb, Pr, Rb, Re, S, Sb, Sc, Si, Sm, Sn, Sr, Ta, Tb, Te, Th, Ti, Tl, Tm, U, V, W, Y, Yb, Zn, Zr. A field duplicate, blank (silica sand) and a CRM (certified reference material) were inserted approximately 1 in every 20 samples for the soil, trenching and drilling samples. CRM codes were recorded to maintain ongoing quality assurance and acceptable levels of accuracy and precision.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	Assay results were reviewed by two company personnel. No adjustments to data were considered necessary.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	All locations determined by handheld GPS units (Garmin GPSMAP 78s were used to define field locations of soil, rock-chip samples, trenches and drill collars. These locations were considered accurate to 5 m. The grid system used is UTM Zone 36S, WGS 84. Downhole surveys were not completed. Drillhole collars were surveyed using DGPS on completion of the program. The GPS was sufficient topographic control with data downloaded via MapSource to the Microsoft Excel spreadsheet.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	Current drillhole spacing is irregular as the program was a first-pass evaluation of trench sampling results. Drill samples were collected on 1 m intervals on site and composited to 4 m samples in zones indicated by the scintillometer to be only weakly mineralised or barren. All other drill samples were submitted on as collected on a 1 m basis.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Soil and rock-chip sampling was of a reconnaissance nature only and was not designed to achieve unbiased sampling. Drilling was undertaken and orientated perpendicular to the inferred orientation of the mineralised structures based on the trench mapping.
Sample security	*The measures taken to ensure sample security.*	Samples were collected from the Globe Metals & Mining Exploration, Malawi office and delivered by secure transport to Genalysis Laboratory in Johannesburg, South Africa. Chain of custody was overseen by the Geology Manager.

Criteria	JORC Code explanation	Commentary
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Data was reviewed and audited on a regular basis, along with QAQC checks, no problematic issues were identified.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Exploration is conducted within several licences in Malawi, being: • Machinga EL0529 which is held 100% by Green Exploration Limited (GL) covering an area of 42.9 km^2. • An application for Machinga South APL0251 of 157.5 km^2 was submitted by GEL. All licences are in good standing and no known impediments are known to exist.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	**Geological Survey of Britain and ASARCo (1955)** **Geophysics** Machinga was first identified by the American Smelting and Refining Company (ASARCo) and the Atomic Energy Division of the Geological Survey of Britain in 1955 who completed preliminary geological work (Scintillometer survey, mapping trenching and drilling). Radiometric anomalies were found but none of the factual data is available. Detailed geological mapping of the Malosa-Zomba mountains was completed by Bloomfield et al. in 1965. **United Nation Development Program (1986)** **Geophysics** In 1986, the United Nation Development Program sponsored an airborne magnetic and radiometric survey was undertaken by Huntington Geology and Geophysics Limited. Interpretation was completed by Paterson, Grant & Watson Limited in 1987. The survey located uranium channel anomalies in the region. **Resource Star Limited (2009)** **Geochemistry** In 2009, Resource Star Limited completed an orientation soil sampling program over the Machinga Main Anomaly, 149 samples were collected. **Globe Metals and Mining Exploration (2010)** **Geochemistry** A geochemical sampling programme comprising 224 soil and 79 rock-chip samples was completed. **Trenching** In 2010 a 3,000 m trenching program for eight trenches was conducted. **Drilling** A first-pass RC drilling program was conducted by Globe Metals and Mining and consist of a 26-hole program for 2,400 m.
Geology	*Deposit type, geological setting and style of mineralisation.*	The area of the Machinga licence is dominated by rocks of the Mesozoic Chilwa Alkaline Province; consisting of granite, syenite, nepheline-syenite plutons with associated volcanic vents characterised by carbonatite and agglomerate.

Criteria	JORC Code explanation	Commentary
		The Malosa Pluton consists of a heterogeneous mixture of syenitic and granitic units. The REE-niobium-tantalum mineralisation at Machinga is associated with the eastern margin of the Malosa Pluton of the Chilwa Alkaline Province. Uranium and thorium anomalies are associated with the REE-niobium-tantalum mineralisation.
Drillhole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* • *easting and northing of the drillhole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar* • *dip and azimuth of the hole* • *downhole length and interception depth* • *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Drillhole positions located in the field during due diligence inspections correspond to reported drillhole positions plus/minus a 5-m GPS error. This is an indication an appropriate data quality and suitability for use in exploration results.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	All intervals are reported as one metre downhole or trench section and are therefore length weighted. No metal equivalent values are being used.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* *If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').*	Insufficient drilling has been completed to determine true widths of mineralisation. Due to the moderate dips identified in the trenching and drilling to date, it is expected true widths will be less than reported downhole thicknesses.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.*	Location maps of projects within the release with relevant exploration information contained.

Criteria	JORC Code explanation	Commentary
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The reporting of exploration results is considered balanced by the Competent Person. All available results have been reported.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Three RC drilling chip samples (MARC001 from 12–14 m; MARC007 from 53–59 m and MARC008 from 28–30 m) were submitted for petrographic analysis. It was concluded that the rocks are alkaline REE type, as opposed to syenites. It also appeared that the majority of REEs are hosted either in fresh REE-enriched and sodium-calcium depleted eudialyte, or where this has been decomposed by weathering, in fine-grained complex mixtures of iron-manganese-titanium oxides, secondary REE and fine-grained zircon. The secondary REE phases present as weathering products of eudialyte may possibly be readily leached, in contrast with the fresh eudialyte. This and the apparent absence of carbonate minerals may bode well for leach-extraction of REE in the oxide zone at Machinga, where eudialyte has been partially or completely decomposed by weathering.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Mineralisation has been identified at the project area; with the worldwide focus transition to renewal energy requiring major new sources of elements critical to this transition. This project has been shown to host potentially economic grades of mineralisation but has not been fully explored to define the extent of this mineralisation. The Machinga Main results of the Globe Metals and Mining trenching and drilling should be sourced and compiled for target generation for possible follow-up diamond drilling that would allow collection of alteration and structural data. This would therefore further demonstrate Machinga's prospectivity and potential. Thereafter, further work can be conducted to potentially define an exploration target and Mineral Resource. Ongoing assessment of other areas including soil sampling, stream sediment sampling, ground radiometric surveys and mapping for Machinga South and Lingoni projects.

Appendix B JORC Code, 2012 Edition, Table 1 – Salambidwe REE-Niobium-Tantalum Project

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	A soil-pit and auger sampling program was carried out in a grid pattern with approximately 2 kg samples collected at each point. Rock-chip samples were collected where outcropping rock occurs. Careful bagging of samples in individual plastic bags and accurate numbering and labelling of samples was completed in the field. Quality assurance/quality control (QAQC) procedures such as field duplicates, were carried out to ensure sample representivity. Re-sampling was carried out where necessary. Samples were pulverised for analysis and 120–150 g was analysed by the inductively coupled plasma-mass spectrometry (ICP-MS) technique. Ground radiometric surveys were conducted using a handheld ThermoScientific Radeye brand scintillometer integrated with a global positioning system (GPS) (Garmin GPSMAP78s), nominal spacing of readings is 10 m.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	No drilling has been conducted at Salambidwe.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	No drilling has been conducted at Salambidwe.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* *The total length and percentage of the relevant intersections logged.*	Soil samples were not geologically logged. Rock-chip samples and outcrops were geologically logged being quantitative in nature.

Criteria	JORC Code explanation	Commentary
Subsampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all subsampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Rock chip samples by Globe Metals and Mining from Salambidwe were submitted to Genalysis Laboratory Services in South Africa for sample preparation prior to export to Perth, Western Australia. At Genalysis, samples were allocated a unique job number on receival and sorted. The samples were dried, then crushed to either -2 mm or -10 mm as appropriate. Large samples were riffle split and the excess stored. Samples were pulverised in an enclosed unit to 85% -75 µm. A 120–150 g analytical split was taken for export to Australia and the pulp residue was retained and stored. Appropriate industry standard quality control procedures were adopted at each stage of subsampling to maximise representivity of samples, such as laboratory repeat assays. Field duplicates were inserted approximately 1 in every 20 samples and analysed to ensure representivity of in-situ material. The field sample size of approximately 2 kg or greater is appropriate to the grain size of material sampled
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	The Competent Person considers that the assaying and laboratory employed are to industry standard and appropriate for the stage of exploration and the geological setting. **Assaying and laboratory procedures** **Soil and rock chip samples** *ICP analysis* Global Metals and Mining samples were forwarded to Genalysis Laboratory Services in Perth Western Australia for analysis sodium peroxide fusion (DX) with hydrochloric acid digest ICP/optical emission spectroscopy (OES) or MS finish as appropriate. Element suite included: Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Ce, Cr, Cs, Cu, Dy, Er, Eu, Fe, Ga, Gd, Hf, Ho, In, K, La, Li, Lu, Mg, Mn, Nb, Nd, P, Pb, Pr, Rb, Re, S, Sb, Sc, Si, Sm, Sn, Sr, Ta, Tb, Te, Th, Ti, Tl, Tm, U, V, W, Y, Yb, Zn, Zr. A field duplicate, blank (silica sand) and a CRM (certified reference material) were inserted approximately every 20 samples for the soil samples trenching and drilling. CRM codes were recorded to maintain on-going quality assurance and acceptable levels of accuracy and precision.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	Assay results are reviewed by two company personnel. No adjustments to data were considered necessary.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.*	No twinned holes have been completed to date.

Criteria	JORC Code explanation	Commentary
	Quality and adequacy of topographic control.	All field data were collected manually and entered by the exploration geologists to spreadsheets. Data was validated by the database geologist. All errors were returned to the exploration geologists for correction with amended data uploaded to a Century Systems Fusion Database. Assay results were received directly from the laboratories via email. The data was uploaded by the database geologist with a spreadsheet compilation sent to the exploration geologists on site. The REE and significant element assay data were converted from reported elemental assays to the equivalent oxide compound as applicable to rare earth oxides. The REE oxides were calculated according to the following factors: • CeO_2 1.1526 • La_2O_3 1.1728 • Nd_2O_3 1.1664 • Pr_6O_{11} 1.2082 • Dy_2O_3 1.1477 • Er_2O_3 1.1435 • Eu_2O_3 1.1579 • Gd_2O_3 1.1526 • Ho_2O_3. 1.1455 • Lu_2O_3. 1.1371 • Sm_2O_3. 1.1596 • Tb_2O_3. 1.1762 • Tm_2O_3. 1.1421 • Y_2O_3. 1.2699 • Yb_2O_3. 1.1387 Significant elements were calculated according to the following factors: • Nb_2O_5 1.4305 • Ta_2O_5 1.2211 • ThO_2 1.1379 • U_3O_8 1.1792 • ZrO_2 1.3508 • Ga_2O_3 1.3442 • HfO_2 1.1793 All locations determined by handheld GPS units (Garmin GPSMAP 78s) were used to define field locations of soil, rock chip samples. These locations were considered accurate to 5 m. The grid system used is UTM Zone 36S, WGS 84. The GPS was sufficient topographic control with data downloaded via Map Source to the Microsoft Excel spreadsheet.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	No compositing was applied to soil, rock-chip samples. The reported soil and rock chip spacing is suitable for exploration.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Soil and rock-chip sampling was of a reconnaissance nature only and was not designed to achieve unbiased sampling.
Sample security	*The measures taken to ensure sample security.*	Samples were collected from the Globe Metals and Mining Exploration, Malawi office and delivered by secure transport to Genalysis Laboratory in Johannesburg, South Africa. Chain of custody was overseen by the Geology Manager.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Data was reviewed and audited on a regular basis, along with QAQC checks, no problematic issues were identified.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Exploration is conducted within the Salambidwe Licence in Malawi, being: • Salambidwe EL0518 is held by Green Exploration Limited and covers an area of 24.9 km^2. The licence is in good standing and no known impediments are known to exist.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	**<u>Geological Survey Department of Malawi</u>** **Geochemistry** In 1963 the Geological Survey Department of Malawi mapped the "Geology of the Salambidwe Ring Structure". A regional geochemical drainage surveys undertaken between 1969 and 1970 across the central and southern regions of Malawi, covered the Salambidwe syenite complex and returned high zinc, molybdenum, tin values with low copper, nickel and chromium. **<u>United Nation Development Program (1986)</u>** **Geophysics** In 1986, the United Nation Development Program sponsored an airborne magnetic and radiometric survey was undertaken by Huntington Geology and Geophysics Limited. Interpretation was completed by Paterson, Grant & Watson Limited in 1987. The survey located uranium channel anomalies in the region. **<u>Globe Metals and Mining Exploration (2010)</u>** **Soil, pit and auger sampling** In 2010, Globe Metals and Mining completed a 387 soil-pit auger sampling program with nominal holes depths of 30-50 cm; 121 rock chip samples were collected. In 2011, Globe Metals and Mining conducted a crater-wide 393 soil-pit and 59 auger sample program in conjunction with rock-chip sampling.

Criteria	JORC Code explanation	Commentary
		Geophysics In 2011, a ground radiometric survey comprising 2,269 radiometric survey point data was conducted in conjunction with the rock chip sampling.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Salambidwe ring complex is dominated by Karoo-aged sedimentary units of carbonaceous shale, arkose, sandstone and mudstone. These units have been intruded by carbonatite and associated alkaline rocks (syenite, pyroclastics, nepheline and phonolite plugs, alkaline dykes, dolerite and granophyre dykes) of the Chilwa Alkaline Province. The Mount Salambidwe complex is a 6 km diameter ring structure emplaced during the Cretaceous along faults related to the East African Rift. Altered metasediments surround the ring and the structure is characterised by an outer ring of nepheline syenite with an inner core of agglomerate.
Drillhole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* • *easting and northing of the drillhole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar* • *dip and azimuth of the hole* • *downhole length and interception depth* • *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	No drilling is being reported.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No aggregation methods have been used. No metal equivalent values are being used.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* *If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').*	No mineralisation widths have been reported.

Criteria	JORC Code explanation	Commentary
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.*	Location maps of projects within the release with relevant exploration information contained.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The reporting of Exploration Results is considered balanced by the Competent Person. All results have been reported.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	No other exploration to report.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Mineralisation has been identified at all project areas; with the worldwide focus transition to renewal energy will require major new sources of elements critical to this transition. This project has been shown to host potentially economic grades of mineralisation but have not been fully explored to define the extent of this mineralisation. This strategy focusses on significant density of sampling being undertaken to determine mineralised potential and geological control. To strengthen existing knowledge and preliminary geological groundwork of the Project area, the entire crater should be surveyed with ground radiometric. This method should prove effective in identifying areas with potential for REE mineralisation, in the absence of historical and recent airborne geophysics. Further soil sampling is planned to define anomalies.

Appendix C JORC Code, 2012 Edition, Table 1 – Ngala Hill PGM Project

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	Very limited records of historical exploration are currently available. The Geological Survey of Malawi conducted three phases of soil and rock-chip sampling between 1969 and 1971. A total of 646 soils and 32 rock-chip samples, a 60 m x 60 m grid spacing is reported. A ground magnetic survey was conducted in 1972. Phelps Dodge conducted approximately 600 m of trenching in 1999. Trenches were 1.5–2.0 m deep with saprock and saprolite being sampled. Placer Dome extended the trenching in 2000. A diamond drillhole was completed in 1999/2000. A soil program was completed by a private company in 2016. A total of 177 samples were collected on a 100 m x 100 m grid at a nominal 30 cm below surface.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	A single diamond drillhole to 88.2 m has been completed at Ngala Hill. No drill parameters are currently available.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	No drill sampling recovery data is currently available.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* *The total length and percentage of the relevant intersections logged.*	No logging data is currently available.
Subsampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	No information on previous sampling techniques is available. No information on quality assurance/quality control (QAQC) procedures is available.

Criteria	JORC Code explanation	Commentary
	Quality control procedures adopted for all subsampling stages to maximise representivity of samples. *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Sampling of the drillhole has been completed over irregular lengths of 0.63 m to 2.0 m possibly reflecting lithological control to the sampling.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	Drill, rock and trench channel samples were analysed for manganese, cobalt, nickel, copper, zinc, arsenic, palladium, silver, barium, platinum, gold, lead, bismuth. No information as to the laboratory identity, sample preparation or analytical methods is currently available.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	No information on sampling or analysis is currently available.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	No information on the methods of sample location is currently available. The grid system used is UTM Zone 36S, WGS 84.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	No compositing was applied to soil, rock chip or trenching samples. Reported trench sample widths are 2 m or 3 m intervals.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Soil and rock chip sampling was of a reconnaissance nature only and was not designed to achieve unbiased sampling. Orientation of the drillhole with respect to the mineralised structures is not available.
Sample security	*The measures taken to ensure sample security.*	No information on sample security and custody is available.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No information on sample audits or reviews is available.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Exploration is be conducted within a granted licence in Malawi, being: Ngala EL0510 is held by Green Exploration Limited and covers an area of 16.4 km^2. The licence is in good standing and no known impediments are known to exist.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	**Geological Survey of Britain and Malawi (1960)** **Geochemistry** Initially explored in late 1960s by the British and Malawian Geological Surveys when geochemical surveys were completed. **Phelps Dodge (1999)** **Trenching** Phelps Dodge completed about 600 m of trenching in 1999 identifying 64 m wide PGE + gold mineralisation in meta-pyroxenite and amphibolite. **Drilling** Phelps Dodge drilled a single diamond drillhole which did not repeat the trench values. **Placer Dome (2000)** **Drilling** Placer Dome expanded the trenching and drilled four diamond drillholes. **Placer Dome (2000)** **Drilling** MM Mining undertook a drill program in October 2008, however, no results for this were found in the public domain. Previous exploration for Ngala Hill appears to be very poorly reported but further research is required.
Geology	*Deposit type, geological setting and style of mineralisation.*	Ngala Hill is an arcuate- shaped ultramafic chonolith intrusion penetrating Proterozoic Basement Complex gneisses. The 2.4 km x 0.7 km prospect is characterised by an ultramafic suite of pyroxenites and hornblende-pyroxenites with pyroxenite facies hosting platinum group metals and associated copper mineralisation.
Drillhole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* • *easting and northing of the drillhole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar* • *dip and azimuth of the hole* • *downhole length and interception depth* • *hole length.*	Limited information on the drillholes is available.

Criteria	JORC Code explanation	Commentary
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No aggregation methods have been used. No metal equivalent values are being used.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* *If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').*	No mineralisation widths have been reported.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.*	Location maps of projects within the release with relevant exploration information contained.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The reporting of Exploration Results is considered balanced by the Competent Person. All available results have been reported.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	No other exploration to report.

Criteria	JORC Code explanation	Commentary
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Mineralisation has been identified at all project areas; with the worldwide focus transition to renewal energy will require major new sources of elements critical to this transition. The project has been shown to mineralisation but has not been fully explored to define the extent of this mineralisation. Further work planned: • Detailed geological mapping, rock chip and channel sampling program over known mineralised zones and unexplored areas of soil anomalism. • Ground moving loop electromagnetics and fixed loop electromagnetics to identify areas of heavily disseminated semi-massive or massive sulphides hosting high grade palladium+platinum+gold+copper mineralisation. • Trenching over any electromagnetic anomalies that approach surface and over any historical or new zones of soil or rock chip anomalism. • Reverse circulation and diamond drilling to test conductors at depth including downhole electromagnetic surveying.

CSA

csaglobal.com

Annexure C Solicitor's Report

WILLIAM FAULKNER
Attorneys at Law

Alan J. William Chinula, SC
Uchizi L. Chinula
Attorneys

William Faulkner House,
Area 15/175,
Ntcheu Street,
P. O. Box 30636,
Lilongwe 3,
Malawi.
Tel: (265) 0999 962 878

Contact person
Mr. Chinula, SC

E-mail: achinula@williamfaulknermw.com

Our Ref. WF/CONS/814/23

29th March, 2023

The Directors
DY6 Metals Ltd
Level 8, 99 St Georges Tce
PERTH WA 6000
Australia

Dear Sirs,

RE: Local Counsel's Report – Mineral Rights in Malawi

William Faulkner Attorneys at Law (**We**) are a firm of Legal Practitioners and are qualified to advise on matters of Malawian law.

DY6 Metals Ltd ("**DY6**" or the "**Company**") proposes to acquire, via a newly incorporated interposed entity to be wholly owned by DY6 (Green Exploration (Australia) Pty Ltd), 100% of the issued shares in Green Exploration Limited, a company registered in Malawi with registration no. 1013506 of Livingstone Towers, 3rd Floor, Glyn Jones Road, Blantyre, P.O. Box 2420, Blantyre, Malawi ("**GEL**") and list its securities on the Australian Securities Exchange ("**ASX**") ("**IPO**"). This Legal Opinion has been prepared for the sole purpose of inclusion in the Company's IPO prospectus to be lodged with the Australian Securities and Investments Commission ("**ASIC**").

As such, we have been asked as local counsel by DY6 to issue a Legal Opinion in respect of the Licences (as defined below) in order to confirm:

1. The interests held by DY6 in the Licences;
2. Any third party interests, including encumbrances, in relation to the Licences;
3. Any material issues existing in respect of the Licences;
4. Any concurrent interests in the land the subject of the Licences (including other licences, private land and pastoral leases);
5. That the Machinga Main Exploration Licence ("**Machinga Main**") held by GEL is valid and remains in good standing as is set out in Schedule 1 to this Report, which, together with the Notes thereto form

part of this Report;

6. That the Machinga South Exploration Licence Application ("**Machinga South**") has been conditionally approved for GEL subject to approval from the Department of Forestry; and

7. That the Salambidwe Exploration Licence ("**Salambidwe**") held by GEL is valid and remains in good standing as is set out in Schedule 1 to this Report, which, together with the Notes thereto form part of this Report;

8. That the Ngala Hill Exploration Licence ("**Ngala Hill**") held by GEL is valid and remains in good standing as is set out in Schedule 1 to this Report, which, together with the Notes thereto form part of this Report;

9. That GEL has been duly incorporated and remains in good standing; and

10. That GEL holds the full legal and beneficial interest in the Licences, and has good and valid title to all of their assets and that such assets are enforceable in Malawi.

We are a Firm of Lawyers, duly qualified to practice in Malawi and we provide this Report on matters concerning Malawian law alone.

Machinga Main, Machinga South, Salambidwe and Ngala Hill are collectively referred to in this Report as the "**Licences**".

This report ("**Report**") has been prepared for DY6's due diligence requirements and covers:

- details of documents reviewed and searches made in respect of the Licences;
- our qualifications and assumptions;
- general information about mineral rights and the operation of mining legislation in Malawi;
- the corporate status of GEL; and
- details of the Licences set out in Schedule 1.

As used in this opinion letter, the following term shall have the following meaning:

(i) "*Applicable Laws*" means those laws, rules and regulations which, in our experience, are normally applicable to companies in Malawi, without our having made any special investigation as to the applicability of any specific law, rule or regulation, and which are not the subject of a specific opinion herein referring expressly to a particular law or laws;

Malawian Law

This opinion is limited to the law of Malawi as applied by the Courts of Malawi in effect on the date of this opinion. It is given on the basis that all matters relating to it will be governed by, and that it (including all terms used in it) will be construed in accordance with the law of Malawi. We express no opinion as to the laws of any jurisdiction other than Malawi.

Scope of Enquiry

In rendering the opinions set forth herein, we have examined originals or copies of the following:

(a) Memorandum and Articles of Association of GEL;

(b) Certificate of Incorporation of GEL;

(c) Share Transfer Forms in respect of GEL;

(d) Results of title searches on the Licences, and documentation, including Licence Certificates, Licence Area and Minerals, Terms and Conditions and Maps;

(e) The Machinga South exploration licence application and letter of conditional approval provided by the Malawi Department of Mines;

(f) Documentation from the Malawi Revenue Authority showing that GEL are in good standing in payment of Fringe Benefit Tax, Pay As You Earn (PAYE), Withholding Tax and TEVET Levy; and

(g) Civil Registry of the High Court of Malawi, Commercial Division, Lilongwe District Registry shows that there are no litigation or bankruptcy proceedings against GEL.

Our opinions are subject to the following assumptions and qualifications:

(a) the authenticity of all documents submitted to us as originals;

(b) all documents submitted to us as facsimile, electronic, certified or photo static copies conform to the original of such documents;

(c) the genuineness of all signatures (including endorsements); and

(d) our opinion that GEL is a corporate entity validly existing and in good standing as stated below, is based on our examination of documents relating to the incorporation of GEL existing at the Company Registry in the Office of the Registrar General ("**Registrar**") and the tax-related searches noted at (f) above.

LEGAL OPINION

1. CORPORATE STATUS

GEL is a private limited company duly incorporated in Malawi under the Companies Act (No. 15 of 2013) ("**Companies Act**") with a registered company number of 1013506. GEL's registered office is c/- Nyirenda & Msisha, Livingstone Towers, 3rd Floor, Glyn Jones Road, Blantyre, P.O. Box 2420, Blantyre, Malawi.

GEL is a company duly incorporated, validly existing and in good standing, under the Applicable Laws.

We have sited a signed copy of the conditional Option Agreement between GEL, the shareholders of GEL and DY6 dated on or about 16 December 2022, whereby DY6 proposes to acquire 100% of GEL from its shareholders, and in turn, 100% in the Licences ("**Acquisition**") (the "**Option Agreement**"). It is the intention of the parties to the Option Agreement that a newly incorporated interposed entity will be established prior to completion that will 100% own GEL (to be called 'Green Exploration (Australia) Pty Ltd' (**GEA**)), and at completion DY6 will acquire 100% of the issued shares in GEA (and in turn 100% of GEL and the Licences). Completion of the Acquisition will occur just prior to the proposed listing of the Company on the Australian Securities Exchange.

A detailed summary of the terms of the Option Agreement is set out in the "Material Contracts" section 6 of the Company's IPO prospectus lodged with ASIC.

2. SHARE CAPITAL AND SHAREHOLDERS

(a) GEL has 100 shares on issue.

(b) Mr Muhammed Aasin Hassam, a Malawian resident, is the legal and beneficial owner of 99 shares, and Mr Simon Kersey, a UK resident, is the legal and beneficial holder of the remaining 1 share.

(c) The share capital is in conformity with the Applicable Laws and has received all necessary authorisations.

There is the requirement to have one shareholder of a private limited company in Malawi.

3. DIRECTORS

(a) The directors of GEL are as follows:

Malawian Entity	**Directors**
GEL	• Mr Muhammed Aasin Hassam • Mr Simon Kersey

4. SUBSIDIARIES

GEL does not have any subsidiaries.

5. MEMORANDUM AND ARTICLES OF ASSOCIATION

The Memorandum and Articles of Association of GEL is in conformity with the Applicable Laws.

6. MATERIAL LITIGATION

So far as we are aware, there is no litigation or arbitration, prosecution or other civil or criminal legal proceedings pending or threatened, in which GEL is involved which may have, or have had, a significant impact on GEL's financial position. Furthermore, so far as we have been informed by GEL, GEL has not been served with any demand letters and/or summons to enter appearance to date.

7. BANKRUPTCY/RECEIVERSHIP PROCEEDINGS

To the best of our knowledge, information, and belief and after due enquiry, we can confirm that no bankruptcy, receivership, or similar proceedings have been brought against GEL or any of its Directors in Malawi to date.

8. LICENCE, DOCUMENTS AND SEARCHES

8.1 General

Rights for prospecting or mining for minerals in Malawi are licensed under the Mines and Minerals Act (No. 8 of 2019 ("**Mines Act**").

Pursuant to section 33 of the Mines Act, the following mineral tenements may be granted under the Mines Act:

(a) non-exclusive prospecting licence, that grants the holder the non-exclusive right in the licence area, which area is defined by district boundaries, to do prospecting for all minerals;

(b) reconnaissance licence, that grants the holder the non-exclusive right in the licence area to do reconnaissance;

(c) Exploration Licence ("**EL**"), that grants the holder the exclusive right in the licence area to explore for all mineral deposits and an exclusive priority right to apply for a Mining Licence ("**ML**");

(d) Retention Licence ("**RL**"), that grants the holder the right to maintain the exclusive right to apply for a ML in the licence area when exploration has been completed but other specified conditions preclude mining at the present time;

(e) small-scale ML, that grants the exclusive right to mine minerals in the licence area using only small-scale mining methods as defined in section 2;

(f) medium-scale ML, that grants the exclusive right to mine all minerals in the licence area; and

(g) large-scale ML, that grants the exclusive right to mine all minerals in the licence area.

Pursuant to section 19 of the Mines Act, the Commissioner of Mines has power to approve applications:

(a) for the grant of non-exclusive prospecting licences, reconnaissance licences and small-scale MLs, pursuant to section 49 of the Mines Act;

(b) to expand the area of a small-scale ML, pursuant to section 49 of the Mines Act;

(c) to extend the term of mineral tenements, as provided under section 49 of the Mines Act;

(d) to consolidate mineral tenements, pursuant to section 67 of the Mines Act;

(e) for the grant of reserved mineral tenements, pursuant to section 213 of the Mines Act;

(f) for the grant of export permits, pursuant to section 306 of the Mines Act.

Pursuant to section 6 of the Mines Act, the Mineral Resources Committee ("**MRC**") shall have the power to, amongst other items:

(a) recommend for granting to the Minister, applications for ELs, RLs, medium-scale MLs and large-scale MLs; and

(b) recommend to the Minister, upon mandatory referral by the Commissioner, whether an EL, RL or large-scale ML be cancelled.

GEL is the registered holder of the Machinga Main, Salambidwe and Ngala Hill Licences as set out in Schedule 1.

GEL is the applicant for the Machinga South Licence as set out in Schedule 1.

We are satisfied after such enquiry as we deemed necessary for the purposes of this opinion that GEL, where applicable, has good and valid title as per Schedule 1.

Part XVI of the Mines Act deals with Protection of the Environment and in submitting an application for a Licence, the Applicant must ensure that Part of the Mines Act has been complied with.

8.2 Types of Mineral Tenements and other clauses in the Mines Act

Licences that may be granted under the Mines Act include a non-exclusive prospecting licence, reconnaissance licence, EL, RL, and a ML (small, medium and large) as per section 7.1 above. The licence types most applicable to GEL is included below.

8.3 Retention Licences

In accordance with section 134 and 139 of the Mines Act, mineral deposits contained within an EL that have come to the end of their term, as per point 7.5.1 below, can be converted into a RL for a term of up to but does not exceed five (5) years. Justification to grant a RL includes the following:

(a) it has been demonstrated that the applicant has located a mineral deposit which is of commercial significance;

(b) the mineral deposit cannot justifiably be mined at the present time utilizing proven technology for one of the following reasons:

(i) adverse current mineral conditions, which are, or may be, of a temporary nature;

(ii) adverse current financing conditions, which are, or may be, of a temporary nature;

(iii) adverse current infrastructure conditions, which are, or may be of a temporary nature;

(iv) a feasibility study (but not a pre-feasibility study) has been commissioned which has a firm delivery date but which has not yet been completed;

(v) difficulties in obtaining requisite Government approvals are involved before mining can commence or that prevent mining or restrict it in a manner that is, or subject it to conditions that are, for the time being impracticable; or

(vi) agreement or resettlement or compensation arrangements with lawful occupiers or owners of land have not successfully progressed; and

(c) exploration work has progressed as far as is practicable at the time and therefore a RL is necessary.

8.4 Mining Licences:

8.4.1 A company duly incorporated under the Companies Act may apply for a medium or large-scale ML pursuant to sections 149 and 150 of the Mines Act. Determination of the need for a medium or large-scale ML is pursuant to section 148 of the Mines Act.

8.4.2 Pursuant to section 155 of the Mines Act, medium and large-scale MLs shall be granted for an initial period of up to twenty-five (25) years or for the life of the mine, whichever is shorter. A holder of a ML may apply for an extension of up to fifteen (15) years.

8.4.3 Pursuant to section 151 of the Mines Act, medium and large-scale MLs cannot be granted over land which constitutes any part of a RL or exploration licence ("**EL**"), unless the applicant is the holder of the RL or EL, or the holder of such licence has given its written consent to allow the application to be granted.

8.4.4 Pursuant to section 150 of the Mines Act, an application for the grant of a medium-scale ML or large-scale ML shall be submitted to the Registrar in the prescribed form and manner and shall have attached to it:

(a) proof of the company's incorporation or registration under the Companies Act;

(b) the names and nationalities of the directors or equivalent officers and, if the company has share capital, the name of any person who is the beneficial owner of more than five percent (5%) of the issued share capital;

(c) evidence that the applicant has the technical competence to fulfil the licence obligations;

(d) evidence that the applicant has the financial ability or a credible plan to obtain adequate financing to fulfil the licence obligations;

(e) an attestation that the applicant is not barred from being granted a ML;

(f) documentation proving that the project has received approval by the Environment Management Act and a copy of the environmental and social impact assessment report that supported such approval;

(g) a schedule, in the prescribed form, describing the corners of the proposed ML area as prescribed under section 295 of the Mines Act;

(h) a sketch map, in a prescribed form, showing the boundary of the proposed ML area;

(i) a boundary survey, as required under section 159 of the Mines Act, or a waiver as provided by the Commissioner under section 159 of the Mines Act;

(j) an attestation that the area applied for has been marked out as required under section 160;

(k) a justification for the period for which the licence is sought;

(l) where the area applied for is subject to an RL or EL that is held by the applicant, a copy of the applicant's RL or EL;

(m) a report, which may be part of a prefeasibility or feasibility study, prepared by a geologist giving details of the mineral deposits in the area of land over which the licence is sought

  (i) including details of all known mineral resources, minerals proved, estimated or inferred, and ore reserves in accordance with section 298 of the Mines Act; or

  (ii) where the nature of the operation, because of the mineral to be mined, the scale of operation or other circumstance, does not warrant the estimation of mineral resources and reserves (such as a quarry for aggregate), a statement justifying why the applicant should not be required to submit mineral resource and reserve estimates;

(n) a detailed justification for the requested licence area and the requirement that such area shall be justified, in the case of a medium-scale ML, by the required pre-feasibility study or in the case of a large-scale ML, by the required feasibility study, and shall not include any area where mineral potential has not been proved or inferred other than land essential for mining plant and operations;

(o) a report providing the name of each lawful occupier and landowner of lands located in, or partly in, the licence area applied for and, in the case of more than one such holding, the boundaries of each holding within the area of the proposed ML;

(p) a description of plans and initiatives for planned, sustained economic and social development in the region and local communities affected by the mining operation, and

in the case of a large-scale ML, any community development agreements that have already been approved;

(q) in the case of an application for a medium-scale ML:

(i) a community engagement plan pursuant to section 300 of the Mines Act;

(ii) a prefeasibility study pursuant to section 161 of the Mines Act;

(iii) a mining operations plan pursuant to section 162 of the Mines Act;

(iv) a mine site plan pursuant to section 166 of the Mines Act;

(v) a mine waste management plan pursuant to section 167 of the Mines Act;

(vi) a rehabilitation and closure plan pursuant to section 272 of the Mines Act;

(vii) a resettlement management plan pursuant to section 168 of the Mines Act;

(viii) an employment and training plan pursuant to section163 of the Mines Act; and

(ix) a goods and services procurement plan pursuant to section 164 of the Mines Act;

(r) in the case of an application for a large-scale ML:

(i) an attestation that the company has been legally constituted;

(ii) a community engagement plan pursuant to section 300 of the Mines Act;

(iii) a feasibility study (not a pre-feasibility study) pursuant to section 161 of the Mines Act;

(iv) a mining operations plan pursuant to section 162 of the Mines Act;

(v) an employment and training plan pursuant to section163 of the Mines Act;

(vi) a goods and services procurement plan pursuant to section 164 of the Mines Act;

(vii) a mine site plan pursuant to section 166 of the Mines Act;

(viii) a mine waste management plan pursuant to section 167 of the Mines Act;

(ix) a rehabilitation and closure plan pursuant to section 272 of the Mines Act;

(x) a resettlement management plan meeting the requirements of section 168 of the Mines Act; and

(xi) a business development assistance plan pursuant to section 165 of the Mines Act;

(s) any other materials required to be included in the application by the Mines Act or as prescribed;

(t) a description of any circumstances that may require the ML to be granted subject to particular conditions;

(u) any other material addressing matters that the applicant wants to have considered; and

(v) a prescribed application fee or proof that the fee has been paid.

8.5 Exploration Licences:

8.5.1 An EL covering a preliminary period in accordance with section 118 of the Mines Act is granted for a period not exceeding three (3) years. Thereafter two successive periods of renewal may be granted, but each must not exceed two years. This means that an exploration has a potential life span of seven (7) years.

8.5.2 Pursuant to Section 33 of the Mines Act and as noted above, an EL provides the holder the exclusive right in the licence area to explore for all mineral deposits and an exclusive priority right to apply for a ML.

8.5.3 Pursuant to section 119 of the Mines Act, the holder of an EL shall not later than ninety (90) days prior to the expiry of the licence, apply for an extension of the term of the licence (in accordance with the renewal periods noted in the paragraph 7.5.1 above). Where the Commissioner has determined that all required conditions of renewal are met, the Commissioner shall inform the Registrar to endorse the licence with the extended term. In accordance with section 119 subsections (3) and (4) of the Mines Act, at each renewal, the tenure has to be reduced by fifty percent but where the tenure is 25km2 or less, then there will be no reduction. For Machinga Main which is 42.9km2, it will be reduced to 25km2 on renewal.

We do not see any reason why Machinga Main, Salambidwe and Ngala Hill should not be approved for further extension within the usual framework as contained in section 119 of the Mines Act.

We note, Ngala Hill licence is up for renewal on 17 June 2023 (refer to Schedule 1 of this Report). The Company has recently applied to the Department of Mines for a further extension. We have sited the application for renewal as part of this Report. We are not aware of any reason why this licence should not be approved for further extension within the usual framework as contained in section 119 of the Mines Act

8.5.4 GEL has made an application for the Machinga South Licence area, which has been conditionally approved by the Department of Mines, but is subject to consent from the Department of Forestry. GEL is currently engaging with the Department of Forestry in this regard.

Although there is no timeframe stipulated under the Mines Act for receiving a determination, we are not aware of any reasons that would reasonably lead to the conclusion that the Department of Forestry will not approve the application for the Machinga South Licence in the usual and ordinary course.

8.6 Government Ownership Interest:

8.6.1 the Government of Malawi ("**Government**") shall, pursuant to section 269 of the Mines Act, have the right, but not the obligation, to acquire, directly or through a Government nominee, without cost, a free equity ownership interest of up to ten percent (10%) in any mining project that will be subject to a large-scale ML.

8.6.2 The Government shall have a limited-time option to exercise its right to a free equity ownership interest in a mining project commencing at the time that a large-scale ML application is submitted and terminating on the date that the ML application is granted or denied.

8.6.3 At the time that the MRC considers a large-scale ML application, but before it decides the application, it shall recommend in a notice to the Government whether the Government should elect to require a ten percent (10%) free equity ownership interest in the associated mining project.

8.6.4 The Government shall, within twenty-eight (28) days of a notice to decide, in consultation with the minister responsible for finance, and notify the MRC whether the Government shall exercise its right for up to a ten percent (10%) free equity ownership interest in the mining project, and if so, the percentage.

8.6.5 Where the Minister has failed to notify the MRC of his decision within the time period stipulated in point 8.6.4 above, it is deemed that the Government has elected to not exercise its right to a free equity ownership interest in the mining project.

8.6.6 Within fourteen (14) days of receipt of a notice discussed in 8.6.4 above the MRC shall notify the ML applicant of the Government's decision or if the Government is deemed to not have elected to exercise its rights as discussed in 8.6.5 above.

8.6.7 A large-scale ML applicant receiving a notice pursuant to 8.6.6 may withdraw its application but its application fee shall not be refunded.

8.7 Royalty Rates:

8.7.1 In accordance with the Taxation (Amendment) Bill, 2016, a royalty for all minerals exported in an unmanufactured state shall be 5% (five-percent) of their royalty base.

8.8 Transfer of a Mineral Tenement

8.8.1 A holder of a mineral tenement (i.e. a EL, RL and ML) may apply to transfer a mineral

tenement to another party pursuant to Part III, Division 4 of the Mines Act.

8.8.2 Pursuant to Section 59 of the Mines Act, the holder of an EL, RL and ML may apply to transfer a licence to another party via application to the Registrar which shall include:

(a) an instrument of transfer in the prescribed form;

(b) a detailed statement describing the reasons for the requested transfer;

(c) an attestation by the transferee that the transferee:

  (i) has the financial and technical capability to perform all obligations under the tenement and documentation to support the attestation;
  (ii) meets all the eligibility requirements of this Act to hold the type of mineral tenement to be transferred;
  (iii) shall assume all liability for acts or omissions that arose out of the obligations of the mineral tenement before the transfer of such title to the transferee; and
  (iv) upon transfer of the mineral tenement, shall assume all obligations imposed on the mineral tenement by this Act, the regulations and the conditions set out in the licence; and

(d) the prescribed application fee or proof that such fee has been paid.

8.8.3 Upon receipt of an application to transfer a mineral tenement, the Registrar shall determine whether the application meets all the requirements set out paragraph 8.8.2 above and if not, shall reject the application.

8.8.4 Where the Registrar determines that an application submitted meets all the requirements under paragraph 8.8.2, the Registrar shall, within fourteen (14) calendar days, refer the application to the MRC.

8.8.5 Subject to paragraph 7.8.6 below, an application to transfer an EL, EL or ML, the MRC may approve or refuse to approve the application, and an approval may be subject to such conditions as the MRC considers necessary in the circumstances.

8.8.6 The MRC shall give its approval to the transfer of an EL, RL or ML where the transferee:

(a) is a person controlling, controlled by, or under common control with, the transferor;

(b) is a person eligible under this Act to hold that type of mineral tenement;

(c) has provided the attestations required under paragraph 8.8.2 (c) above; and

(d) has demonstrated to the satisfaction of the MRC that transferee has the financial and technical capability to perform all obligations under the tenement.

8.8.7 Where an application to transfer a mineral tenement is approved by the MRC, the Registrar shall, within fourteen (14) calendar days, notify the applicant of the approval and

shall reissue to the transferee, with no change in its term, the mineral tenement licence with the new holder's name and any changed conditions specified by the MRC in the licence being transferred and enter the details of the instrument of transfer in the register.

8.8.8 An instrument of transfer of a mineral tenement shall not convey a legal or equitable interest in a mineral tenement unless and until it has been registered by the Registrar.

8.8.9 Where an application to transfer a mineral tenement is refused, the Registrar shall, within fourteen (14) calendar days, notify the applicant that his application is refused and the reasons for the refusal.

8.9 Title Search Finding and Confirmation

8.9.1 Our search at the registry of Mineral Tenements confirmed the status of the Machinga Main, Salambidwe and Ngala Hill Licences of which GEL is the registered holder, as per Schedule 1.

8.9.2 We confirm that the Machinga Main, Salambidwe and Ngala Hill Licences are validly issued with exclusive rights to undertake mineral exploration and if viable deposits are found, to develop mines at the licensed areas. Furthermore, these licences have been validly granted by the Minister for Mining pursuant to the Mines Act and are valid and in good standing and have not been cancelled, suspended or expired as of the date of this Report. In addition, these licences are also free and clear of liens, encumbrances, other third party interests and agreements. Prior to the grant of Licences, a boundary survey has to be carried out under section 159 of the Mines Act. The boundary survey conducted in relation to the Licences provides that there are no third party interests or agreements including encumbrances, in relation to the land subject of the Licences. The boundary survey also provides that there are no concurrent interests in the land the subject of the Licences (including other licences, private land and pastoral leases).

8.9.3 We have cited the Machinga South application and the conditional letter of approval from the Department of Mines for the grant of the Machinga South EL (which is subject to the consent of the Department of Forestry).

8.9.4 We conducted a search at the Ministry of Mines and hereby confirm that:

- there are no disputes that we are aware of relating to the Licences with any governmental or regional authority or any unrelated third party;
- there are no conditions that would prevent the Licences from being renewed when they become due for renewals;

- any specific conditions attaching to the Licence not expressly set out in the Mines Act will be set out in the Licence terms;

- we are not aware of breach of any of the current conditions or requirements of the Licences;

- we are not aware of any national parks, game reserves or similar overlapping the Licences except Machinga South which was approved subject to permission from the Department of Forestry because part of Machinga South falls within the Zomba-Malosa Forest Reserve. GEL is already in the process of engaging the Department of Forestry;

- we are not aware of any reasons that would reasonably lead to the conclusion that the Department of Forestry will not approve the application for the Machinga South Licence in the usual and ordinary course;

- we are not aware of any land access issues/indigenous rights to the land the subject of the Licences, that may affect exploration or production;

- we are not aware of any environmental matters or regulations that may affect exploration of the Licences;

- we are not aware of any governmental rights to sequester or otherwise appropriate the Licences;

- we are not aware of any impending legislation that may affect the Licences;

- we are not aware of any socio-political matters with legal implication that may affect the Licences;

- there are no other current licences (ML, EL or RL) granted over the area the subject of the Licences;

- we are not aware of any reasons that would reasonably lead to the conclusion that the Licences will not be renewed at their next renewal date; and

- there are no provisions under Malawian law or regulation in relation to the Licences, which would permit it to be forfeited, denied or otherwise withdrawn in the event of change of ownership.

8.9.5 For the purposes of this Report we have searched the mineral titles registry, reviewed the register of Mineral Tenements maintained by the Ministry of Mining and spoken with the Chief Inspector of Explosives to confirm the status of the Licences.

8.9.6 In accordance with the Terms and Conditions issued as part of the Machinga Main Licence, the annual expenditure shall not be less than MWK4,290,000.00.

8.9.7 In accordance with the Terms and Conditions issued as part of the Salambidwe Licence, the annual expenditure shall not be less than MWKK2,490,000.00.

8.9.8 In accordance with the Terms and Conditions issued as part of the Ngala Hill Licence, the annual expenditure shall not be less than MWKK1,640,000.00.

8.9.9 The formula used is K100,000.00 per km2.

9. CONCLUSION

William Faulkner has given, and has not withdrawn, its consent to use this Report in the form and context in which it is included in the IPO prospectus for DY6 to be lodged with the Australian Securities and Investments Commission and is not to be relied on or used for any other purposes.

Yours sincerely,

William Faulkner

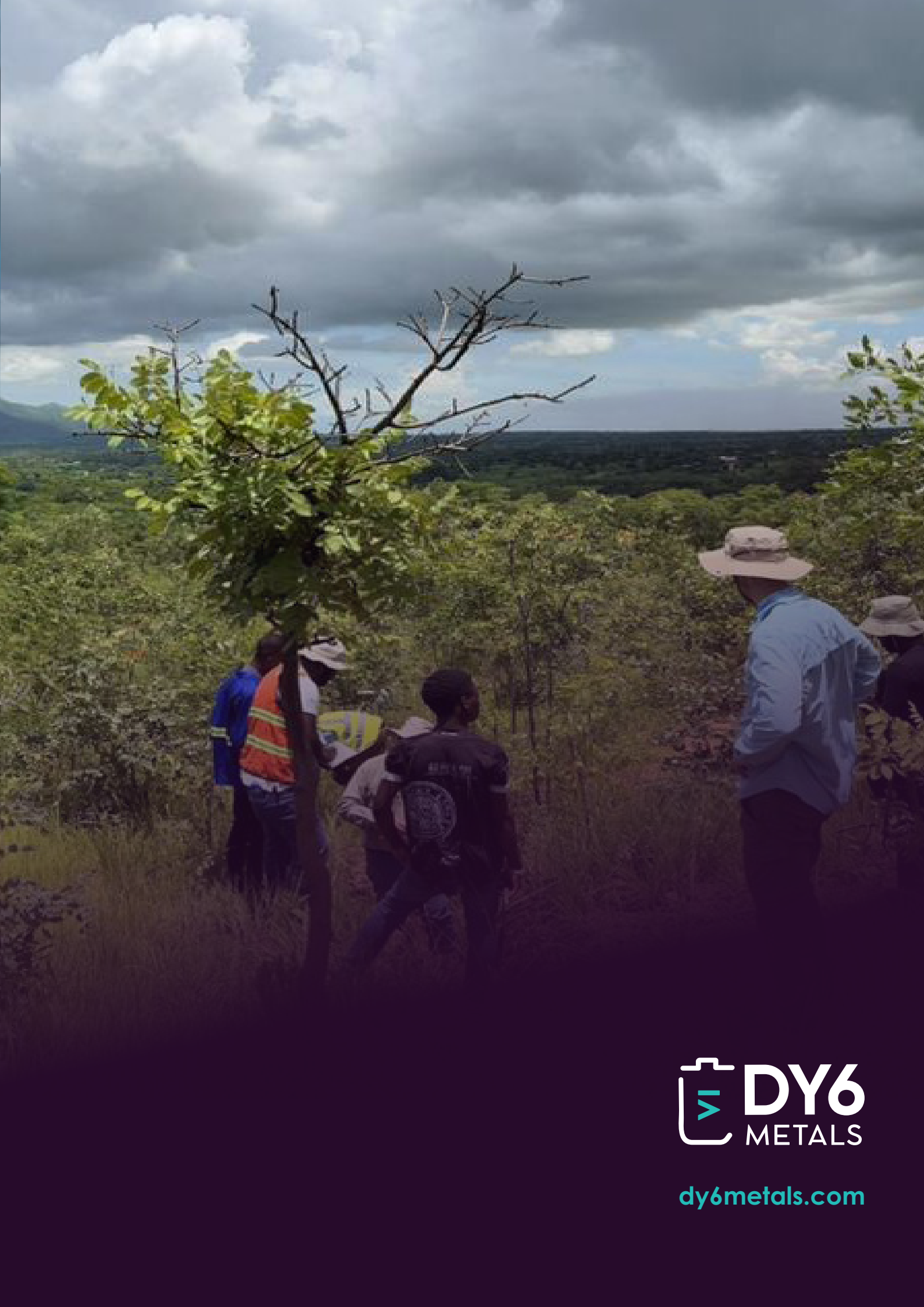
Alan J. William Chinula, SC
Legal Practitioner
and Commissioner for Oaths
Notary Public

SCHEDULE 1

MINERAL TENEMENT SUMMARY

Licence	Holding Entity	Interest	Name	Target Minerals	Grant Date	Next Licence Renewal Date	Expiry Term Date	Licence Area (km^2)	Status	Annual Rent (MWK)	Comments
EL0529	GEL	100%	Machinga Main	HREE, Nb	28/11/2018	**27/11/2023**	27/11/2025	42.9	Granted	42,961.30	Current, in good standing, valid and subsisting
APL0251	GEL	100%	Machinga South	HREE, Nb	-	-	-	157.5	EL Application	-	The licence application has been conditionally approved by the Department of Mines, subject to permission from the Department of Forestry (**DoF**) – since part of the area falls within the Zomba-Malosa Forestry Reserve. Still awaiting DoF approval
EL0518	GEL	100%	Salambidwe	REE	28/11/2018	**27/11/2023**	27/11/2025	24.9	Granted	24,840.00	Current, in good standing, valid and subsisting
EL0510	GEL	100%	Ngala	PGE, Cu, Ni	18/06/2018	**17/06/2023**	17/06/2025	16.4	Granted	15,980.00	Current, in good standing, valid and subsisting

**Note: refer to paragraphs [8.9.6, 8.9.7 and 8.9.8] regarding annual expenditure requirements.*



DY6 METALS

dy6metals.com

DY6 METALS

CONTACT
Level 8, 99 St Georges Tce
Perth WA 6000

+61 8 9486 4036
info@dy6metals.com
dy6metals.com